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7 Attorneys for Receiver
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)

FIFTEENTH INTERIM FEE
APPLICATION OF ALLEN MATKINS
LECK GAMBLE MALLORY &
NATSIS LLP, COUNSEL TO THE
RECEIVER

Date: December 16, 2013
Time: 8:30 a.m.
Ctrm: 9D
Judge: Hon. David O. Carter

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1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),
2 general counsel for Thomas A. Seaman ("Receiver"), the court-appointed Permanent
3 Receiver for Medical Capital Holdings, Inc., Medical Capital Corporation, Medical
4 Provider Funding Corporation VI, and their subsidiaries and affiliates (collectively,
5 the "Receivership Entities"), submits this Fifteenth Interim Application for approval
6 and payment of fees and reimbursement of expenses. This application covers the
7 period May 1, 2013 through July 31, 2013 ("Fifteenth Interim Period").

8 Allen Matkins seeks interim approval of \$366,783.05 in fees and \$7,560.41 in
9 expenses incurred during the Fifteenth Interim Period. Allen Matkins asks that the
10 Receiver be authorized to pay 80% of the requested fees, or \$293,426.44 , and 100%
11 of the requested expenses. In light of the Court's prior comments, Allen Matkins
12 has carefully reviewed its invoices with an eye toward providing the best possible
13 value to the receivership estate and has made significant adjustments to such
14 invoices. **In light of the resolution of third party offset issues and the change in**
15 **Allen Matkins' engagement on the Sedgwick matter from hourly rates to a**
16 **contingency fee that took effect during this period, Allen Matkins expects that**
17 **the fees incurred during future periods will be substantially reduced.**

18 The Securities and Exchange Commission ("SEC") has reviewed this
19 Fifteenth Interim Fee Application, along with the Fee Application set for hearing
20 concurrently herewith filed by the Receiver. The SEC does not oppose this
21 Fifteenth Interim Fee Application.

22 **I. INTRODUCTION.**

23 On August 18, 2009, the Court entered the Preliminary Injunction and Order
24 Appointing a Permanent Receiver ("Appointment Order"), making the Receiver's
25 appointment permanent. Section VI of the Appointment Order empowers and
26 directs the Receiver to engage and employ attorneys to (1) assist in investigation and
27 discovery as may be necessary to locate and account for assets of or managed by the
28 Receivership Entities, and (2) investigate and, where appropriate, to institute,

1 pursue, and prosecute all claims and causes of action of whatever kind and nature as
2 a result of the activities of the employees or agents of the Receivership Entities. The
3 Receiver immediately engaged Allen Matkins to serve as his general counsel.

4 With the assistance of Allen Matkins, the Receiver has worked diligently and
5 effectively during the Fifteenth Interim Period to preserve and protect the
6 receivership estate, and maximize the value and recovery from the various
7 receivership assets.

8 The Receiver and his team have utilized numerous strategies to reduce the
9 amount of attorneys' fees incurred as the case proceeds, including the use of
10 additional junior attorneys and paralegals as appropriate. While the fees and costs
11 incurred by Allen Matkins during this Fifteenth Interim Period were significant, the
12 time and effort of Allen Matkins attorneys were necessary to preserve the
13 receivership estate (e.g. address a new lawsuit against the Receiver relating to the
14 Trace nuclear facility in Texas) and maximize the recovery from receivership assets.
15 By this Fee Application, Allen Matkins respectfully requests to be compensated for
16 the services provided during the Fifteenth Interim Period.

17 **II. EXECUTIVE SUMMARY OF TASKS PERFORMED BY ALLEN**
18 **MATKINS DURING THE FIFTEENTH INTERIM PERIOD.**

19 This case requires significant, complex legal work across a broad spectrum of
20 activities, including preserving assets, collecting debts, analyzing and pursuing
21 claims against third parties (including against attorneys and other professionals),
22 negotiating and documenting complex transactions, addressing environmental
23 issues, and obtaining Court approval of various actions by the Receiver. The
24 following is an overview of Allen Matkins' work in significant matters affecting the
25 Receivership Estate during the Fifteenth Interim Period. Further detail is contained
26 within this Fee Application, as well as in the Receiver's monthly reports to the
27 Court. Allen Matkins provided crucial and continuous hands-on assistance to the
28 Receiver on numerous legal matters, including:

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- **Claims/Third Party Recoveries:** Allen Matkins incurred significant fees during the Fifteenth Interim Period assisting the Receiver in analyzing and reporting third party recovery information obtained from noteholders and their representatives. Allen Matkins worked with counsel for brokers to obtain noteholder recovery information to either verify or dispute amounts reported by noteholders. Allen Matkins filed various reports and pleadings with the Court addressing third party recovery issues and resolved numerous disputes and open issues with noteholders. Allen Matkins also assisted the Receiver in addressing the claim submitted by the IRS, including discussions with IRS counsel and analysis of potential procedural options to resolve the claim. The extensive work performed during this period ultimately resulted in the Court's approval of the Receiver's proposed final adjusted claim amounts (Docket No. 1124). Given the Court's approval of the adjusted claim amounts, it is anticipated that minimal additional fees will be incurred in this category of work after August of 2013.
- **Sedgwick Litigation:** During the Fifteenth Interim Period, Allen Matkins spent substantial time addressing discovery issues and disputes, including initial interactions with the discovery master, participation in the meet and confer process with opposing counsel, and participation in motion practice as to unresolved discovery disputes. During this period, Allen Matkins also prepared for and attended a Scheduling Conference with the Court, and spent significant time addressing papers filed by Sedgwick relating to settlement procedures in the related class/mass action cases against the bank trustees, including participation in a related hearing. Allen Matkins also reviewed reply papers and prepared for a hearing on Sedgwick's Motion to Dismiss the Second Amended Complaint, and drafted a

1 Third Amended Complaint. At the Court's directive, Allen Matkins
2 and the Receiver altered the terms of Allen Matkins' engagement as to
3 the Sedgwick case from hourly fees to a contingency fee, effective July
4 1, 2013. The hourly fees requested herein for the Fifteenth Interim
5 Period were incurred on or before June 30, 2013.

- 6 • **Interstate Restoration Litigation:** On May 2, 2013, Interstate
7 Restoration LLC filed an action against the Receiver in the Central
8 District, asserting various causes of action and seeking damages of over
9 \$900,000. The action involves the Receiver's sale of a loan made to
10 Trace Life Sciences, Inc. ("Trace") secured by Texas property,
11 including a radiochemical manufacturing facility, and restoration work
12 performed by the plaintiff at the property. During the Fifteenth Interim
13 Period, Allen Matkins analyzed the Receiver's options concerning the
14 complaint, investigated the underlying facts and circumstances,
15 researched the applicable law, and filed a Motion to Dismiss the
16 complaint. The Motion was filed on June 3, 2013. Allen Matkins also
17 reviewed opposition papers filed by Restoration and prepared and filed
18 reply papers. In addition, Allen Matkins engaged in extensive meet and
19 confer discussions with opposing counsel as to scheduling issues and
20 discovery, including a potential informal exchange of documents.
- 21 • **Lavipharm:** Allen Matkins assisted the Receiver in analyzing the
22 complex intellectual property collateral securing this substantial
23 defaulted loan to Lavipharm Laboratories, Inc. and Lavipharm
24 Corporation (collectively, "Lavipharm"), which has a current principal
25 balance owed of over \$24 million. The loan is secured by various
26 assets, including rights in certain patents for medical delivery systems
27 Allen Matkins worked with an expert concerning a valuation of the
28 borrower's IP assets, and evaluated strategies to maximize the recovery

1 on the loan. Allen Matkins also compiled and analyzed new
 2 information concerning the loan collateral from Wells Fargo, the
 3 trustee for MPIII.

- 4 • **Reporting:** Allen Matkins assisted the Receiver in compiling the
 5 information necessary to prepare and draft his 46th, 47th and
 6 48th Interim Reports to the Court.

7 **III. FEE APPLICATION.**

8 With respect to its work performed during the Fifteenth Interim Period, Allen
 9 Matkins requests approval of \$368,470.40 in fees and \$9,082.70 in expenses. For
 10 ease of review, Allen Matkins has categorized the time billed by its professionals as
 11 follows:

12 **A. Fees Requested (\$366,783.05)**

13 Allen Matkins seeks approval of \$366,783.05 in fees, which are categorized
 14 in the table below.¹ Detailed descriptions of each category of fees and a break-down
 15 of hours by professional are also included below.

CATEGORY	ALLEN MATKINS BILLING CODE	HOURS	FEES
Investigation / Reporting	298591-00004	10.6	\$5,348.00
Third Party Claims	298591-00008	38.5	\$18,490.00
Claims	298591-00009	282.0	\$103,472.50
Medical Provider Funding Corporation III.1 - Assets / Disposition	298591-00013	82.5	\$32,705.50
The Perfect Game	298591-00021	10.2	\$6,138.00
Plan & Distribution	298591-00024	101.2	\$49,728.00
Manatt Phelps & Phillips Litigation	298591-00025	7.4	\$1,915.50
Sedgwick, LLP Litigation	298591-00026	181.4	\$94,029.05
Southwest Atlanta Medical Center	298591-00027	14.1	\$5,916.50
Interstate Restoration	298591-00029	104.5	\$36,217.50
Miscellaneous (General Receivership)	298591-00002	28.8	\$12,772.50

27 ¹ In compliance with agreements reached with the Trustees, a separate billing
 28 number was established for each of the MP entities. Typically, far fewer billing
 categories would be used in such a receivership.

CATEGORY	ALLEN MATKINS BILLING CODE	HOURS	FEES
TOTAL HOURS / FEES		861.2	\$366,783.05

1. Investigation / Reporting [298591-00004] (10.6 hours)

This category contains time spent investigating, analyzing and providing legal advice as to the operations, transactions and assets of the Receivership Entities and recovering documents, records and other information regarding the business and assets of the Receivership Entities. During the Fifteenth Interim Period, Allen Matkins assisted the Receiver with respect to the handling of a document request from a trustee, and spent time gathering information for and preparing three monthly reports to the Court.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	8.7	\$4,654.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.9	\$693.50
TOTAL HOURS & FEES²			10.6	\$5,348.00
TOTAL EXPENSES				\$138.15

2. Third Party Claims [298591-00008] (38.5 hours)

This category contains time spent analyzing and prosecuting claims on behalf of the receivership estate. Pending actions Allen Matkins assisted the Receiver with include the Receiver's claims against Pyramid Technologies, Inc. ("Pyramid"), Anthony Macaluso/ TEEM, LLC ("TEEM"), and Valley Health Care ("VHC").

The Receiver filed a case against Pyramid Technologies in which summary judgment in favor of the Receiver was granted, and the parties stipulated to dismiss the remaining claims in the complaint. The defendants filed a Notice of Appeal on January 6, 2012. One of the owners of Pyramid filed for bankruptcy and Allen

² See Farrell Decl., Exh. A, pp. 11-13.

1 Matkins provided advice to the Receiver concerning bankruptcy issues, including
2 participation in a debtor's examination, and preparation of a complaint contesting
3 the dischargeability of the debt. During the Fifteenth Interim Period, Allen Matkins
4 handled various aspects of the adversary proceeding, including preparation for and
5 participation in a Rule 26 conference with debtors' counsel, preparation of a joint
6 report, preparation of initial disclosures, and participation in a scheduling
7 conference and meeting with opposing counsel.

8 As to the Receiver's claims against VHC, Allen Matkins advised the Receiver
9 regarding enforcement and collection strategy.

10 In the Receiver's case against TEEM, which case is pending before Judge
11 Carney, Allen Matkins prepared for and attended the hearing on May 6, 2013 to
12 approve the settlement agreement. The motion was granted.

13 Allen Matkins also provided advice to the Receiver during the Fifteenth
14 Interim Period concerning a tax foreclosure case in New Jersey involving a MedCap
15 debtor, including various conferences with counsel and work on a stipulation with
16 counsel.

17 As to the Receiver's settlements with the trustees, Allen Matkins provided
18 extensive advise to the Receiver and conflicts counsel concerning procedural and
19 receivership-specific issues relating to Court approval of the settlement. Allen
20 Matkins reviewed Wells Fargo's good faith settlement motion papers and responses
21 to same.

22	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
23	David R. Zaro	Partner	\$560	2.1	\$1,176.00
24		Bankruptcy/Creditors' Rights			
25	Michael R. Farrell	Partner	\$535	8.8	\$4,708.00
26		Litigation			
27	Francis N. Scollan	Partner	\$485	21.1	\$10,233.50
28		Litigation			

1	Edward G. Fates	Senior Counsel	\$365	6.5	\$2,372.50
2		Bankruptcy/Creditors' Rights			
3	TOTAL HOURS & FEES³			38.5	\$18,490.00
4	TOTAL EXPENSES				\$45.51

3. **Claims [298591-00009] (282.0 hours)**

Allen Matkins incurred significant fees during the Fifteenth Interim Period assisting the Receiver in analyzing and reporting third party recovery information obtained from noteholders and their representatives. Allen Matkins worked with counsel for brokers to obtain noteholder recovery information to either verify or dispute amounts reported by noteholders. Allen Matkins filed various reports and pleadings with the Court addressing third party recovery issues and resolved numerous disputes and open issues with noteholders. Allen Matkins also assisted the Receiver in addressing the claim submitted by the IRS, including discussions with IRS counsel and analysis of potential procedural options to resolve the claim. Note, the extensive work performed during this period ultimately resulted in the Court's approval of the Receiver's proposed final adjusted claim amounts (Docket No. 1124). Given the Court's approval of the adjusted claim amounts, it is anticipated that minimal additional fees will be incurred in this category of work after August of 2013.

³ See Farrell Decl., Exh. A, pp. 14-19.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	2.6	\$1,456.00
Michael R. Farrell	Partner Litigation	\$535	44.0	\$23,540.00
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	74.3	\$35,664.00
John T. Kaup	Paralegal Litigation	\$195	16.8	\$3,276.00
Carolina Echeverria	Paralegal Litigation	\$245	14.3	\$3,503.50
Karen Files	Paralegal Bankruptcy/Creditors' Rights	\$260.00	19.2	\$4,992.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	55.5	\$20,257.50
Emily Gillula	Paralegal Litigation	\$195	55.3	\$10,783.50
TOTAL HOURS & FEES⁴			282.0	\$103,472.50
TOTAL EXPENSES				\$4,439.29

**4. Medical Provider Funding Corporation III.1 – Assets /
Disposition [298591-00013] (82.5 hours)**

This category contains time spent analyzing, investigating and preserving the assets of MPIII, Series 1. Allen Matkins assisted the Receiver in analyzing the complex intellectual property collateral securing a substantial defaulted loan, working with an expert concerning a valuation of the borrower's IP assets, and evaluating strategies to maximize the recovery on the loan. The loan in question was made to Lavipharm, which has a current principal balance owed of over \$24 million. The loan is secured by various assets, including rights in certain patents for medical delivery systems, and Allen Matkins spent considerable time analyzing the complex security issues and potential collection issues as to such security involving

⁴ See Farrell Decl., Exh. A, pp. 20-44.

1 both domestic and international law. Allen Matkins also compiled and analyzed
 2 new information concerning the loan collateral from Wells Fargo, the trustee for
 3 MPIII.

4	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
5	David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	3.2	\$1,792.00
6					
7	Michael R. Farrell	Partner Litigation	\$535	17.8	\$9,523.00
8					
9	Debra D. Hall	Partner Corporate & Securities	\$545	2.8	\$1,526.00
10					
11	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.8	\$657.00
12					
13	Joshua Del Castillo	Senior Counsel Bankruptcy/Creditors' Rights/Litigation	\$355	42.6	\$15,123.00
14					
15	Tim Hsu	Associate Litigation	\$295	7.6	\$2,242.00
16					
17					
18	TOTAL HOURS & FEES⁵			82.5	\$32,705.50
19	TOTAL EXPENSES				\$280.00

18 **5. The Perfect Game [298591-00021] (10.2 hours)**

19 The Perfect Game, LLC ("TPG") is a Nevada limited liability corporation
 20 whose primary asset is the rights to a film entitled *The Perfect Game*. The
 21 Receivership Entities own a percentage of TPG and control a majority of the voting
 22 shares of the entity.

23 During the Fifteenth Interim Period, Allen Matkins assisted the Receiver with
 24 issues relating to the distribution agreements with Image Entertainment ("Image")
 25 and Camelot Distribution Group ("Camelot"), and payments owed under such
 26 agreements. Allen Matkins advised the Receiver concerning the potential
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28 ⁵ See Farrell Decl., Exh. A, pp. 45-60.

1 termination of Camelot and prepared various documents related thereto, including a
 2 termination letter. Allen Matkins also advised the Reciever with respect to post-
 3 termination issues.

4	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
5	Michael R. Farrell	Partner Litigation	\$535	1.8	\$963.00
6					
7	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.0	\$365.00
8					
9	Daniel G. McIntosh	Partner Corporate/Entertainment	\$650	7.4	\$4,810.00
10	TOTAL HOURS & FEES⁶			10.2	\$6,138.00
11	TOTAL EXPENSES				\$0.0

12 **6. Plan & Distribution [298591-00024] (101.2 hours)**

13 During the Fifteenth Interim Period, Allen Matkins had numerous
 14 communications with investors concerning the terms of the proposed plan and the
 15 timing of any distributions. Allen Matkins analyzed and advised the Receiver
 16 concerning related settlements and the impact of such settlements on the distribution
 17 of receivership assets, and analyzed the remaining impediments to a distribution and
 18 proposed resolutions of such impediments. Allen Matkins provided substantial
 19 advice and assistance concerning positions taken by creditor Stratose as to trustee
 20 settlements and the impact of same on distribution issues. Allen Matkins engaged in
 21 discussions with counsel for Stratose, reviewed and analyzed various filings by
 22 Stratose, prepared responsive papers to same, and attended hearings on Stratose
 23 issues. Allen Matkins engaged in settlement discussions with Stratose and began
 24 the documentation of the settlement reached by the parties.

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 28 ⁶ See Farrell Decl., Exh. A, pp. 61-63.

1	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
2	David R. Zaro	Partner	\$560	10.5	\$5,880.00
3		Bankruptcy/Creditors' Rights			
4	Michael R. Farrell	Partner	\$535	56.9	\$30,441.50
5		Litigation			
6	Edward G. Fates	Senior Counsel	\$365	24.5	\$8,942.50
7		Bankruptcy/Creditors' Rights			
8	Loraine L. Pedowitz	Senior Counsel	\$480	9.3	\$4,464.00
9		Bankruptcy/Creditors' Rights			
10	TOTAL HOURS & FEES⁷			101.2	\$49,728.00
11	TOTAL EXPENSES				\$115.03

7. **Manatt Phelps & Phillips Claim [298591-00025] (7.5 hours)**

This category includes time spent by Allen Matkins in providing documents and data to the Receiver's Court-approved special counsel (Geragos & Geragos, PC) with respect to the Receiver's claims against former counsel for the Receivership Entities, the law firm of Manatt Phelps & Phillips.

⁷ See Farrell Decl., Exh. A, pp. 64-77.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Rhonda Reid	Paralegal Litigation	\$247.50	7.0	\$1,732.50
Michael R. Farrell	Partner Litigation	\$550	0.2	\$110.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.2	\$73.00
TOTAL HOURS & FEES⁸			4	\$1,915.500
TOTAL EXPENSES				\$0.0

8. Sedgwick, LLP Claim [298591-00026](181.4 hours)

This category includes time spent by Allen Matkins to pursue litigation against former counsel for the Receivership Entities, the law firm of Sedgwick, LLP. The Receiver filed a complaint against Sedgwick on May 2, 2011.

During the Fifteenth Interim Period, Allen Matkins spent substantial time addressing discovery issues and disputes, including initial interactions with the discovery master, participation in the meet and confer process with opposing counsel, and participation in motion practice as to unresolved discovery disputes. During this period, Allen Matkins also prepared for and attended a Scheduling Conference with the Court, and spent significant time addressing papers filed by Sedgwick relating to settlement procedures in the related class/mass action cases against the bank trustees, including participation in a related hearing. Allen Matkins also reviewed reply papers and prepared for a hearing on Sedgwick's Motion to Dismiss the Second Amended Complaint, and drafted a Third Amended Complaint. At the Court's directive, Allen Matkins and the Receiver altered the terms of Allen Matkins' engagement as to the Sedgwick case from hourly fees to a contingency fee,

⁸ Due to confidentiality obligations and the sensitive nature of the matters relating to this matter, billing invoices have not been included in this public document. Copies of such invoices will be provided to the Court, in camera, immediately upon the Court's request.

1 effective July 1, 2013. The hourly fees requested herein for the Fifteenth Interim
 2 Period were incurred on or before June 30, 2013.

3	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
4	David R. Zaro	Partner	\$560	0.6	\$330.00
5		Bankruptcy/Creditors' Rights			
6	Michael R. Farrell	Partner	\$550	3.4	\$1,870.00
7		Litigation			
8	Patrick E. Breen	Partner	\$550	17.3	\$9,515.00
9		Litigation			
10	Stephen S. Walters	Partner	\$550	16.6	\$9,130.00
11		Litigation			
12	Francis N. Scollan	Partner	\$550	119.7	\$65,835.00
13		Litigation			
14	Edward G. Fates	Senior Counsel	\$365	0.7	\$255.50
15		Bankruptcy/Creditors' Rights			
16	Cathy A. Hongola	Associate	\$328.50	17.3	\$5,683.05
17		Litigation			
18	Carolina Echeverria	Paralegal/	\$235.00	2.0	\$470.00
19		Litigation			
20	Alana U. Thorbourne	Associate	\$247.50	3.8	\$940.50
21		Litigation			
22	TOTAL HOURS & FEES⁹			181.4	\$94,029.05
23	TOTAL EXPENSES				\$1,878.38

24 **9. Southwest Atlanta Medical Center [298591-00027]**
 25 **(14.1 hours)**

26 This category contains time spent by Allen Matkins on issues relating to the
 27 Southwest Atlanta Medical Center property located in Atlanta, Georgia. During the
 28 Fifteenth Interim Period, Allen Matkins assisted the Receiver in addressing the lien
 by Inamax on the Southwest Atlanta Hospital property. Allen Matkins reviewed

⁹ Due to confidentiality obligations and the sensitive nature of the matters relating to this matter, billing invoices have not been included in this public document. Copies of such invoices will be provided to the Court, in camera, immediately upon the Court's request.

1 and analyzed a motion filed by Inamax concerning lien priority issues, prepared
 2 opposition papers to same, and reviewed Inamax's reply papers. Allen Matkins
 3 negotiated with Inamax and the trustee a stipulation to toll applicable statutes of
 4 limitation.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	3.4	\$1,819.00
Francis N. Scollan	Partner Litigation	\$550	1.6	\$776.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	9.1	\$3,321.50
TOTAL HOURS & FEES¹⁰			14.1	\$5,916.50
TOTAL EXPENSES				\$41.10

13 **10. Interstate Restoration [298591-00029] (104.5 hours)**

14 On May 2, 2013, Interstate Restoration LLC filed an action against the
 15 Receiver in the Central District, asserting various causes of action and seeking
 16 damages of over \$900,000. The action involves the Receiver's sale of a loan made
 17 to Trace Life Sciences, Inc. ("Trace") secured by Texas property, including a
 18 radiochemical manufacturing facility, and restoration work performed by the
 19 plaintiff at the property. During the Fifteenth Interim Period, Allen Matkins
 20 analyzed the Receiver's options concerning the complaint, investigated the
 21 underlying facts and circumstances, researched the applicable law, and filed a
 22 Motion to Dismiss the complaint. The Motion was filed on June 3, 2013. Allen
 23 Matkins also reviewed opposition papers filed by Restoration and prepared and filed
 24 reply papers. In addition, Allen Matkins engaged in extensive meet and confer
 25 discussions with opposing counsel as to scheduling issues and discovery, including a
 26 potential informal exchange of documents.

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 28 ¹⁰ See Farrell Decl., Exh. A, pp. 78-81.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	18.8	\$10,058.00
John T. Kaup	Paralegal Litigation	\$195	1.0	\$195.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	34.4	\$12,556.00
Josi Swonetz	Associate Litigation	\$270	48.0	\$12,960.00
Melissa K. Zonne	Summer Associate Litigation	\$195	2.3	\$448.50
TOTAL HOURS & FEES¹¹			104.5	\$36,217.50
TOTAL EXPENSES				\$63.50

11. Miscellaneous [298591-00002] (28.8 hours)

This category includes fees and costs for two billing categories: General Receivership and Investor Issues. Specifically, time relating to the administration of the Receivership and communicating with investors are included in this category, including but not limited to:

- General Receivership: Allen Matkins assisted the Receiver with researching, analyzing, and preparing the appropriate documentation to wind up the business of the receivership entity FRMRNHBC, Inc. Allen Matkins also analyzed and advised the Receiver concerning a Court order and additional matters to be addressed to complete the Receiver's work.

¹¹ Due to confidentiality obligations and the sensitive nature of the matters relating to this matter, billing invoices have not been included in this public document. Copies of such invoices will be provided to the Court, in camera, immediately upon the Court's request.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	1.6	\$896.00
Michael R. Farrell	Partner Litigation	\$535	7.4	\$3,959.00
Joe M. Davidson	Partner Corporate	\$565	9.7	\$5,480.50
Scott B. Drake	Paralegal Corporate	\$235	8.3	\$1,950.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	2.7	\$985.50
TOTAL HOURS & FEES¹²			29.78	\$13,271.50
TOTAL EXPENSES				\$559.45

B. Expenses Requested (\$7,560.41)

Allen Matkins also requests that the Court approve \$7,560.41 in expenses. A summary of the expenses by matter is contained in the charts above, and are consolidated for the Court's convenience below. Allen Matkins charges \$0.19 per page for copies and \$2.00 per page on outgoing faxes only. No charge for incoming faxes is included. Messenger fees include hand delivery charges and federal express or other overnight services. The urgency of many matters and the volume of interested parties to whom service of pleadings and other notices were required made overnight services the only practical alternative in many instances. In addition, certain of the pleadings were voluminous.

Copying charges and mail expenses likewise reflect the large volume of parties involved in certain matters, and the Receiver's goal to provide as much information as possible to interested parties. Travel expenses were incurred by Allen Matkins attorneys when their attendance was required at Court hearings and other litigation proceedings.

CATEGORY	EXPENSES
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¹² See Farrell Decl., Exh. A, pp. 4-10.

1	Investigation / Reporting	\$138.15
2	Third Party Claims	\$45.51
3	Claims	\$4,439.29
4	Medical Provider Funding Corporation III.1 - Assets / Disposition	\$280.00
5	Plan & Distribution	\$115.03
6	Sedgwick, LLP Litigation	\$1,878.38
7	Southwest Atlanta Medical Center	\$41.10
8	Interstate Restoration	\$63.50
9	Miscellaneous (General Receivership, Investor Issues)	559.45
	TOTAL EXPENSES:	\$7,560.41

10 **IV. CONCLUSION.**

11 Allen Matkins has worked diligently to assist the Receiver in fulfilling his
 12 assigned duties, and has provided valuable service to the Receivership estate during
 13 this Fifteenth Interim Period. Therefore, pursuant to the legal authorities cited in
 14 Allen Matkins' First Interim Fee Application, and this Court's power to approve the
 15 requested interim fees and expenses, Allen Matkins respectfully requests an order:

- 16 1. Approving and allowing fees totaling \$366,783.05 for the Fifteenth
 17 Interim Period;
- 18 2. Approving and allowing reimbursement of costs totaling \$7,560.41 for
 19 the Fifteenth Interim Period;
- 20 3. Authorizing the Receiver to pay 80% of the allowed amount of
 21 Allen Matkins' fees, which amount is \$293,426.44.
- 22 4. Authorizing the Receiver to pay 100% of the allowed amount of Allen
 23 Matkins' costs, which amount is \$7,560.41 and
- 24 5. For other and further relief as is appropriate.

1 Dated: November 8, 2013

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

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By: /s/ Michael R. Farrell

MICHAEL R. FARRELL
Attorneys for Receiver
THOMAS A. SEAMAN