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10 Attorneys for Receiver
11 THOMAS HEBRANK

12 **UNITED STATES DISTRICT COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**

14
15 SECURITIES AND EXCHANGE
COMMISSION,

16 Plaintiff,

17 v.

18 PACIFIC WEST CAPITAL GROUP,
19 INC.; ANDREW B CALHOUN IV;
PWCG TRUST; BRENDA CHRISTINE
20 BARRY; BAK WEST, INC.; ANDREW B
CALHOUN JR.; ERIC CHRISTOPHER
21 CANNON; CENTURY POINT, LLC;
MICHAEL WAYNE DOTTA; and
22 CALEB AUSTIN MOODY (dba SKY
STONE),

23 Defendants.
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Case No. 2:15-cv-02563 DDP (ASx)

**TWENTY-NINTH INTERIM
APPLICATION OF ALLEN
MATKINS LECK GAMBLE
MALLORY & NATSIS, LLP,
GENERAL COUNSEL TO THE
RECEIVER, FOR PAYMENT OF
FEES AND REIMBURSEMENT OF
EXPENSES**

Date: August 4, 2025
Time: 10:00 a.m.
Ctrm.: 9C
Judge: Hon. Dean D. Pregerson

1 Allen Matkins Leck Gamble Mallory & Natsis LLP (“Allen Matkins”),
2 general counsel to Thomas Hebrank (“Receiver”), the Court-appointed receiver for
3 PWCG Trust, hereby submits this twenty-seventh interim application for approval
4 and payment of fees and reimbursement of expenses (“Application”). This
5 Application covers the period from January 1, 2025, through March 31, 2025
6 (“Twenty-Ninth Application Period”), and seeks interim approval of \$2,496.95 in
7 fees, and an order authorizing the Receiver to pay, on an interim basis, 80% of the
8 fees incurred (\$1,997.56) and 100% of expenses incurred.

9 I. INTRODUCTION

10 This equity receivership was established pursuant to the Consent of
11 Defendant PWCG Trust filed on February 12, 2018, and the Judgment as to
12 Defendant PWCG Trust (“Appointment Order”) entered on February 16, 2018. Dkt.
13 Nos. 143, 145. The Appointment Order confers full powers of an equity receiver,
14 including full power over all funds, assets, and other property of PWCG Trust, and
15 including its bank accounts, life insurance policies (“Policies”), books and records,
16 and all funds and assets controlled or managed by PWCG Trust. The Appointment
17 Order also authorizes the Receiver to “engage and employ attorneys, accountants,
18 and other persons” to assist him in the performance of his duties. Dkt. No. 145,
19 Section III(F).

20 The Receiver promptly determined that his experienced staff at E3 Realty
21 Advisors, Inc., dba E3 Advisors (“E3”), as well as experienced, qualified counsel
22 was critical due to the number of people involved, the amount at stake for investors,
23 the transactional volume, and the complex issues facing PWCG Trust. Accordingly,
24 the Receiver has cost-effectively used his team at E3 to assist in carrying out
25 receivership duties, as well as Allen Matkins as his counsel.

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1 In an abundance of caution, the Receiver sought specific Court approval of
2 Allen Matkins' employment, which was approved on April 10, 2018. Dkt.
3 Nos. 150, 152. The Court also approved the Receiver's proposal to file reports and
4 fee applications on a quarterly basis. *Id.*

5 II. FEE APPLICATION

6 This fee application should be read in conjunction with the Receiver's
7 Twenty-Ninth Interim Report ("Twenty-Ninth Report") filed on May 6, 2025 (Dkt.
8 No. 666), which describes in detail the Receiver's activities during the Twenty-
9 Ninth Application Period. This Application seeks interim approval of \$2,496.95 in
10 fees for a total of 3.10 hours worked, and payment on an interim basis of 80% of
11 that amount, or \$1,997.56. The work performed is described task-by-task on
12 Exhibit A and is broken down into the following categories:

13 Category	Hours	Amount
14 Reporting	2.20	1,772.10
15 Claims & Distributions	0.20	161.00
16 Employment/Fees	0.70	563.85
17 Total	3.10	\$2,496.95

18
19 Allen Matkins has worked efficiently to assist the Receiver to address legal
20 issues facing the receivership estate. The firm's work has allowed the Receiver to
21 preserve and protect the substantial value of receivership estate assets. Allen
22 Matkins' work has assisted the Receiver in carrying out his Court-ordered duties and
23 the firm should be compensated on an interim basis.

24 III. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED

25 A. Categories and Descriptions of Work

26 1. Reporting

27 Allen Matkins' time in this category focused on preparing the Receiver's
28 Twenty-Eighth Interim Report. Dkt. 658. The report contains detailed descriptions

of the Receiver's activities during the fourth quarter of 2024, policy maturities, investor communications, pending litigation, and post-receivership receipts and disbursements. The reports also include the Receiver's recommendations for the continued administration of the receivership estate. The reasonable and necessary fees for work in this category total \$1,772.10.

2. Claims & Distributions

Time in this category was spent responding to a direct inquiry from an investor. The reasonable and necessary fees for work in this category total \$161.00.

3. Employment/Fees

Allen Matkins does not charge for time spent preparing its own fee applications. The firm assisted the Receiver in preparing his Twenty-Eighth Interim Fee Application, which was filed on February 25, 2025. Dkt. 659. The reasonable and necessary fees for work in this category total \$563.85.

IV. FEES AND COSTS INCURRED AND PAID TO DATE

From inception of the receivership through March 31, 2025, the Receiver incurred fees and costs of \$777,377.41, of which amount \$145,781.46 is subject to holdback pending approval of the Receiver's final fee application at the conclusion of the receivership, \$15,872.07 is awaiting the Court's review and approval, and \$618,720.43 has been approved by the Court and paid to date. During the same time period, Allen Matkins has incurred fees and costs of \$1,816,032.10, of which amount \$356,559.01 is subject to holdback pending approval of Allen Matkins' final fee application at the conclusion of the receivership, \$2,496.95 is awaiting the Court's review and approval, and \$1,459,473.09 has been approved by the Court and paid to date.

V. THE FEES AND COSTS ARE REASONABLE AND SHOULD BE ALLOWED

“As a general rule, the expenses and fees of a receivership are a charge upon the property administered.” *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994).

1 These expenses include the fees and expenses of this Receiver and his professionals,
2 including Allen Matkins. Decisions regarding the timing and amount of an award of
3 fees and costs to the Receiver and his Professionals are committed to the sound
4 discretion of the Court. See *SEC v. Elliot*, 953 F.2d 1560, 1577 (11th Cir. 1992)
5 (rev'd in part on other grounds, 998 F.2d 922 (11th Cir. 1993)).

6 In allowing fees, a court should consider “the time, labor and skill required,
7 but not necessarily that actually expended, in the proper performance of the duties
8 imposed by the court upon the receiver[], the fair value of such time, labor and skill
9 measured by conservative business standards, the degree of activity, integrity and
10 dispatch with which the work is conducted and the result obtained.” *United States v.*
11 *Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks
12 omitted). In practical terms, receiver and professional compensation thus ultimately
13 rests upon the result of an equitable, multi-factor balancing test involving the
14 “economy of administration, the burden that the estate may be able to bear, the
15 amount of time required, although not necessarily expended, and the overall value of
16 the services to the estate.” *In re Imperial 400 Nat’l, Inc.*, 432 F.2d 232, 237 (3d Cir.
17 1970). Regardless of how this balancing test is formulated, no single factor is
18 determinative and “a reasonable fee is based [upon] all circumstances surrounding
19 the receivership.” *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,
20 374 F. Supp. 465, 480 (S.D. Tex. 1974).

21 As a preliminary matter, the Appointment Order confers on the Receiver
22 substantial duties and powers, including to conduct such investigation and discovery
23 as is necessary to locate and account for all receivership assets, take such action as is
24 necessary and appropriate to assume control over and preserve receivership assets,
25 and employ attorneys and others to investigate and, where appropriate, institute,
26 pursue, and prosecute all claims and causes of action of whatever kind and nature.
27 See Appointment Order, Section III.

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1 The Receiver promptly determined that experienced, qualified counsel was
2 necessary due to the size and complexity of the receivership estate and the Court
3 agreed, specifically approving Allen Matkins' employment. Dkt. No. 152. The
4 Court also approved the Receiver's proposal to file interim reports and fee
5 applications on a quarterly basis. *Id.*

6 Allen Matkins has submitted a detailed fee application which describes the
7 nature of the services rendered, and the identity and billing rate of each individual
8 performing each task. *See* Exhibit A. Allen Matkins has endeavored to staff matters
9 as efficiently as possible, while remaining cognizant of the complexity of issues.
10 The request for fees is based on Allen Matkins' customary billing rates charged for
11 comparable services provided in other matters, less a 10% discount. Moreover,
12 Allen Matkins wrote off and did not charge for 1.00 hours of work (\$924.30 in fees).

13 The work performed by Allen Matkins was essential to carrying out the
14 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
15 diligently since the Receiver's appointment to preserve and protect the assets of the
16 receivership estate, to investigate potential claims against third parties, and to
17 maximize the funds available for ultimate distribution to investors. Moreover, Allen
18 Matkins seeks payment of only 80% of fees incurred on an interim basis in
19 recognition of the fact that its work in assisting the Receiver is ongoing. Payment of
20 the proposed 20% holdback will be sought at the conclusion of the receivership.
21 Allen Matkins' fees are fair and reasonable and should be approved and paid on an
22 interim basis.

23 VI. CONCLUSION

24 Allen Matkins therefore respectfully requests this Court enter an Order:

- 25 1. Approving Allen Matkins' fees, on an interim basis, of \$2,496.95;
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\$1,997.56, from the assets of the Receivership Entities; and

3. For such other and further relief as the Court deems appropriate.

Dated: July 1, 2025

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
THOMAS HEBRANK

EXHIBIT A

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00004 (Thomas C. Hebrank, as Receiver for PWCG) (Reporting)

Preliminary Billing Form

Billing Atty: 001665 - Fates, Edward (Ted) Matter #: 377432.00004 Client Name: Thomas C. Hebrank, as Receiver for PWCG
 Date of Last Billing: 04/15/25 Matter Name: Reporting
 Proforma Number: 1337747
 Client/Matter Joint Group # 377432-1 Client Matter Number:

Fees for Matter 377432.00004.(Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle Action			
01/15/25	9914333	Work on draft of Receiver's 28th interim report (.9) discuss same and potential for getting updated LE reports with Receiver (.4)	Fates, Edward (Ted)	1.30	1,047.15	1,047.15	WO	HD	TR	_____
01/23/25	9923630	Work on Receiver's 28th interim report (.6) communications with Receiver re: same (.1) meet and confer communications with SEC counsel regarding report (.2)	Fates, Edward (Ted)	0.90	724.95	1,772.10	WO	HD	TR	_____

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Fates, Edward (Ted)	2.20	805.50	1,772.10
		2.20		\$1,772.10
Subtotal Fees				\$1,772.10
Discount				0.00
Total Fees				1,772.10
Total Disbursements				0.00

Attorney Billing Instructions

() BILL ALL () Hold

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00004 (Thomas C. Hebrank, as Receiver for PWCG) (Reporting)

() BILL FEES ONLY () Write Off
() BILL COST ONLY () Transfer All

Billing Instructions

expires 6/30/2026: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

Account Summary – As Of 05/16/25

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disb.	Total	Fees	Disb.	Total	Fees	Disbursements
Worked	6,338.25	6,338.25	0.00	3,544.20	3,544.20	0.00	105,146.55	97,578.45	7,568.10
Unbilled Adj	38.07	38.07	0.00	0.00	0.00	0.00	38.07	38.07	0.00
Billed	5,642.58	4,892.58	750.00	1,956.90	1,656.90	300.00	94,053.78	94,053.78	7,568.10
Collected	5,642.58	4,892.58	750.00	1,956.90	1,656.90	300.00	101,621.88	94,053.78	7,568.10
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIP	3,544.20	3,544.20	0.00						
Balance									
AR Balance	0.00	0.00	0.00						
Unalloc	0.00								
Payment									
Client Trust	0.00								
Balance									

Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00006 (Thomas C. Hebrank, as Receiver for PWCG) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Fates, Edward (Ted) Matter #: 377432.00006 Client Name: Thomas C. Hebrank, as Receiver for PWCG
 Date of Last Billing: 12/16/24 Matter Name: Claims & Distributions
 Proforma Number: 1337747
 Client/Matter Joint Group # 377432-1 Client Matter Number:

Fees for Matter 377432.00006.(Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action
01/29/25	9931430	Respond to inquiry from investor regarding policy maturities and distributions	Fates, Edward (Ted)	0.20	161.10	161.10	WO	HD TR

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Fates, Edward (Ted)	0.20	805.50	161.10
		0.20		\$161.10
Subtotal Fees				\$161.10
Discount				0.00
Total Fees				161.10
Total Disbursements				0.00

Attorney Billing Instructions

() BILL ALL	() Hold
() BILL FEES ONLY	() Write Off
() BILL COST ONLY	() Transfer All

Billing Instructions

expires 6/30/2026: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00006 (Thomas C. Hebrank, as Receiver for PWCG) (Claims & Distributions)

Account Summary – As Of 05/16/25

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disb.	Total	Fees	Disb.	Total	Fees	Disbursements
Worked	1,772.10	1,772.10	0.00	322.20	322.20	0.00	166,004.10	166,004.10	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	9.81	9.81	0.00
Billed	4,565.25	4,565.25	0.00	0.00	0.00	0.00	165,685.41	165,685.41	0.00
Collected	4,565.25	4,565.25	0.00	0.00	0.00	0.00	165,685.41	165,685.41	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>WIP</i>	<i>Total</i>	<i>Fees</i>	<i>Costs</i>						
<i>Balance</i>	<i>322.20</i>	<i>322.20</i>	<i>0.00</i>						
<i>AR Balance</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>						
<i>Unalloc</i>	<i>0.00</i>								
<i>Payment</i>									
<i>Client Trust</i>	<i>0.00</i>								
<i>Balance</i>									

Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00009 (Thomas C. Hebrank, as Receiver for PWCG) (Employment/Fees)

Preliminary Billing Form

Billing Atty: 001665 - Fates, Edward (Ted) Matter #: 377432.00009 Client Name: Thomas C. Hebrank, as Receiver for PWCG
 Date of Last Billing: 04/15/25 Matter Name: Employment/Fees
 Proforma Number: 1337747
 Client/Matter Joint Group # 377432-1 Client Matter Number:

Fees for Matter 377432.00009.(Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum	Circle	Action	
02/12/25	9949793	Assist with revisions to Receiver's 28th interim fee application (.3) meet and confer communications with SEC counsel regarding fee applications (.2)	Fates, Edward (Ted)	0.50	402.75	402.75	WO	HD	TR
02/25/25	9963755	Finalize Receiver's 28th fee application and notice of hearing re: same	Fates, Edward (Ted)	0.20	161.10	563.85	WO	HD	TR

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Fates, Edward (Ted)	0.70	805.50	563.85
		0.70		\$563.85
Subtotal Fees				\$563.85
Discount				0.00
Total Fees				563.85
Total Disbursements				0.00

Attorney Billing Instructions

() BILL ALL () Hold
 () BILL FEES ONLY () Write Off

05/16/25 14:38:13 PROFORMA STATEMENT FOR MATTER 377432.00009 (Thomas C. Hebrank, as Receiver for PWCG) (Employment/Fees)

() BILL COST ONLY () Transfer All

Billing Instructions

expires 6/30/2026: 10% off standard rates (automatic); no text editing; no conf calls; copies @ .10

Account Summary – As Of 05/16/25

	Fiscal YTD			Calendar YTD			LTD		
	Total	Fees	Disb.	Total	Fees	Disb.	Total	Fees	Disbursements
Worked	1,611.00	1,611.00	0.00	563.85	563.85	0.00	16,913.25	16,913.25	0.00
Unbilled Adj	0.00	0.00	0.00	0.00	0.00	0.00	7.11	7.11	0.00
Billed	1,344.15	1,344.15	0.00	483.30	483.30	0.00	16,356.51	16,356.51	0.00
Collected	1,344.15	1,344.15	0.00	483.30	483.30	0.00	16,356.51	16,356.51	0.00
AR Write Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>WIP</i>	<i>Total</i>	<i>Fees</i>	<i>Costs</i>						
<i>Balance</i>	<i>563.85</i>	<i>563.85</i>	<i>0.00</i>						
<i>AR Balance</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>						
<i>Unalloc</i>	<i>0.00</i>								
<i>Payment</i>									
<i>Client Trust</i>	<i>0.00</i>								
<i>Balance</i>									

Billing Address

Thomas C. Hebrank, as Receiver for PWCG Trust
c/o E3 Advisors
501 West Broadway, Suite 800
San Diego, CA 92101