

1 KARA B. HENDRICKS, ESQ.
 Bar No. 07743
 2 KYLE A. EWING, ESQ.
 Bar No. 014051
 3 CHRISTIAN T. SPAULDING, ESQ
 Nevada Bar No. 14277
 4 **GREENBERG TRAUERIG, LLP**
 10845 Griffith Peak Drive, Suite 600
 5 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 6 Facsimile: (702) 792-9002
 Email: hendricksk@gtlaw.com
 7 ewingk@gtlaw.com
 8 spauldingc@gtlaw.com

9 *Attorneys for Receiver Geoff Winkler*

10
 11 **IN THE UNITED STATES DISTRICT COURT**
 12 **FOR THE DISTRICT OF NEVADA**

13 SECURITIES AND EXCHANGE COMMISSION,

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

14 Plaintiff,

Judge: Hon. Richard F. Boulware
Magistrate Judge: Daniel J. Albregts

15 vs.

16 CAPSOURCE, INC., STEPHEN J. BYRNE, AND
17 GREGORY P. HERLEAN,

Defendants.

**COURT-APPOINTED RECEIVER
GEOFF WINKLER'S MOTION FOR
ORDER AUTHORIZING RECEIVER
TO EMPLOY COUNSEL**

18
 19 COMES NOW, Geoff Winkler, the Court-appointed Receiver (the "Receiver") and seeks this
 20 Court's approval to employ the law firm of Greenberg Traurig as counsel in this matter and related
 21 matters.

22 Considering the complexity of the numerous legal and factual issues facing the Receivership
 23 Estate, and information recently obtained by the Receiver regarding a state court matter filed against
 24 Capsource Inc. ("Capsource"), the assistance of counsel is necessary to adequately carry out the
 25 Receiver's duties and responsibilities under the Appointment Order. As a result, the Receiver has,
 26 subject to this Court's approval, engaged the law firm of Greenberg Traurig, LLP ("GT") to serve as
 27 his counsel in this matter. Pursuant to Local Rule ("LR") 66-6, the Receiver hereby requests
 28 authorization and approval of the engagement of GT and its respective compensation in accordance

GREENBERG TRAUERIG, LLP
 10845 Griffith Peak Drive
 Suite 600
 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 Facsimile: (702) 792-9002

1 with the terms of the Appointment Order and as further set forth herein.

2 This Motion for Order Authorizing the Receiver to Employ Counsel (the “Motion”) is based
3 upon the attached Memorandum of Points and Authorities, the exhibits hereto, the pleadings and
4 papers on file herein, and such other and further arguments and evidence as may be presented to the
5 Court in connection with the Motion.

6 DATED this 7th day of September, 2022.

7 GREENBERG TRAUIG, LLP

8
9 BY: /s/ Kara B Hendricks

10 KARA B. HENDRICKS, Bar No. 07743

11 hendricksk@gtlaw.com

12 KYLE A. EWING, Bar No 014051

13 ewingk@gtlaw.com

14 CHRISTIAN T. SPAULDING, ESQ

15 Nevada Bar No. 14277

16 10845 Griffith Peak Drive, Suite 600

17 Las Vegas, Nevada 89135

18 Attorneys for Geoff Winkler

19 **MEMORANDUM OF POINTS AND AUTHORITIES**

20 **I. RELEVANT BACKGROUND**

21 The Securities and Exchange Commission (“SEC”) filed the complaint in this action on
22 December 31, 2020. ECF No. 1. On March 21, 2022, the SEC filed a Motion to Appoint Receiver
23 (ECF No. 12) which was granted on June 6, 2022. ECF No. 14. On August 26, 2022, this Court
24 entered an Order Appointing Receiver (the “Appointment Order”). ECF No. 17.

25 Subsequent to the entry of the Appointment Order, the Receiver learned of a pending action
26 in the Eighth Judicial District Court, *CAC Investment Ventures, LLC et al. v. Andrew Jolley et al.*,
27 Case No. A-19-802088-B, in which Capsource, Inc. (“Capsource”) is a named defendant (the “State
28 Court Action”).¹ The State Court Action was initiated on September 17, 2019, and per the case docket
report, Capsource was named as a defendant on December 29, 2020. A bench trial in the State Court

¹ Although the Receiver, Geoff Winkler, previously served as the Chief Restructuring Officer of Capsource, he had no knowledge of the pending State Court Action until after the Appointment Order was entered.

GREENBERG TRAUIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

1 action was scheduled to begin on August 30, 2022 and was halted after counsel for Plaintiffs learned
2 of the Appointment Order.

3 Counsel for both the plaintiffs and other defendants in the State Court Action have contacted
4 the Receiver and expressed a desire for the State Court Action to go forward. Additionally, the Judge
5 in the State Court Action has scheduled a status check for September 15, 2022 and set the matter for
6 a calendar call on September 29, 2022 with the goal of having the matter move forward on her October
7 2022 trial stack. Although the parties and court in the State Court Action acknowledge the stay order
8 entered herein, trial alternatives are being considered that could impact Capsource and it is necessary
9 for the Receiver to employ Nevada counsel to help assess and advice regarding the same.

10 Additionally, it is anticipated that legal counsel will be necessary to assist with other issues
11 that may arise during the pendency of this receivership given the complexity of the numerous legal
12 and factual issues facing the receivership estate as further set forth in the Status Reports filed in this
13 matter and given the scope and breadth of the Appointment Order.

14 **II. LEGAL ARGUMENT**

15 The power of a district court to impose a receivership...derives from the inherent power of a
16 court of equity to fashion effective relief.” *S.E.C. v. Wencke*, 622 F.2d 1363, 1369 (9th Cir. 1980).
17 The “primary purpose of equity receiverships is to promote orderly and efficient administration of the
18 estate by the district court for the benefit of creditors.” *S.E.C. v. Hardy*, 803 F.2d 1034, 1038 (9th
19 Cir. 1986). To accomplish the orderly and efficient administration of a receivership estate, the district
20 court holds broad discretion in determining the appropriate steps to be taken, which would
21 indisputably include the receiver’s ability to employ counsel.

22 “A district court’s power to supervise an equity receivership and to determine the
23 appropriate action to be taken in the administration of the receivership is extremely
24 broad. The district court has broad powers and wide discretion to determine the
25 appropriate relief in an equity receivership. The basis for this broad deference to the
26 district court’s supervisory role in equity receiverships arises out of the fact that most
27 receiverships involve multiple parties and complex transactions.”

27 *SEC v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005) (internal citations omitted).

28 Based on this framework, the Ninth Circuit will “generally uphold reasonable procedures instituted

GREENBERG TRAURIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

1 by the district court that service this purpose.” *Hardy*, 803 F.2d at 1038; *see also CFTC v. Topworth*
2 *Int’l, Ltd.*, 205 F.3d 1107, 1115 (9th Cir. 1999).

3 Accordingly, this Court holds the inherent power to permit the Receiver to employ counsel to
4 assist him in carrying out his duties and responsibilities. Moreover, Paragraph 6 (F) of the
5 Appointment Order permits the Receiver to:

6 “engage and employ persons in his discretion to assist him in carrying out his duties
7 and responsibilities hereunder, **including, but not limited to, accountants,**
8 **attorneys**, securities traders, registered representatives, financial or business
9 advisers, liquidating agents, real estate agents, forensic experts, brokers, traders or
auctioneers.” ECF No. 17 at ¶6(F) (emphasis added).

10 Pursuant to the Appointment Order, the Receiver has determined, in his discretion and
11 reasonable business judgment, that the assistance of GT is necessary to orderly and efficiently
12 administer the Receivership Estate given the breadth and complexity of issues in this case.

13 **A. EMPLOYMENT AND COMPENSATION OF GT**

14 The instant Motion is unique in that the services of GT are necessary for this case and also to
15 assist the Receiver in evaluating the State Court Action. As noted above, the State Court Action has
16 been proceeding, without the knowledge of the Receiver who formerly served as the CRO of
17 Capsource, for nearly three (3) years and has a trial looming. The evaluation and determination of
18 the appropriate steps to be taken by the Receiver in the State Court Action is multi-faceted. The
19 Receiver and his counsel must determine the current posture of the State Court Action, Capsource’s
20 involvement and potential liability therein, evaluate joint and several liability arguments relating to
21 other named defendants, evaluate if there is a way for the case to proceed without Capsource’s
22 involvement, and how to best protect the receivership estate with relation to the same. The assistance
23 of counsel is necessary to accomplish these objectives.

24 The Receiver does not practice law in the state of Nevada and American Fiduciary Services
25 LLC does not have the services of in-house counsel that could adequately assist the Receiver in his
26 duties under the Appointment Order. Based on the foregoing, the Receiver has determined, in his
27 reasonable business judgment, that the employment of GT is necessary given the nature of these
28 proceedings, the pending State Court Action, the related business and financial transactions in which

1 the Defendant engaged, along with numerous practical and legal issues likely to arise in this matter,
2 including in connection with the issuance of document requests or demands, subpoenas, and the
3 preparation of the reports and other documents necessitated by the instant matter and the Receiver’s
4 efforts to marshal and recover assets, potentially via litigation, if necessary.

5 Although the foregoing is not an exhaustive list, it is demonstrative of the reasons why
6 employment of GT is necessary as GT will assist the Receiver in, among other things: (a) evaluating
7 the State Court Action; (b) collecting, taking custody, control, possession and charge of all
8 Receivership Property as defined in the Appointment Order (the “Assets”); (c) addressing legal issues
9 related to the administration of such Assets; (d) providing legal advice and support in connection with
10 the Receiver’s investigation and attempts to marshal these Assets, however and wherever held,
11 including making demands for identification and turnover of such assets as contemplated in the
12 Appointment Order and evaluating any available methods of recovering Receivership Assets where
13 necessary; and (e) preparing the submissions to the Court required by the Appointment Order. Based
14 on the foregoing, and in light of the following description of the services and discounted rates GT has
15 agreed to provide, the Receiver respectfully requests this Court authorize and approve the
16 employment of GT.

17 GT was chosen by the Receiver as his counsel based on GT’s expertise and ability to
18 adequately represent the Receiver and assist in the duties and obligations under the Appointment
19 Order and the firms local contacts in Las Vegas and surrounding areas. GT is AV rated by Martindale
20 Hubbell and has an excellent reputation in the legal community. Moreover, GT has extensive
21 experience in all areas of litigation as well as in receivership matters. The Receiver anticipates lead
22 counsel on this case being Kara B. Hendricks with attorneys Kyle A. Ewing, and Christian T.
23 Spaulding primarily assisting. GT also anticipates utilizing paralegal services whenever possible to
24 minimize costs and increase efficiency. The bios of each attorney are attached as Exhibit 1 to the
25 Declaration of Kara B. Hendricks, (“Hendricks Decl.”), attached hereto as **Exhibit A**.

26 Kara Hendricks is a shareholder in GT’s Las Vegas office and has over 20 years of experience
27 litigating matters as well as working with companies to resolve disputes outside of the litigation
28 context. Exh. A, Hendricks Decl. at ¶ 6. Ms. Hendricks is experienced representing businesses in all

GREENBERG TRAURIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

1 manners of contract disputes, litigating products liability matters, handling catastrophic injury cases,
 2 defending civil rights claims, litigating employment non-compete agreements, handling derivative
 3 suits, resolving property and construction defect disputes, assessing insurance coverage issues, and
 4 has represented receivers appointed to handle matters involving insolvent insurance companies. *Id.*
 5 Ms. Hendricks currently serves as counsel for receivers appointed in several insurance insolvency
 6 matters and serves as counsel to the receiver in two pending SEC actions. *Id.*

7 Kyle Ewing and Christian Spaulding are associates in Las Vegas office and regularly practice
 8 in both the state and federal district courts of Nevada. *Id.* at ¶ 7. Kyle Ewing has been practicing
 9 since 2015 and has experience handling large scale and complex litigation in state and federal court.
 10 *Id.* Likewise, Christian Spaulding has been practicing since 2016 and has experience handling large
 11 scale and complex litigation in state and federal court. *Id.* As shareholder, Mrs. Hendricks will
 12 oversee GT’s role in this matter with Mr. Ewing and Mr. Spaulding handling the bulk of the research,
 13 drafting and administrative work required. *Id.* at ¶ 8. In addition to the foregoing, GT may utilize
 14 the services of other attorneys and paralegals within the firm, to the extent additional expertise or
 15 experience is needed. *Id.*

16 GT has agreed to discount its ordinary billing rates for attorneys on this matter by 15%, and
 17 will reduce its paralegal rates to \$175.000 an hour thereby providing a benefit to the Receiver. *Id.* at
 18 ¶ 9. As such, GT proposes the following rates for the legal professionals to be involved in this case.

Name	Description	Regular Rate	Discounted Rate
Kara B. Hendricks	Shareholder	\$565	\$480.25
Kyle A. Ewing	Associate	\$400	\$340.00
Christian T. Spaulding	Associate	\$375	\$318.75
Cynthia Ney	Paralegal	\$295	\$175.00

26 *Id.*

27 ///

28 ///

GREENBERG TRAUERIG, LLP
 10845 Griffith Peak Drive
 Suite 600
 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 Facsimile: (702) 792-9002

1 The above-described staffing arrangement is expected to maximize efficiency and minimize
2 costs to the Receivership Estate and reflects an effective utilization of available resources. *Id.* at ¶
3 10. Other GT attorneys and staff that work on this matter will also be billed at a 15% discount.

4 GT has agreed not to accept compensation for services rendered in this matter except in
5 accordance with the terms of this Motion and any Order entered thereon, and on the terms and
6 conditions set forth in the Appointment Order. Ex. A, Hendricks Decl., ¶ 11. GT will also endeavor
7 to use the person with the lowest billing rate appropriate for the task to minimize professional
8 expenses to the Estate, and each firm understands and agrees that payment of fees and reimbursement
9 of expenses will be subject to the terms and requirements of the Appointment Order. *Id.* at ¶ 11.

10 To the best of the Receiver and his Professionals’ knowledge, GT, nor any of its employees
11 hold an interest or represent any interest adverse to the parties in this matter, or the Receivership
12 Entities and their assets, and have no prior connections with any party. Exh. A, Hendricks Decl. at ¶
13 13.

14 **III. CONCLUSION**

15 For the foregoing reasons, the Receiver respectfully requests this Court enter an Order
16 authorizing the Receiver to employ GT as his counsel in accordance with the terms described herein
17 and has attached hereto as **Exhibit B**, a proposed order to facilitate the same.

18 DATED this 7th day of September, 2022.

19 GREENBERG TRAUIG, LLP

20
21 BY: /s/ Kara B. Hendricks

KARA B. HENDRICKS, ESQ.

Bar No. 07743

KYLE A. EWING, ESQ.

Bar No 014051

CHRISTIAN T. SPAULDING, ESQ.

Nevada Bar No. 14277

GREENBERG TRAUIG, LLP

10845 Griffith Peak Drive, Suite 600

Las Vegas, Nevada 89135

Attorneys for Geoff Winkler

GREENBERG TRAUIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

CERTIFICATE OF SERVICE

Pursuant to Fed. R. Civ. P. 5(b), I hereby certify that on the 7th day of September 2022, a true and correct copy of the foregoing *Court-Appointed Receiver Geoff Winkler's Motion for Order Authorizing Receiver to Employ Counsel* was filed electronically via the Court's CM/ECF system. Notice of filing will be served on all parties registered to this case by operation of the Court's CM/ECF system, and parties may access this filing through the Court's CM/ECF system.

/s/ Pamela January

An employee of GREENBERG TRAUIG, LLP

GREENBERG TRAUIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

LIST OF EXHIBITS

Exhibit “A” DECLARATION OF KARA B. HENDRICKS

Exhibit “B” PROPOSED ORDER

GREENBERG TRAURIG, LLP
10845 Griffith Peak Drive
Suite 600
Las Vegas, Nevada 89135
Telephone: (702) 792-3773
Facsimile: (702) 792-9002

EXHIBIT “A”

DECLARATION OF KARA B. HENDRICKS

Pages 1- 24

UNITED STATES DISTRICT COURT

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

EXHIBIT “A”

DECLARATION OF KARA B. HENDRICKS

Pages 1-24

1 KARA B. HENDRICKS, ESQ.
 Bar No. 07743
 2 KYLE A. EWING, ESQ.
 Bar No. 014051
 3 CHRISTIAN T. SPAULDING, ESQ
 Nevada Bar No. 14277
 4 **GREENBERG TRAUIG, LLP**
 10845 Griffith Peak Drive, Suite 600
 5 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 6 Facsimile: (702) 792-9002
 Email: hendricksk@gtlaw.com
 7 ewingk@gtlaw.com
 8 spauldingc@gtlaw.com

9 *Attorneys for Receiver Geoff Winkler*

10
 11 **IN THE UNITED STATES DISTRICT COURT**
 12 **FOR THE DISTRICT OF NEVADA**

13 SECURITIES AND EXCHANGE COMMISSION,
 14
 Plaintiff,
 15
 vs.
 16 CAPSOURCE, INC., STEPHEN J. BYRNE, AND
 GREGORY P. HERLEAN,
 17
 Defendants.

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

**DECLARATION OF KARA B.
 HENDRICKS IN SUPPORT OF COURT-
 APPOINTED RECEIVER GEOFF
 WINKLER'S MOTION FOR ORDER
 AUTHORIZING RECEIVER TO EMPLOY
 COUNSEL**

18
 19 **DECLARATION OF KARA B. HENDRICKS**
 20 **IN SUPPORT OF COURT-APPOINTED RECEIVER GEOFF WINKLER'S**
MOTION FOR ORDER AUTHORIZING RECEIVER TO EMPLOY COUNSEL

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

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

25 2. I make this declaration in support of the Receiver's motion for order authorizing receiver to
 26 employ counsel (the "Motion").

27 3. I have personal knowledge of the following facts and am competent to testify thereto if
 28 necessary.

GREENBERG TRAUIG, LLP
 10845 Griffith Peak Drive
 Suite 600
 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 Facsimile: (702) 792-9002

1 4. GT is AV rated by Martindale Hubbell and has an excellent reputation in the legal community.
2 Moreover, GT has extensive experience in all areas of litigation as well as in receivership matters.

3 5. I anticipate being lead counsel on this case with attorneys Kyle A. Ewing, and Christian T.
4 Spaulding primarily assisting. GT also anticipates utilizing paralegal services whenever possible to
5 minimize cost and increase efficiency. The bios of each attorney are attached hereto as **Exhibit 1**
6 and a copy of GT's engagement letter is attached hereto as **Exhibit 2**.

7 6. I have over 20 years of experience litigating matters as well as working with companies to
8 resolve disputes outside of the litigation context. I am experienced representing businesses in all
9 manners of contract disputes, litigating products liability matters, handling catastrophic injury cases,
10 defending civil rights claims, litigating employment non-compete agreements, handling derivative
11 suits, resolving property and construction defect disputes, assessing insurance coverage issues, and
12 have represented receivers appointed to handle matters involving insolvent insurance companies.
13 Additionally, I currently serve as counsel for receivers appointed in several insurance insolvency
14 matters and serves as counsel to the receiver in two pending SEC actions

15 7. Kyle Ewing and Christian Spaulding are associates in the Las Vegas office and regularly
16 practice in both the state and federal district courts of Nevada. Mr. Ewing has been practicing since
17 2015 and has experience handling large scale and complex litigation in state and federal court.
18 Christian Spaulding has been practicing since 2016 and has experience handling large scale and
19 complex litigation in state and federal court.

20 8. As a shareholder, I will oversee GT's role in this matter with Mr. Ewing and Mr. Spaulding
21 handling the bulk of the research, drafting and administrative work required. In addition to the
22 foregoing, GT may utilize the services of other attorneys and paralegals within the firm, to the extent
23 additional expertise or experience is needed.

24 9. GT has agreed to discount its ordinary billing rates for attorneys on this matter by 15% and
25 will reduce its paralegal rates to \$175.000 thereby providing a benefit to the Receiver. As such, GT
26 proposes the following rates for the legal professionals involved in this case.

27 ///

28 ///

Name	Description	Regular Rate	Discounted Rate
Kara B. Hendricks	Shareholder	\$565	\$480.25
Kyle A. Ewing	Associate	\$400	\$340.00
Christian T. Spaulding	Associate	\$375	\$318.75
Cynthia Ney	Paralegal	\$295	\$175.00

10. The above-described staffing arrangement is expected to maximize efficiency and minimize costs to the Receivership Estate and reflects an effective utilization of available resources. Other GT attorneys and staff that work on this matter will also be billed at a 15% discount.

11. GT has agreed not to accept compensation for services rendered in this matter except in accordance with the terms of this Motion and any Order entered thereon, and on the terms and conditions set forth in the Appointment Order.

12. GT will endeavor to use the person with the lowest billing rate appropriate for the task to minimize professional expenses to the Receivership Estate, and understands and agrees that payment of fees and reimbursement of expenses will be subject to the terms and requirements of the Appointment Order.

13. To the best of my knowledge, neither GT nor its employees hold an interest or represent any interest adverse to the parties in this matter, or the Receivership Entities and their assets, and have no prior connections with any party.

I declare under penalty of perjury under the laws of the United States of America and the State of Nevada that the foregoing is true and correct.

DATED this 7th day of September, 2022.

/s/ Kara B. Hendricks
KARA B. HENDRICKS, ESQ.

EXHIBIT 1



Kara B. Hendricks

SHAREHOLDER

hendricksk@gtlaw.com

LAS VEGAS
D +1 702.938.6856
T +1 702.792.3773

Kara B. Hendricks has a broad range of experience in litigating matters as well as working with companies to resolve disputes outside of the litigation context. Kara is experienced representing businesses in all manners of contract disputes, litigating products liability matters, handling catastrophic injury cases, defending civil rights claims, litigating employment non-compete agreements, handling derivative suits, resolving property and construction defect disputes, assessing insurance coverage issues, and representing clients in adversary proceedings within the U.S. Bankruptcy Court. She also counsels charter schools and insurance clients regarding statutory and administrative issues and represents such clients in proceedings before Nevada regulatory bodies.

Prior to joining the firm, Kara served as General Counsel with the Nevada Insurance Guaranty Association. She also had a career in broadcast journalism.

Concentrations

- Complex commercial litigation
- Education
- Product liability litigation
- Insurance recovery and advisory
- Nevada administrative matters

Capabilities

[Litigation](#) | [Education](#) | [Rail & Transit](#)

Recognition & Leadership

Awards & Accolades

- Listed, *The Best Lawyers in America*, Commercial Litigation, 2021-2023
- Listed, Vegas Inc., "Top Lawyers," 2021
- Received letter of appreciation from the Federal Supreme Court of Ethiopia for providing pro bono work to the Child Justice Project Office ("CJPO")
- Listed, *Nevada Business* magazine, "Legal Elite," 2012 and 2016

Professional & Community Involvement

- Member, Clark County Bar Association
- Advisory Board Member, Special Olympics of Nevada
- Member, National Conference of Insurance Guaranty Funds, Litigation Committee
- Member, Charter School Association of Nevada

Credentials

Education

- J.D., University of Nevada, Las Vegas
William S. Boyd School of Law, 2001
 - Founding Member, Society of Advocates
 - Second Place Finisher, National ABA Negotiation Competition, 2001
- B.S., Communications, Southern Utah University, 1993
 - Broadcasting and Public Relations

Admissions

- Nevada
- U.S. Court of Appeals for the Ninth Circuit
- U.S. District Court for the District of Nevada

Clerkships

- Hon. James Mahan, U.S. District Court for the District of Nevada

News, Insights & Events

June 28, 2021 PRESS RELEASE

Eight Greenberg Traurig Attorneys are Among Vegas Inc's Top Lawyers

April 09, 2020 PRESS RELEASE

Greenberg Traurigs Kara Hendricks Appointed to Advisory Board of Special Olympics of Nevada



Kyle A. Ewing

ASSOCIATE

ewingk@gtlaw.com

LAS VEGAS
T +1 702.792.3773

Kyle A. Ewing focuses his practice on complex commercial litigation. Kyle's specific areas of focus include commercial construction, securities and corporate governance litigation, fraud and contractual liability, and high-value post-judgment collection. He represents owners/developers, financial institutions, investment and consumer banks, private equity funds, corporate officers and directors, start-up founders, and shareholders of publicly-traded and private corporations in complex litigation and otherwise. Kyle's experience includes prosecuting complex commercial construction claims for defects, fraud, and delay, prosecuting and defending direct and derivative claims for breach of fiduciary duty, defending securities fraud claims, pursuing post-judgment collection efforts on behalf of significant judgment creditors, defending financial institutions in consumer disputes related to mortgages and other extensions of credit, and other complex commercial litigation matters in Nevada and federal courts.

Capabilities

Commercial Litigation

Experience

Representative Matters

- Represented a private corporation and its directors in an action seeking the appointment of a receiver due to alleged mismanagement and insolvency.°
- Represented a significant stockholder of a public company in an action alleging a direct claim for breach of fiduciary duty resulting from a reverse-split of the company's stock.°
- Represented a significant stockholder of a public company in an action seeking appointment of a corporate receiver and asserting direct and derivative claims for breach of fiduciary duty.°
- Represented significant stockholders in a number of actions seeking corporate books and records of publicly traded companies.°
- Represented a private corporation and its directors and officers in a lawsuit alleging securities violations and breach of fiduciary duty for purported misrepresentations in connection with a private placement of stock.°

- Represented a joint venture in the enforcement of a multi-million-dollar judgment against a judgment debtor's cash and assets transferred to multiple foreign jurisdictions.
 -

°The above representations were handled by Mr. Ewing prior to his joining Greenberg Traurig, LLP.

Internships

- Commercial Underwriting Intern, First American Title, 2014
- Summer Extern, Hon. James C. Mahan, U.S. District Court for the District of Nevada, 2013

Recognition & Leadership

Awards & Accolades

- Listed, *Super Lawyers* magazine, *Mountain States Super Lawyers*, "Rising Stars," 2021-2022
- Listed, Legal Aid Center of Southern Nevada, "200-Hour Club," 2019

Professional & Community Involvement

- Howard D. McKibben American Inn of Court, 2018-Present

Credentials

Education

- J.D., Vanderbilt University Law School, 2015
- M.S., Finance, Vanderbilt University, Owen Graduate School of Management, 2015
- B.A., Northwestern University, 2010

Admissions

- Nevada

Clerkships

- Hon. James C. Mahan, U.S. District
Court for the District of Nevada,
2015-2016

News, Insights & Events

July 16, 2021 PRESS RELEASE

**14 Greenberg Traurig Attorneys Recognized as Mountain States
Super Lawyers for 2021**



Christian T. Spaulding

ASSOCIATE

spauldingc@gtlaw.com

LAS VEGAS
T +1 702.792.3773

Christian T. Spaulding is a member of the Litigation Practice in Greenberg Traurig's Las Vegas office. He counsels clients in regulatory and administrative compliance and represents clients in commercial and business litigation, intellectual property litigation, and employment litigation, as well as matters arising from corporate, business, or leasing agreements.

Capabilities

Litigation

Experience

Representative Matters

- Prevailed at summary judgment stage in favor of financial institution in a quiet title action after successfully reopening bankruptcy proceeding for clarification of Court's prior ruling.°
- Regularly represented a large Las Vegas casino in defense of EEOC and NERC Claims.°
- Represented a large international sports entertainment company in contract and business litigation.°
- Protected and enforced the intellectual property rights of a Grammy Award winning recording artist and actress including copyright, trademark and right of publicity.°
- Drafted pleadings and participated in obtaining numerous seizure orders and the seizure of infringing products at the SEMA trade show, including an award of attorney's fees for a manufacturer of aftermarket automotive parts.°
- Member of litigation team handling multi-faceted trade secret litigation involving international manufacturers of building products.°
- Member of litigation team defending prominent automotive garage flooring manufacturer in trademark and breach of contract dispute.°
- Defended and facilitated settlement of claims against a national used car retailer and finance company.°
- Represented medical professional and facilitated settlement in dissolution of partnership.°

°The above representations were handled by Mr. Spaulding prior to his joining Greenberg Traurig, LLP.

Internships

- Intern, Zuffa LLC (The Ultimate Fighting Championship), Legal and Regulatory Affairs, 2015
- Judicial Extern, Hon. James C. Mahan, U.S. District Court for the District of Nevada, 2014
- Judicial Intern, Hon. Susan W. Scann, Nevada Eighth Judicial District Court, 2014

Recognition & Leadership

Awards & Accolades

- Listed, *The Best Lawyers in America*, "Ones to Watch," Litigation - Banking and Finance, 2023
- Listed, *Super Lawyers* magazine, *Mountain States Super Lawyers*, "Rising Stars," 2021-2022
- Listed, Vegas Inc., "Top Lawyers," 2021

Credentials

Education

- J.D., University of Nevada, Las Vegas, William S. Boyd School of Law
 - Nevada Law Editor, *Nevada Law Journal*
- B.A., University of Nevada, Las Vegas

Admissions

- Nevada

Clerkships

- Hon. David M. Jones, Nevada Eighth Judicial District Court, Department XXIX, 2016-2017

News, Insights & Events

June 28, 2021 PRESS RELEASE

Eight Greenberg Traurig Attorneys are Among Vegas Inc's Top Lawyers

EXHIBIT 2



KARA B. HENDRICKS
Shareholder
hendricksk@gtlaw.com
Tel: 702.792.377
Fax: 702.792.9002

September 1, 2022

VIA ELECTRONIC MAIL ONLY

Geoff Winkler
geoff@americanfiduciaryservices.com
AMERICAN FIDUCIARY SERVICES, LLC
715 NW Hoyt Street
Suite 4364
Portland, Oregon 97208

Re: *Greenberg Traurig, LLP Engagement*

Dear Mr. Winkler:

Thank you for proposing to engage Greenberg Traurig, LLP (“*Greenberg Traurig*” or “GT”) as your attorneys in your capacity as the court-appointed receiver in the case in the case styled, *Securities and Exchange Commission v. Capsource, Inc., et al.*, Case No. 2:20-cv-02303 pending in the United States District Court of Nevada and to assist you in evaluating claims asserted the District Court of Clark County, Nevada, Case No. A-19-802088 as further defined below and related matters (“*you*” or “*Client*”). We appreciate the opportunity to provide legal services in this regard.

1. OUR AGREEMENT. This letter sets forth the terms and conditions by which our firm will represent you. It, together with our attached Billing Policies, constitutes the retainer and engagement agreement (the “*Agreement*”) between you and Greenberg Traurig. This is our only agreement for this engagement and we understand that Greenberg Traurig’s engagement and the rates set forth herein are subject to court approval.

If this Agreement is acceptable, please sign and return a copy to me at your earliest convenience; the original is for your files. While we request a signed copy for our records, in the absence of you providing that, this Agreement will be effective if any services as to the Subject Matter defined below are rendered by us and accepted by you. Either return of a signed copy or such rendering and acceptance of services will constitute your assent to this Agreement and make it effective as the contract governing this engagement (“*Your Assent to this Agreement*”).

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 1, 2022
Page 2

2. SCOPE OF ENGAGEMENT:

a. The Engagement and Matter. Our representation of you and this engagement will include only legal representation of Geoff Winkler as receiver in the case styled *Securities and Exchange Commission v. Capsource, Inc., et al.*, Case No. 2:20-cv-02303 pending in the United States District Court of Nevada and to assist you in evaluating claims asserted the District Court of Clark County, Nevada, Case No. A-19-802088 in the case styled *CAC Investment Ventures, LLC et. al. v. Cap Source, et. al.* (the “*Subject Matter*”).

You and Greenberg Traurig or an affiliate of Greenberg Traurig (collectively, “*GT*” or “*we*” or “*us*”) may agree to limit or expand the scope of the Subject Matter, but that will occur and be effective only if agreed in writing by both you and us, with a specific delineation of the nature and scope of such further services. Further, we and you or one of your affiliates may also agree upon other or further representations by GT. If that occurs, unless otherwise agreed in writing, this Agreement will also apply to and govern such other or further representations.

b. The Client. You are the only client for this engagement. Because of the proliferation of entities partially or wholly owned or owning other entities, and the confusion and issues this creates vis-a-vis potential ethical and business conflicts of interest, GT does not and will not regard an affiliate of a client entity (i.e., parent, subsidiary or other entity partially or wholly owned by or owning it) or a person owning, employed by or otherwise connected with the client (e.g., officer, director, member, partner, shareholder, owner, employee, etc.) as a client of GT for any purpose unless a client-lawyer relationship has been established by an express written agreement accepting that specific entity or person as a GT client and the matter involved. Similarly, GT will not regard a representation that is adverse to such an affiliate or person as adverse to the client being represented by GT under this Agreement or in any other matter to which this Agreement applies. Accordingly, if there is such an affiliate or person you wish GT to regard as a client for conflict purposes, please specify that in writing before Your Assent to this Agreement; if any such entity or person is not expressly accepted in writing by GT as a client, it or he/she will not be a GT client.

c. Nature of Services. We will provide only legal services for and in connection with this engagement. We are not providing business, investment, insurance, accounting or other non-legal services, including without limitation the advisability or conduct of inquiry as to the character or credit of those with whom you may be dealing or any other non-legal advice or aspects of the Subject Matter; and you will not look to or rely on GT for those types of services.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 3

Further, our acceptance of this engagement and representation of you is not an undertaking or acknowledgement that GT is or will be your general counsel or your attorney or advisor in any matter other than the Subject Matter, or that GT is representing or will represent you or your interests as to any other matter.

d. Exclusions from Legal Services. Unless expressly included in the Subject Matter, our services will not include advice relating to the tax implications or consequences of this engagement or the results of our representation.

e. No Continuing Obligation. Subject only to possible obligations under the Rules of Professional Conduct (“*Ethics Rules*”) or law, we will have no continuing obligation to you concerning the Subject Matter or this engagement after it is ended. Our representation of you thus does not constitute or include an obligation to advise you or represent you after this engagement is ended as to the Subject Matter, including without limitation in later proceedings or as to subsequent requirements you may have concerning the Subject Matter, or later legal or other developments that might have a bearing on your affairs or the Subject Matter.

3. CONFLICTS: GT represents a broad group and spectrum of clients in a variety of legal matters. As a result, conflicts of interest may arise which, absent an effective conflict waiver, may adversely affect our ability to represent you or your affiliates in pending or future matters and your ability and that of other clients or potential clients to engage GT as their counsel. We wish to be fair to all clients, and to assure that they have the right and ability to use us or any other counsel of their choice. Accordingly, this Agreement confirms that:

a. Consent and Waiver. You are comfortable (after having had sufficient opportunity to consider this Agreement and consult independent counsel to the extent you may wish) that you are adequately informed about the possibility and nature of such conflicts and potential conflicts and of the risks and consequences of them. Therefore, on the conditions stated in this paragraph, you, for yourself and your affiliates, to the fullest extent legally and ethically permissible: [i] waive any such actual or potential conflict which may be presented or occur as a result of this engagement; [ii] consent to GT’s representation now or in the future of other present or future clients on any other matter, whether or not adverse to you or any of your affiliates (including without limitation in transactions, litigation, and other legal or ethical matters) except as stated below (“*Permitted Adverse Representation*”); and [iii] promise not to assert that this engagement or any other GT representation of you or your affiliates provides a basis for disqualifying GT

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 4

from representing any other party in any “Permitted Adverse Representation” or creates or supports any claim of breach of duty against GT.

b. Conditions. The foregoing waiver, consent and promise are conditioned upon GT’s agreement, confirmed hereby, that GT: [i] will not represent another client adverse to you in a matter substantially related to the Subject Matter or to any other matter in which GT is representing or has represented you or your affiliates; [ii] will screen those attorneys representing you or your affiliates from those attorneys representing other clients adverse to you or your affiliates; [iii] not use or disclose your or your affiliates’ confidential information which is not public unless permitted under applicable Ethics Rules, the law or a written agreement pertaining to such confidential information.

c. Continuation. Subject to any limitations under the law and Ethical Rules, these waivers, consents and promises, and the conditions stated above, will continue after the end of GT’s representation of you or your affiliates as to the Subject Matter or in any other engagement.

4. STAFFING. Kara B. Hendricks will be the attorney principally responsible in this engagement. When and as we deem appropriate and consistent with the proper representation of our clients, we use paralegals, junior attorneys, contract attorneys and staff members. We believe the utilization of such others, in consultation with and under supervision of more experienced attorneys, can enable us to economically and efficiently service the engagement. At present, we expect to include and enlist the assistance of the following other attorneys and paralegals: Kyle Ewing, Christian Spaulding and Cynthia Ney. That may change and additional or different attorneys and paralegals may participate or replace others, based on subsequent changes within GT or otherwise relating to this engagement.

If there are changes in staffing, you will be advised. If you wish different persons to be involved, we will discuss that with you to seek to assure you are satisfied with the staffing.

5. FEES AND EXPENSES:

a. Retainer Payment. No retainer will be required.

b. Fees. Unless otherwise agreed in writing, our fees in this engagement will be based upon the time spent by our personnel in accordance with the attached Billing Policies. We have agreed to a discounted rate of fifteen percent 15% off our current standard billing rates. Kara B. Hendricks’ discounted rate for this

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 5

engagement is \$480.25 (15% off of \$565) per hour; Christian T. Spaulding \$318.75 (15% off of \$375) per hour; Kyle Ewing \$340 (15% off of \$400) per hour. Rates for other attorneys in this firm currently range from \$295.00 per hour for the most junior associate to \$820.00 per hour for our most senior attorneys. A fifteen percent (15%) discount will be provided for other firm attorneys who work on this matter. The rate for paralegals is currently \$285.00 per hour, however, for the purposes of this engagement we have agreed to a paralegal rate of \$175.00 an hour.

Depending on circumstances and the passage of time, our rates are subject to change as the engagement progresses. If that is to occur, we will discuss that with you in advance.

c. Expenses. In addition to fees for our legal services, this engagement will require you and us to pay or advance the expenses and disbursements of the type more fully discussed in the attached Billing Policies. When we advance such payments for a client, we do so to expedite the engagement in reliance on the client's promise, confirmed here, to reimburse us for such payments promptly in accordance with the Billing Policies and relevant Court orders.

a. Library Services. GT has engaged a third-party vendor, Library Associates, LLC d/b/a LAC Group, to provide library and research support to our attorneys and staff. We believe, and intend, that this provides a cost saving to our clients without compromising the quality of those services. GT gets a volume discount from our vendors. We seek to pass that on to our clients. But, it is not feasible to calculate the exact part of the discount attributable to a particular matter; so the cost charged to you may not reflect or include the actual allocable amount of the discount. In any event, we believe the cost charged to you will be fair and reasonable.

b. Payment and Possible Liens. Fees and expenses will be payable monthly in accordance with the attached Billing Policies and the Court Order entered in the above referenced matter.

6. COOPERATION AND COMMUNICATION: We are relying on you to provide us with the facts, information, documents and other materials you have concerning the Subject Matter pertinent to this engagement, and to keep us informed if and as you learn and receive more. We also look to you to keep us advised, during the engagement, about your expectations and any concerns you may have regarding our services. You have assured us you will cooperate in our representation, and will make yourself and others available as needed to assist us.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 6

We encourage candid and frequent communication between us. We will keep you informed regarding this engagement, and will consult with you to seek to assure timely and appropriate performance of our legal services. We encourage you to be actively involved in the strategy and tactical management. You, not we, will make the business or technical decisions.

7. TERMINATION AND END OF REPRESENTATION: SUBJECT to applicable court and Ethics Rules, GT or you may terminate this engagement at any time for any reason. Otherwise, our engagement and representation will end automatically upon the earlier of our final bill for this engagement or six months after we have last recorded billable time for work on it other than as to later requests for audit responses or information about the engagement.

Without limitation of that, subject to applicable court rules, law and Ethical Rules, GT may withdraw from this engagement if: (1) you [i] have not paid our fees or expenses, [ii] are not forthright and cooperative as to our legal services, [iii] falsely or incompletely state facts material to this engagement, or [iv] do not accept our advice; or (2) we discover a conflict with another GT client; or (3) that is otherwise permitted or required under applicable Ethical Rules.

Upon termination or withdrawal, if you request, GT will assist an orderly and effective transition of the matter involved to other counsel of your choice. At GT's option, GT may bill and, if so, you will pay for GT's services and expenses in connection with transition assistance.

If, with our agreement, you later retain us to perform further or additional services, that will be confirmed in writing and our attorney/client relationship will be revived on the terms of this Agreement except to the extent, if any, that we agree in writing to new or supplemental terms of engagement. If we later tell you of developments that may be of interest, by newsletter or otherwise, that will not constitute continuation or revival of an attorney/client relationship.

8. NO GUARANTIES: We have not given you any assurance or guarantee concerning the outcome or success of this engagement or our services, and have not accepted any contractual obligation in that regard. Nor have we made any representation or warranty to you other than as may be expressly stated in this Agreement, and thus have not done so as to whether our services will result in a benefit or recovery for you or, if they do, as to nature, amount or value thereof.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 7

9. CLIENT DOCUMENTS & DATA:

a. Maintenance. We will maintain the documents you give us in our client file for this engagement. At the conclusion of the engagement (or earlier, if appropriate), you must and will advise us which, if any, of the documents in our files you want given to you. We will retain those documents not given to you and ultimately destroy them in accordance with our record retention practice then in effect. We may also retain copies of documents we give you.

b. Cloud Storage. GT will likely use third-party cloud services for your data and the data of other parties during and after our representation of you, which we believe provide enhanced data accessibility. GT has ISO 27001:2013 data security certification; and we use only services who we believe have the same or better security than us. Cloud services do not guaranty immunity from invasion or misuse; and no one fully knows the capabilities of hackers, now or in the future. But, we believe the cloud services we use have state-of-the-art data protections and provide appropriate security protections for the confidentiality of data without significant risk of inappropriate access. We believe they also have the ability to take advantage of future security developments. We require that those cloud services employ data encryption, password protection, access verification, firewalls, antivirus software, intrusion detection, and system monitoring, as well as assurance of adherence to applicable data privacy and security laws.

Your Assent to this Agreement confirms your consent to our using such cloud services for your data. If you do not consent, please strike through this subparagraph and initial that change in the margin.

c. Requests for Copies. If you request a copy of a portion or all of our files for this engagement, whether before or after the end of our representation, and if a substantial amount of material is being provided, GT may, at GT's option, bill for the reasonable costs of copying, assemblage and delivery of such materials; and, if billed, you will pay that.

d. GDPR. Personal data of individuals located in the European Economic Area ("*EEA*") is protected by the European Union's General Data Protection Regulation ("*GDPR*"), similar legislation by other EEA states, and other privacy laws applicable to it. Personal data is broadly defined in the GDPR, and includes identification and other information about oneself such as without limitation national identity numbers (similar to US social security numbers), personal addresses, online names, account numbers, physical and mental health, and cultural and social identity. If you give GT such personal data of anyone or access

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 8

to it, GT will rely that you are entitled to do so under Articles 6 to 11 of the GDPR or other applicable statutory provisions.

Your Assent to this Agreement constitutes your representation and warranty that you are entitled to provide such data and that you will comply or, if such data has been given, have complied with or are exempt from any notification or other requirements applicable to doing so.

e. **Official Inquiries.** You will pay the hourly fees and expenses incurred if GT is required to participate in a future inquiry, investigation or proceedings arising out of or in connection with this engagement, including without limitation producing documents, seeking to claim or defend any attorney-client privilege or giving evidence at an inquiry.

10. PRIVILEGES. Many but not all of our communications with you will be subject to the attorney-client privilege, if any, of the jurisdictions involved. Subject to and as provided in applicable Ethical Rules, we will seek to maintain that privilege unless you instruct or consent otherwise. You will advise us if your communications with us are subject to any other privilege or confidentiality agreement; so that we may take appropriate steps to comply with that.

GT has an Office of Firm Counsel (or General Counsel office) which provides legal advice to our attorneys and staff. We consider and intend the communications between attorneys in that office and GT personnel seeking or containing possible legal advice and any legal advice given by that office to be subject, to the maximum extent available under the law and Ethical Rules, to an attorney-client privilege between GT and those persons, and not subject to any fiduciary or other duty GT has to you. As a result, we are proceeding on the understanding that GT is not and will not be obligated to tell you of those communications or disclose their content and that advice, and that, in any proceeding between us, they will not be discoverable by you.

Your Assent to this Agreement confirms your assent and consent to that privilege and to your not being entitled to disclosure of those communications and that advice.

11. MISCELLANEOUS.

a. **Binding Effect.** This Agreement is personal to us and is not assignable by either of us without the written consent of the other. However, your economic obligations hereunder (including without limitation the attached Billing Policies) are and will be binding on (as applicable) your and our successors and estates, heirs, trustees and other legal representatives.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 9

b. Modification. This Agreement may not be changed, amended, or otherwise modified, in whole or in part, except in a writing executed by all parties to this Agreement. No unilaterally proposed or announced change, supplementation, interpretation, guideline or other statement or pronouncement (by either GT, you or anyone else), whether inconsistent with any provision of the Agreement or otherwise, will be effective or binding or will otherwise suffice to modify or add to this Agreement unless accepted in writing by the other of us and/or, as applicable, any other person or entity sought to be bound or otherwise affected by it.

c. No Waiver. No waiver of any of the provisions of this Agreement (including without limitation the attached Billing Policies) will be effective or binding unless made in writing and signed by whoever is claimed to have given the waiver.

d. Partial Invalidity. If any provision of this Agreement is found to be unenforceable, invalid or illegal, it shall be automatically amended and interpreted in such manner as to be enforceable, valid and legal to the maximum extent possible to fulfill the intent of such provision. The validity or enforceability of the remainder of the Agreement shall not be affected by the invalidity, unenforceability or illegality of any provision unless that negates the material core of this engagement (e.g. our provision of legal services on agreed economic terms).

e. Entire Agreement, etc. This Agreement contains and sets forth the entire agreement between us, and supersedes all prior or other agreements, understandings, writings, pronouncements (written and oral) that may exist or have existed or be promulgated as to this engagement and the Subject Matter. Neither of us has relied on any representation, warranty or other statement or promise concerning this engagement and/or the Subject Matter which is not stated in this writing.

f. Governing Law, etc. All of the rights and obligations of either of us arising under or related to this Agreement are and will be governed by the laws of the State of Nevada irrespective of conflicts of law principles that might otherwise apply.

If and to the extent permissible, the Ethics Rules of the jurisdiction in which a GT attorney provides services as to the Subject Matter or otherwise in this engagement govern and will alone govern and alone apply to the conduct of that attorney.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 10

g. Arbitration. We look forward to, and anticipate, a harmonious relationship. But, if either of us becomes dissatisfied with any aspect of our relationship, our services or this engagement, we will bring that to the attention of the other and seek to resolve that issue by good faith discussions between us. If that is not successful or would be futile, the issue will be resolved in arbitration. Specifically, to the maximum extent permitted by law and applicable Ethics Rules, any disagreement, controversy or dispute (“*Disagreements*”) arising under, concerning or otherwise relating to this Agreement, this engagement, our services for you or your affiliates, our billing and bills will be resolved by confidential binding arbitration before JAMS in Nevada, in accordance with its rules for business and commercial arbitrations then in effect; and confirmation of the award may be made and judgment entered on the award rendered in such arbitration in any state or federal court of the State of Nevada, jurisdiction of which we both consent to, or any other court otherwise having jurisdiction thereof. That will include any possible such claim by you against GT or a GT attorney (including without limitation for negligence, malpractice, breach of contract, breach of fiduciary duty or other wrongdoing), as well as any such claim by GT against you.

There are differing views as to the advisability of arbitration to resolve Disagreements; and some persons reach different conclusions for different matters or types of matters. Some consider arbitration to be a more efficient and lower-cost way to resolve a disagreement; but, others prefer court procedures and proceedings. Moreover, as noted, views may differ depending on the nature of the Disagreement. Without being exhaustive, some of the differences are: In an arbitration, the case will be heard and decided by one or more arbitrators, generally in a private proceeding; whereas, in a court proceeding, the case will be heard by a judge and often a jury, generally in a public courtroom proceeding. Similarly, an arbitration award (i.e., decision) is generally private; whereas, a court decision or jury verdict is generally public. Punitive damages are generally not awardable in an arbitration; whereas, depending on applicable law and the facts, punitive damages may be obtainable in a court proceeding. One generally has a say in choosing the arbitrator or arbitrators; whereas, in a court litigation, the judge will have been elected or appointed, and the litigants generally do not have a say as who that will be. Court decisions are generally appealable and may be changed on review by appellate courts; whereas, an arbitration award (i.e., decision) is generally final, except for limited reasons such as arbitrator bias and other misconduct, and may not be appealed. One is generally responsible for only a limited part of the cost of a court proceeding; whereas, parties generally share the cost of arbitration proceedings, including the arbitrators’ fee, and the arbitrators may assess the full costs of the arbitration on one of the parties. The ability to learn facts and

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 11

questions witnesses before a hearing (referred to as pre-trial discovery) is generally broad in a court proceeding; but, that is generally limited and may be entirely unavailable in an arbitration. You should consider consulting independent counsel as to these factors, the entire subject of arbitration, and whether arbitration as to this engagement is advisable for you.

We will provide, if you request, with the currently applicable arbitration rules and further background on the arbitration body and process; they are also generally available in the internet. We will also discuss, if you wish, the foregoing factors, the available arbitration rules and possible special arbitration procedures.

By signing this Agreement with this paragraph in it, you acknowledge that you are comfortable you understand and have been adequately informed (after having had sufficient opportunity to consult with counsel and obtain any information you wish) to agree to arbitration as provided herein. **If you do not agree to such arbitration, please draw a line through this subparagraph and initial that change in the margin.**

h. Advice as to Agreement. We have encouraged and given you an opportunity to consult with other independent counsel and advisors of your choice regarding the terms and advisability of this Agreement before you sign it or accept our legal services, to the extent you may wish so that your assent has been carefully considered and informed. Your Assent to this Agreement confirms that you have done so to the extent you wish and feel needed, and that you are comfortable you have the information and advice you need or deem prudent in this regard.

i. Marketing Permission. Your Assent to this Agreement confirms your consent that GT may use your name, logo, and a general description of this engagement in its business development efforts and materials.

If you do not wish for this information to be used in that manner, please draw a line through this subparagraph and initial that change in the margin.

j. Headings. The headings on paragraphs and subparagraphs of this Agreement are for convenience only, and have no effect other for convenience of reference.

k. Effectiveness and Execution. This Agreement will become effective and govern this engagement and our relationship as to it and the Subject Matter upon our rendering of any services for you as to the Subject Matter as

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 12

provided above. However and regardless of that, we recommend and ask that you execute and return a copy of this Agreement for our records and keep one for your records. In that regard, this Agreement may be executed in counterparts, which shall constitute together one and the same instrument. Electronic, PDF and facsimile signatures shall be as effective as original ink signatures.

Please countersign a copy of this letter and return it to confirm your assent to this Agreement. For your convenience, enclosed is a self-addressed, stamped envelope.

Best regards,

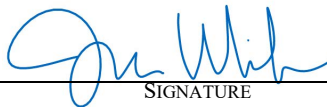
/s/ Kara B. Hendricks

Kara B. Hendricks

KBH:pj

ACCEPTED AND AGREED
WITH CONSENTS AND WAIVERS GRANTED

GEOFF WINKLER

By: 
SIGNATURE

Name: Geoff Winkler, Receiver

Title: Receiver, CapSource, Inc.

Date: 09/01/2022

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 13

BILLING POLICIES

Introduction

This document outlines our standard billing practices, supplementing and as a part of our Agreement with you.

Fees

Our fees are based on the time required to handle the matter at our normal individual lawyer/paralegal hourly rates. Rates for lawyers in the Firm range from \$295.00 per hour for the most junior associates to \$820.00 per hour for our most senior attorneys. The rate for paralegals is \$285.00 per hour. However, as referenced above, attorney and paralegal rates will be discounted for this matter and it is understood they are subject to Court approval. The rates of our lawyers and paralegals are subject to change. Any new rates will be implemented immediately after they are adopted and apply to services rendered after the effective date of them. You will be advised of rate changes, and may discuss them with us.

We will charge for all time spent representing your interests, including without limitation telephone and office conferences with you or your representatives, co-counsel, opposing counsel, fact witnesses, consultants (if any) and others; conferences among our legal and paralegal personnel; legal due diligence; drafting and finalizing letters, emails, agreements, leases, pleadings and other such papers, providing and participation in document and written discovery; factual investigation; legal research; responding to client requests for additional information; responding to client requests to provide information to auditors such as during audits of financial statements; preparation for and attendance at depositions, hearings, mediations, closings, trials, or other proceedings; and travel (both local and out of town) when necessary. Hourly charges are applied to total time devoted to client representation.

Costs and Expenses

We have established prevailing rates for all charges that will be incurred during this engagement. We believe that GT's rates are competitive with those of comparable law firms. You will be responsible to pay all such charges incurred during this engagement and for reimbursing us for any actual expenses we advance on your behalf. Our charges may include without limitation travel, copying, facsimile charges, messenger services, long distance phone calls, computer research services, secretarial overtime and filing fees. These charges may also include any sales or service tax that may be applicable.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 14

Expenses of Outside Contractors

Generally, expenses of outside contractors (such as court reporters, surveyors, title companies, experts and consultants) will be directly billed or directed to the client pursuant to engagement agreements in which payment and indemnification terms remain strictly between the client and the vendor. GT will not be responsible for payment of such services. Prompt payment of these charges is essential enable us to provide timely and efficient service to you, with the assistance of such outside contractors.

If desired and if we are given sufficient expense deposits in advance, GT will directly pay outside contractors. If GT has done so without or before such a deposit, you will promptly reimburse GT for whatever it has paid.

Type of Invoice

Unless otherwise agreed, we will send you a monthly invoice which reflects the amount of our fees and expenses attributable to this engagement during the prior month. At your option, the invoice will be either general or detailed. The general invoice will state the total fees due for legal work and the total expenses incurred and charged to the engagement. In the alternative, the invoice will provide detailed back-up showing the attorneys who worked on the matter, the work performed, the time spent on the task, and the total fee and expense amounts due. If you have special billing procedures or requirements, please advise us promptly, and we will attempt to bill you in accordance with them, to the extent feasible.

Payment of Invoices

GT understands and will comply with the Fees, Expenses and Accounting Provisions set forth the Order Appointing Receiver dated August 26, 2022 (ECF No. 17) in Case No. 2:20-cv-02303 pending in the United States District Court of Nevada and will submit quarterly fee applications with the Court and serve the same upon counsel for the SEC in advance of filing the fee applications to the Court.

In the event of arbitration or suit as to any unpaid fees or costs, if GT prevails, in addition to any other relief or remedy granted to it, GT will be paid or reimbursed for the reasonable value of our attorneys' fees and expenses for and in that proceeding.

Mr. Geoff Winkler
AMERICAN FIDUCIARY SERVICES, LLC
September 2, 2022
Page 15

Questions Regarding Billings

Any questions regarding billing should be immediately directed to the billing attorney or to our Accounting Department.

EXHIBIT “B”

[PROPOSED] ORDER GRANTING RECEIVER’S MOTION FOR ORDER AUTHORIZING RECEIVER TO EMPLOY COUNSEL

Page 1

UNITED STATES DISTRICT COURT

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

EXHIBIT “B”

[PROPOSED] ORDER GRANTING RECEIVER’S MOTION FOR ORDER AUTHORIZING RECEIVER TO EMPLOY COUNSEL

Page 1

1 KARA B. HENDRICKS, ESQ.
 Bar No. 07743
 2 KYLE A. EWING, ESQ.
 Bar No. 014051
 3 CHRISTIAN T. SPAULDING, ESQ
 Nevada Bar No. 14277
 4 **GREENBERG TRAUERIG, LLP**
 10845 Griffith Peak Drive, Suite 600
 5 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 6 Facsimile: (702) 792-9002
 Email: hendricksk@gtlaw.com
 7 ewingk@gtlaw.com
 8 spauldingc@gtlaw.com

9 *Attorneys for Receiver Geoff Winkler*

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

12 SECURITIES AND EXCHANGE COMMISSION,

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

13 Plaintiff,

14 vs.

**[PROPOSED] ORDER GRANTING
 RECEIVER’S MOTION FOR ORDER
 AUTHORIZING RECEIVER TO EMPLOY
 COUNSEL**

15 CAPSOURCE, INC., STEPHEN J. BYRNE, AND
 16 GREGORY P. HERLEAN,
 17 Defendants.

18 **[PROPOSED] ORDER GRANTING RECEIVER’S MOTION FOR ORDER AUTHORIZING
 19 RECEIVER TO EMPLOY COUNSEL**

20 The Receiver’s Motion for Order Authorizing Receiver to Employ Counsel (the “Motion”)
 21 having come before this Court and good cause appearing therefor, this Court ORDERS as follows:

- 22 (1) The Motion is GRANTED; and
 23 (2) Geoff Winkler (the “Receiver”) is authorized to employ the law firm of Greenberg

24 Traurig, LLP as counsel in this matter on the terms set forth in the Motion.

25 **IT IS SO ORDERED**

26 _____
 27 HON. RICHARD F. BOULWARE
 United States District Court Judge
 28 Dated this ____ day of _____ 2022

GREENBERG TRAUERIG, LLP
 10845 Griffith Peak Drive
 Suite 600
 Las Vegas, Nevada 89135
 Telephone: (702) 792-3773
 Facsimile: (702) 792-9002