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8 THOMAS A. SEAMAN

9 UNITED STATES DISTRICT COURT  
10 CENTRAL DISTRICT OF CALIFORNIA  
11 SOUTHERN DIVISION

12 SECURITIES AND EXCHANGE  
COMMISSION,

13 Plaintiff,

14 v.

15 MEDICAL CAPITAL HOLDINGS,  
16 INC.; MEDICAL CAPITAL  
CORPORATION; MEDICAL  
17 PROVIDER FUNDING  
CORPORATION VI; SIDNEY M.  
18 FIELD; and JOSEPH J.  
LAMPARIELLO,

19 Defendants.  
20

Case No. SA CV09-0818 DOC (RNBx)

DECLARATION OF LEONARD A.  
RODES IN SUPPORT OF SIXTH  
INTERIM FEE APPLICATION OF  
TRACHTENBERG RODES &  
FRIEDBERG LLP, COUNSEL FOR  
RECEIVERSHIP ENTITY MEDICAL  
CAPITAL CORPORATION AND ITS  
AFFILIATES AND SUBSIDIARIES

Date: October 28, 2013  
Time: 8:30 a.m.  
Ctrm: 9D  
Judge: Hon. David O. Carter

1 Trachtenberg Rodes & Friedberg LLP  
LEONARD RODES (LR 3675)  
2 STEPHEN ARENA (SA 6391)  
3 545 Fifth Avenue  
Suite 640  
4 New York, NY 10017  
Telephone: (212) 972-2929  
5 Facsimile: (212) 972-7581  
E-mail: LRodes@TRFLaw.com  
6 E-mail SArena@TRFLaw.com

7 Counsel for Receivership Entity  
MEDICAL CAPITAL CORPORATION  
8 AND ITS AFFILIATES AND SUBSIDIARIES

9 UNITED STATES DISTRICT COURT  
10 CENTRAL DISTRICT OF CALIFORNIA  
11 SOUTHERN DIVISION

12 SECURITIES AND EXCHANGE  
13 COMMISSION,

14 **Plaintiff,**

15 **vs.**

16 **MEDICAL CAPITAL**  
17 **HOLDINGS, INC.; MEDICAL**  
18 **CAPITAL CORPORATION;**  
19 **MEDICAL PROVIDER**  
20 **FUNDING CORPORATION VI;**  
**SIDNEY M. FIELD; AND**  
**JOSEPH J. LAMPARIELLO,**

Defendants.

Case No. SA CV09-0818 DOC (RNBx)

**DECLARATION OF LEONARD A. RODES IN SUPPORT OF SIXTH INTERIM FEE APPLICATION OF TRACHTENBERG RODES & FRIEDBERG LLP, COUNSEL FOR RECEIVERSHIP ENTITY MEDICAL CAPITAL CORPORATION AND ITS AFFILIATES AND SUBSIDIARIES**

Date: October 28, 2013

Time: 8:30 a.m.

Ctrm: 9D

Judge: Hon. David O. Carter

21 I, Leonard A. Rodes declare as follows:

22 1. I am a partner with the law firm of Trachtenberg Rodes & Friedberg LLP  
23 (“TR&F”), in New York, New York. My law firm has been retained by Thomas A. Seaman  
24 (“Receiver”) to act as, and currently serves as, counsel for Medical Capital Corporation and its  
25 affiliates and subsidiaries (“Medical Capital”). I submit this declaration in support of TR&F’s  
26 Sixth Interim Fee Application, filed concurrently herewith.  
27  
28

1           2.       In October 2009, the Receiver retained TR&F to investigate, research, and  
2 foreclose on any liens Medical Capital may possess on property owned by Parkway Hospital  
3 Associates, including mortgages held by Medical Provider Financial Corporation III in connection  
4 with real property located at 70-35 113<sup>th</sup> Street, Forest Hills, New York 11375 (the “Foreclosure  
5 Matter”). I am lead counsel for the Receiver and Medical Capital in the Foreclosure Matter and  
6 the attorney primarily responsible for the supervision of the legal work performed in connection  
7 therewith. I have personally reviewed the billings in this matter and, therefore, have personal  
8 knowledge of the facts stated in this declaration, which I would testify to if called upon to do so.

9           3.       Attached collectively hereto as Exhibit A is a true and correct copy of the invoice  
10 generated by TR&F in the course of its representation of Medical Capital for professional services  
11 and expenses incurred from May 1, 2012 through July 31, 2013 (the “Sixth Application Period”)  
12 in connection with the Foreclosure Matter.

13           4.       I have been practicing law primarily in New York for nearly thirty (30) years and  
14 have extensive experience in, among other things, corporate law, contract law, business torts,  
15 commercial law, real estate, and securities. I earned my undergraduate degree from Princeton  
16 University in 1979 and my law degree from Boston University in 1983. I am admitted to practice  
17 before all New York State courts, the U. S. District Courts for the Southern and Eastern Districts  
18 of New York, and the U.S. Court of Appeals for the Third and Fourth Circuits. The other attorney  
19 working on the aforementioned matter is Stephen Arena, an associate at TR&F. Mr. Arena has  
20 been practicing law for over seven (7) years and has experience representing clients in connection  
21 with complex commercial litigation, commercial transactions, structured finance and mortgage  
22 loan securitization. Mr. Arena received a Bachelor of Science in Business Administration from  
23 the State University of New York at Albany in 1998, and his J.D. *cum laude* from Seton Hall  
24 University School of Law in 2005. Mr. Arena is admitted to practice in the state of New York and  
25 the U.S. District Courts for the Southern and Eastern Districts of New York.

26           5.       TR&F has collected its time charges and expenses in a computer database under a  
27 distinct client-matter number specifically created for its representation of the Receiver and  
28 Medical Capital in connection with the Foreclosure Matter.

1           6.       We have worked diligently in representing the interests of the Receiver and  
2 Medical Capital. I have staffed each task as efficiently as possible. Our normal hourly rates for  
3 attorneys' services are consistent with the rates charged by other New York City attorneys with  
4 similar expertise and experience. Indeed, while my hourly rate charged to most existing clients  
5 and all new clients was increased (for the first time in several years) from \$450/hour to \$500/hour  
6 as of January 1, 2010 (i.e., only two months after TR&F was retained by the Receiver), I have, at  
7 the request of the Receiver, maintained my hourly rate at \$450/hour throughout the Foreclosure  
8 Matter.

9           7.       Further, at the request of the Receiver, I have credited the Receiver's account in the  
10 amount of \$1,500.00 to offset any time charges based on billing and fee application work during  
11 the Sixth Application Period. That credit appears as an entry dated July 31, 2013 on the invoices  
12 annexed as Exhibit A.

13           8.       During the Sixth Application Period, TR&F spent 32.30 hours in connection with  
14 the Foreclosure Matter, totaling \$9,170.00 in fees which, as explained above, we wrote down by  
15 \$1,500.00, for a total of \$7,670.00, resulting in a blended rate of \$237.46 per hour.

16           9.       Accordingly, by TR&F's Sixth Interim Fee Application, TR&F seeks approval of  
17 \$7,670.00, in fees, which were incurred at a rate of \$450 per hour for partner time, \$300 per hour  
18 for associate time and \$40 per hour for paralegal. TR&F requests that the Receiver be authorized  
19 to pay 100% of the requested fees or, \$7,670.00, at this time.

20           10.      TR&F also seeks reimbursement of \$1,466.74 in costs that it advanced in  
21 connection with the Foreclosure Matter. TR&F requests that the Receiver be authorized to pay  
22 100% of the requested costs, or \$1,466.74, at this time. These costs are detailed in the attached  
23 invoices (Exhibit A) and include: printing, copying, mailing and document management expense  
24 (\$172.19) and online database charges including Westlaw (\$1,294.55).

25           11.      I believe this request is fair and reasonable and that the fees and costs incurred are  
26 necessary to accomplish the Receiver's goals in the Foreclosure Matter. TR&F's request for  
27 compensation is based on its customary billing rates charged in similar matters. TR&F's billing  
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1 rates are comparable to those charged in New York City on similarly complex commercial  
2 matters.

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

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6 Executed on September 24, 2013, in New York, New York

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/s/ Leonard A. Rodes  
LEONARD A. RODES

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# **EXHIBIT A**

Trachtenberg Rodes & Friedberg LLP

545 Fifth Avenue  
New York, New York 10017

Thomas Seaman  
Thomas Seaman Company  
3 Park Plaza, Suite 550  
Irvine, California 92614 United States

August 8, 2013

File Number: 486-004  
Invoice Number: 5820

**Re: Parkway Hospital / Post-Note Sale Matters**

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
May-01-12	Attention to loan sale transaction; attention to settling order on notice.	2.80	840.00	SA
May-02-12	Attention to LSA; attention to filing of settlement of order.	1.60	480.00	SA
	Hand delivery of documents to Queens County courthouse.	2.00	80.00	P/L
May-03-12	Attention to loan sale.	0.30	90.00	SA
May-07-12	Call with T. Fates and I. Gazes; research re status of other collateral after real property foreclosure.	1.20	360.00	SA
May-08-12	Research re interest in personal property collateral after real property foreclosure.	2.60	780.00	SA
May-09-12	Attention to foreclosure matter; correspondence with T. Fates and buyer's counsel.	0.50	150.00	SA
May-14-12	Call with T-mobile counsel.	0.30	90.00	SA
May-15-12	Attention to LSA buyer bankruptcy question; prepare fifth fee application.	1.50	450.00	SA
May-16-12	Prepare fee application; call with T. Fates.	2.20	660.00	SA
May-17-12	Revise fee application.	0.30	90.00	SA

May-21-12	Call with T. Fates; call with H. Stein; attention to loan sale transition.	0.60	180.00	SA
May-22-12	Attention to timing of settlement of order on notice.	0.40	120.00	SA
Jun-12-12	Attention to clerk's misplacement of Settlement of Order papers.	0.75	225.00	SA
Jul-26-12	Attention to status of foreclosure case; call to S. Vavak; call to S. McWalters.	0.25	75.00	SA
Jul-27-12	Review OSC and correspondence with S. Vavak, T. Fates and S. McWalters; attention to status of foreclosure case.	1.25	375.00	SA
Aug-09-12	Attention to R. Aquino bankruptcy, pleadings.	0.50	150.00	SA
Aug-22-12	Attention to status of foreclosure action.	0.30	90.00	SA
Sep-05-12	Review questions re attorneys fees; research re same.	0.50	150.00	SA
Sep-06-12	Call with S. Vavack; attention to foreclosure report questions; attention to correspondence re same.	0.50	150.00	SA
Sep-18-12	Attention to scheduling in foreclosure case.	0.25	75.00	SA
Oct-18-12	Call with S. McQuarters and review of motion to dismiss papers.	0.30	90.00	SA
Nov-14-12	review Parkway appeal and motion for reargument; correspondence with client	1.20	360.00	SA
Nov-15-12	call and conf re Parkway motions	0.70	210.00	SA
Nov-16-12	call and correspondence with S. McQuarters; email to receiver	0.60	180.00	SA
Nov-30-12	research re attorney insurance requirements	1.20	360.00	SA
Dec-06-12	Review decision online notification; call to court; emails re same.	0.30	90.00	SA
Dec-17-12	Call with T. Fates; research re claims against Fazio.	0.40	120.00	SA
Dec-18-12	Research re claims against Fazio.	3.10	930.00	SA



Dec-19-12	Call with T. Fates re Fazio claim research; draft summary email.	0.80	240.00	SA
Jun-17-13	Attention to S. McWalters' correspondence; review note sale agreement and deficiency calculations; research re same; calls with S. McWalters and S. Vavak	1.30	390.00	SA
Jul-03-13	Review billing and payment applications.	1.50	450.00	SA
Jul-08-13	Review billing; calls with T. Fates.	0.30	90.00	SA
Jul-31-13	Write Down (to offset time charges relating to fee application and billing work)	0.00	-1,500.00	LAR
	Totals	32.30	\$7,670.00	

**DISBURSEMENTS****Disbursements****Receipts**

May-02-12	Postage Expense (3 @ 1.50)	4.50	
May-31-12	Photocopy Charges (55 pages @ .20 per page)	11.00	
	Scanning Charges (12 pages @ .25 per page)	3.00	
	Westlaw Charges	171.73	
Jun-04-12	FedEx Charges	101.74	
Jun-30-12	Photocopy Charges (73 pages @ .20 per page)	14.60	
	Scanning Charges (37 pages @ .25 per page)	9.25	
Jul-31-12	Photocopy Charges (24 pages @ .20 per page)	4.80	
Sep-30-12	Westlaw Charges	8.03	
	Photocopy Charges (4 @ .20 per page)	0.80	
Nov-30-12	Westlaw Charges	242.44	
	Scanning Charges (78 pages @ .25 per page)	19.50	
Dec-31-12	Westlaw Charges	779.40	
	Photocopy Charges (2 pages @ .20 per page)	0.40	
Jan-22-13	Public Access to Court Electronic Records (PACER) Services	20.30	
May-31-13	Westlaw Charges	70.43	
Jun-30-13	Westlaw Charges	2.22	
Jul-31-13	Photocopy Charges (13 pages @ .20 per page)	2.60	
	Totals	\$1,466.74	\$0.00

**Total Fees & Disbursements**

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**\$9,136.74**

Previous Balance

\$0.00

Previous Payments

\$0.00

**Balance Due Now**

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**\$9,136.74**