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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)

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

Date: February 4, 2013
Time: 8:30 a.m.
Ctrm: 9D
Judge: Hon. David O. Carter

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 Eleventh Interim Application for approval
6 and payment of fees and reimbursement of expenses. This application covers the
7 period May 1, 2012 through July 31, 2012 ("Eleventh Interim Period").

8 Allen Matkins seeks interim approval of \$473,378.85 in fees and \$9,534.41 in
9 expenses incurred during the Eleventh Interim Period. Allen Matkins asks that the
10 Receiver be authorized to pay 80% of the requested fees, or \$378,703.08, 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.

15 The Securities and Exchange Commission ("SEC") has reviewed this
16 Eleventh Interim Fee Application, along with the Fee Application filed concurrently
17 herewith by the Receiver. The SEC does not oppose this Eleventh Interim Fee
18 Application.

19 **I. INTRODUCTION.**

20 On August 18, 2009, the Court entered the Preliminary Injunction and Order
21 Appointing a Permanent Receiver ("Appointment Order"), making the Receiver's
22 appointment permanent. Section VI of the Appointment Order empowers and
23 directs the Receiver to engage and employ attorneys to (1) assist in investigation and
24 discovery as may be necessary to locate and account for assets of or managed by the
25 Receivership Entities, and (2) investigate and, where appropriate, to institute,
26 pursue, and prosecute all claims and causes of action of whatever kind and nature as
27 a result of the activities of the employees or agents of the Receivership Entities. The
28 Receiver immediately engaged Allen Matkins to serve as his general counsel.

1 With the assistance of Allen Matkins, the Receiver has worked diligently and
2 effectively during the Eleventh Interim Period to preserve and protect the
3 receivership estate, and maximize the value and recovery from the various
4 receivership assets.

5 The Receiver and his team have utilized numerous strategies to reduce the
6 amount of attorneys' fees incurred as the case proceeds, including the use of
7 additional junior attorneys and paralegals as appropriate, as well as requiring third
8 parties to help defray such fees. While the fees and costs incurred by Allen Matkins
9 during this Eleventh Interim Period were significant, the time and effort of Allen
10 Matkins attorneys were absolutely critical to preserve the receivership estate and
11 maximize the recovery from receivership assets. By this Fee Application, Allen
12 Matkins respectfully requests to be compensated for the services provided during
13 the Eleventh Interim Period.

14 **II. EXECUTIVE SUMMARY OF TASKS PERFORMED BY ALLEN**
15 **MATKINS DURING THE ELEVENTH INTERIM PERIOD.**

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

- 26 • **Claims Process:** Allen Matkins assisted the Receiver in reviewing and
27 analyzing numerous opposition documents filed by trade creditors, note
28 holders and employees relating to the Receiver's omnibus objections in the

1 claims process. Allen Matkins also provided the Receiver with extensive
2 assistance in negotiating resolutions for many of the disputed claims,
3 thereby avoiding the use of further receivership resources that would have
4 been necessary if such disputes had to be resolved by the Court.
5 Following a March 12, 2012 hearing to address various claims objections
6 and disputes, Allen Matkins continued negotiations with claimants to
7 resolve the remaining disputed claims. Allen Matkins prepared for and
8 attended hearings on claims on May 11, 2012 and on June 25, 2012.
9 Extensive communications including multiple telephone conferences
10 occurred with counsel for DGA, SAG-AFTRA, Guimond, FINRA, and
11 IATSE regarding resolution of claims. Through its efforts and those of the
12 Receiver, Allen Matkins was able to resolve the overwhelming majority of
13 disputed claims without further Court intervention.

14 • **Parkway Hospital/Dr. Robert Aquino** During the Eleventh Interim
15 Period, Allen Matkins assisted the Receiver with his dual-track efforts to
16 recover on the loan secured by the hospital property via judicial
17 foreclosure and a sale of the loan. Following the Court's approval of the
18 sale, Allen Matkins handled various aspects of the closing and the post-
19 closing documentation needed to complete the sale. Work was done on
20 revisions to closing documents, and Allen Matkins communicated with
21 Parkway's bankruptcy trustee and the Escrow Officer regarding these and
22 other closing related matters. Allen Matkins reviewed and analyzed the
23 consulting role of Chesterfield Faring, Ltd. including payment of its fee.
24 In addition, Allen Matkins handled communication concerning the Aquino
25 bankruptcy and monitored its status. The Receiver completed the sale
26 during this period and obtained total funds of \$6.5 million as a result of the
27 sale.
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- 1 • **Litigation with Law Firms:** Allen Matkins investigated and pursued
2 claims and drafted documents relating to two law firms which formerly
3 represented the Receivership Entities, Manatt Phelps & Phillips and
4 Sedgwick Detert Moran & Arnold. Allen Matkins' activities during the
5 Eleventh Interim Period for the Sedgwick matter include the negotiation of
6 a protective order, various meet and confer efforts with opposing counsel,
7 the handling and review of hundreds of documents for discovery and
8 investigation purposes, and legal research on various issues. Allen
9 Matkins prepared for and attended the scheduling conference on May 7,
10 2012, including meeting with opposing counsel. Allen Matkins spent
11 substantial time addressing opposing counsel's assertions concerning loans
12 that purportedly did not involve Sedgwick, including the review of
13 numerous loan documents and correspondence with opposing counsel.
14 With regard to the pending arbitration with Manatt, Allen Matkins assisted
15 the Receiver regarding potential new counsel for the Receiver, including
16 recommendation of proposed counsel, preparation of documents for
17 counsel, and meeting with counsel concerning the potential representation.
- 18 • **Distribution Plan:** During the Eleventh Application Period, Allen
19 Matkins drafted, analyzed and discussed with the Receiver various
20 proposed revisions to the plan, particularly with respect to the effect of
21 third party recoveries and a proposed settlement with the trustees. Allen
22 Matkins had numerous communications with investors concerning the
23 terms of the plan and the timing of any distributions, and there were
24 communications with the SEC to obtain comments on the revised plan and
25 motion. Allen Matkins drafted a motion for approval of the proposed plan
26 and all supporting documents, and worked with the Receiver and others to
27 finalize the motion documents. Allen Matkins performed various tasks
28 related to obtaining information on third party settlements.

- **Reporting:** Allen Matkins assisted the Receiver in compiling the information necessary to prepare and draft his 34th, 35th and 36th Interim Reports to the Court.

III. FEE APPLICATION.

With respect to its work performed during the Eleventh Interim Period, Allen Matkins requests approval of \$473,378.85 in fees and \$9,534.61 in expenses. For ease of review, Allen Matkins has categorized the time billed by its professionals as follows:

A. Fees Requested (\$473,378.85)

Allen Matkins seeks approval of \$473,378.85 in fees, which are categorized in the table below.¹ Detailed descriptions of each category of fees and a break-down of hours by professional are also included below.

CATEGORY	ALLEN MATKINS BILLING CODE	HOURS	FEES
Investigation / Reporting	298591-00004	22.0	\$10,249.50
Outstanding Litigation	298591-00007	18.7	\$7,339.50
Third Party Claims	298591-00008	108.4	\$56,505.50
Claims	298591-00009	139.7	\$62,450.50
Medical Provider Funding Corporation III.2 - Assets / Disposition	298591-00014	7.9	\$3,661.50
Medical Provider Funding Corporation IV.1 - Assets / Disposition	298591-00015	0.9	\$447.50
Medical Provider Funding Corporation IV.2 - Assets / Disposition	298591-00016	0.9	\$447.50
Trace Life Sciences	298591-00020	0.5	\$233.50
The Perfect Game	298591-00021	13.5	\$6,544.50
Parkway / Dr. Aquino	298591-00022	72.4	\$28,297.00
Plan & Distribution	298591-00024	112.7	\$55,806.50
Manatt Phelps & Phillips Litigation	298591-00025	62.4	\$33,528.35
Sedgwick, LLP Litigation	298591-00026	336.2	\$162,123.00
Southwest Atlanta Medical Center	298591-00027	9.6	\$4,177.50
Miscellaneous (General Receivership, Asset Recovery, Investor Issues, Sale of	298591-00002	8.3	\$4,270.50
	298591-00003	5.6	\$3,078.50

¹ In compliance with agreements reached with the Trustees, a separate billing 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
Assets / Disposition	298591-00005	1.0	\$535.00
	298591-00006	68.8	\$33,683.00
TOTAL HOURS / FEES		989.5	\$473,378.85

1. Investigation / Reporting [298591-00004] (22.0 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 Eleventh Interim Period, Allen Matkins attorneys and paralegals assisted the Receiver by compiling information needed for research into tax issues; reviewing a document inventory to assess document review strategies; working on issues related to collection of judgments; and preparing and issuing subpoenas and reviewing documents received from financial institutions for the purpose of tracing the sources and uses of funds. Time spent gathering information for and preparing monthly reports to the Court is also included in this category.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	2.7	\$1,512.00
Michael R. Farrell	Partner Litigation	\$535	12.9	\$6,901.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	2.4	\$876.00
N. Celeste Bucciarelli	Paralegal Litigation	\$240	4.0	\$960.00
TOTAL HOURS & FEES²			22.0	\$10,249.50
TOTAL EXPENSES				\$857.17

² See Farrell Decl., Exh. A, pp. 11-15.

1 **2. Outstanding Litigation [298591-00007] (18.7 hours)**

2 This category contains time spent analyzing and defending the receivership
3 estate's interest in outstanding litigation to which the Receivership Entities or their
4 borrowers are parties. In each instance, Allen Matkins' focus was on preserving
5 assets that were at risk in the litigation.

- 6 • *Crown Plaza Development, LLC v. Edge Capital, Medical Capital Corporation, et al.*: This adversary proceeding, pending in bankruptcy court in the Central District of California (Hon. Robert Kwan presiding),
7 relates to the bankruptcy case of Crown Plaza Development, LLC ("Crown
8 Plaza"). Crown Plaza borrowed money from Edge Capital, an entity that
9 borrowed money from Medical Capital. Edge Capital was unable to repay
10 its loans from Medical Capital, and assigned the notes and deeds of trust
11 for the Crown Plaza loans to Medical Capital. Crown Plaza filed
12 bankruptcy and sued Edge Capital, Edge Capital's principals, and Medical
13 Capital. Pursuant to the Preliminary Injunction Order, the proceeding is
14 enjoined as it pertains to Medical Capital. In December 2010, the basic
15 terms of a settlement between the Receiver and Crown Plaza were
16 negotiated, subject to agreeable documentation. The settlement involves
17 the allocation of four commercial properties owned by Crown Plaza. A
18 Mexican restaurant owned by two of the principals of Crown Plaza is
19 located on one of the properties. During the Eleventh Interim Period,
20 Allen Matkins communicated with Crown Plaza's counsel about Crown
21 Plaza's efforts to employ an environmental engineer to assess concerns
22 regarding underground storage tanks located on one of the four properties
23 and about potential sale of the Gage property. Allen Matkins reviewed the
24 engineer's report, and communicated with Crown Plaza's counsel
25 regarding the work plan. Allen Matkins also reviewed case strategy to
26 address upcoming discovery/motion and bankruptcy issues and conferred
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with Crown Plaza's counsel. Allen Matkins also advised the Receiver concerning issues related to the sale of the properties, including lender liability, marketing, and listing agent issues. Allen Matkins also advised the Receiver as to a proposed new lease of the restaurant space.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	0.8	\$448.00
Michael R. Farrell	Partner Litigation	\$535	1.1	\$588.50
Brad H. Nielsen	Partner Real Estate	\$460	1.8	\$828.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	15.0	\$5,475.00
TOTAL HOURS & FEES³			18.7	\$7,339.50
TOTAL EXPENSES				\$502.75

3. *Third Party Claims* [298591-00008] (108.4 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") and Anthony Macaluso/ TEEM, LLC ("TEEM"). Allen Matkins also worked on the Forman Holt employment motion and addressed issues with respect to a proposed settlement with the trustees; advised the Receiver concerning a proposed settlement with the trustees; and worked on correspondence, analysis of, and possible settlement related to the PEM/Pang claims.

In the Receiver's pending case against Pyramid Technologies, Allen Matkins previously prepared and filed a motion for summary judgment and a reply brief in connection therewith. Summary judgment in favor of the Receiver was granted, and the parties stipulated to dismiss the remaining claims in the complaint. The

³ See Farrell Decl., Exh. A, pp. 30-34.

1 defendants filed a Notice of Appeal on January 6, 2012. Allen Matkins drafted
 2 statements regarding potential mediation and analyzed the effect of the appellants'
 3 apparent failure to file a brief on judgment enforcement.

4 In the Receiver's case against TEEM, LLC and Anthony Macaluso, which
 5 case is pending before Judge Carney, Allen Matkins assisted the Receiver in
 6 reviewing correspondence regarding trial status and potential settlement. Allen
 7 Matkins assisted the Receiver in negotiating and drafting a settlement agreement,
 8 and prepared a stipulation to continue trial and related dates while a settlement was
 9 finalized.

10 As to the Receiver's proposed settlement with the trustees, Allen Matkins
 11 provided extensive advise to the Receiver and conflicts counsel concerning
 12 procedural and receivership-specific issues relating to finalizing a settlement and
 13 obtaining Court approval of same, including various meetings, conference calls and
 14 review of settlement documents.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	17.7	\$9,912.00
Michael R. Farrell	Partner Litigation	\$535	54.0	\$28,890.00
Francis N. Scollan	Partner Litigation	\$485	34.5	\$16,732.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.5	\$547.50
Stephen S. Walters	Partner Litigation	\$605	0.7	\$423.50
TOTAL HOURS & FEES⁴			108.4	\$56,505.50
TOTAL EXPENSES				\$125.57

28 ⁴ See Farrell Decl., Exh. A, pp. 36-51.

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4. Claims [298591-00009] (139.7 hours)

Allen Matkins assisted the Receiver in reviewing and analyzing numerous opposition documents filed by trade creditors, note holders and employees relating to the Receiver's omnibus objections in the claims process. Allen Matkins provided the Receiver with extensive assistance in negotiating resolutions for many of the disputed claims, thereby avoiding the use of further receivership resources that would have been necessary if such disputes had to be resolved by the Court. As to those claim disputes that could not be resolved, Allen Matkins drafted and filed written responses addressing the arguments raised by the claimants. Following a March 12, 2012 hearing to address the various claims objections and disputes, Allen Matkins continued negotiations with claimants to resolve the remaining disputed claims. Allen Matkins prepared for and attended hearings on claims on May 11, 2012 and on June 25, 2012. Extensive communications including multiple telephone conferences, occurred with counsel for DGA, SAG-AFTRA, Guimond, FINRA, and IATSE regarding resolution of claims. Through its efforts and those of the Receiver, Allen Matkins was able to resolve the overwhelming majority of disputed claims without further Court intervention.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	7.1	\$3,976.00
Michael R. Farrell	Partner Litigation	\$535	32.1	\$17,173.50
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	6.0	\$2,880.00
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$450	48.1	\$21,645.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	45.9	\$16,753.50
Secretarial Assistance		\$45	0.5	\$22.50
TOTAL HOURS & FEES⁵			139.7	\$62,450.50
TOTAL EXPENSES				\$1,334.20

**5. *Medical Provider Funding Corporation III.2 – Assets /
Disposition [298591-00014] (7.9 hours)***

This category contains time spent analyzing, investigating and preserving the assets of MPIII, Series 2. During the Eleventh Interim Period, Allen Matkins reviewed correspondence regarding a possible tax lien sale of Concept 1 property and corresponded with the Lunenburg County attorney regarding same. Allen Matkins also corresponded with Tom Seaman regarding the Transfac modification and prepared a draft Sixth Amendment to loan documents. An analysis of litigation against Viva Vision was completed.

⁵ See Farrell Decl., Exh. A, pp. 53-71.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	0.6	\$336.00
Michael R. Farrell	Partner Litigation	\$535	1.8	\$963.00
Anne E. Klokow	Partner Real Estate	\$550	2.6	\$1,430.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.8	\$292.00
Richard M. Dinets	Associate Bankruptcy/Creditors' Rights	\$305	2.1	\$640.50
TOTAL HOURS & FEES⁶			7.9	\$3,661.50
TOTAL EXPENSES				\$172.00

**6. Medical Provider Funding Corporation IV.1 – Assets /
Disposition [298591-00015] (0.9 hours)**

This category contains time spent analyzing, investigating and preserving the assets of MPIV, Series 1. During the Eleventh Interim Period, Allen Matkins communicated with counsel representing a prospective buyer of Southwest Hospital and provided analysis regarding that.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	0.7	\$374.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.2	\$73.00
TOTAL HOURS & FEES⁷			0.9	\$447.50
TOTAL EXPENSES				\$0.00

⁶ See Farrell Decl., Exh. A, pp. 73-75.
⁷ See Farrell Decl., Exh. A, p. 77.

**7. Medical Provider Funding Corporation IV.2 – Assets /
Disposition [298591-00016] (0.9 hours)**

This category contains time spent analyzing, investigating and preserving the assets of MPIV, Series 2. During the Eleventh Interim Period, Allen Matkins communicated with counsel representing a prospective buyer of Southwest Hospital and provided analysis regarding that.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	0.7	\$374.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.2	\$73.00
TOTAL HOURS & FEES⁸			0.9	\$447.50
TOTAL EXPENSES				\$0.00

8. Trace Life Science [298591-00020] (0.5 hours)

The Receivership Entities made loans to Trace Life Sciences, Inc. ("Trace"), a Texas corporation, which, when it was operating, manufactured radiochemicals and radiopharmaceuticals. A sale of the Medical Capital loans and related interests to NuView Life Sciences was approved by the Court on April 26, 2011.

During the Eleventh Interim Period, Allen Matkins assisted the Receiver with conferences regarding the NuView foreclosure of collateral and related contract issues. Allen Matkins responded to an inquiry by the Trace creditor.

⁸ See Farrell Decl., Exh. A, p. 79.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	0.3	\$160.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.2	\$73.00
TOTAL HOURS & FEES⁹			0.5	\$233.50
TOTAL EXPENSES				\$0.00

9. *The Perfect Game* [298591-00021] (13.5 hours)

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

Allen Matkins handled numerous tasks related to this film asset during the Eleventh Interim Period, including spending significant time to protect the receivership estate's interest in the film. Allen Matkins assisted the Receiver with issues relating to the distribution agreements with Image Entertainment and Camelot Distribution Group, and the threats made by the former distributor's terminated sub-distributor to distribute the film in Mexico. The firm interfaced with Mexican counsel regularly regarding the status and strategy for protecting the film's value. The firm interfaced with SAG-AFTRA, Image Entertainment and Camelot Distribution Group regarding contract issues. Allen Matkins also handled issues relating to prior counsel, issues raised by union representatives, and corporate issues for The Perfect Game, LLC.

⁹ See Farrell Decl., Exh. A, p. 79.

1	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
2	Michael R. Farrell	Partner	\$535	1.8	\$963.00
3		Litigation			
4	Edward G. Fates	Associate	\$365	7.1	\$2,591.50
5		Bankruptcy/Creditors' Rights			
6	Daniel G. McIntosh	Partner	\$650	4.6	\$2,990.00
7		Corporate/Entertainment			
8	TOTAL HOURS & FEES¹⁰			13.5	\$6,544.50
9	TOTAL EXPENSES				\$0.00

10. *Parkway Hospital / Dr. Aquino [298591-00022] (72.4 hours)*

This category contains time spent analyzing and investigating the portfolio of loans the Receivership Entities made to Parkway Hospital, Dr. Robert Aquino, and Capitol Health Management, Inc., on which, including principal and accrued interest, more than \$97 million is owed. During the Eleventh Interim Period, Allen Matkins assisted the Receiver with his dual-track efforts to recover on the loan secured by the hospital property via judicial foreclosure and a sale of the loan. Following the Court's approval of the sale, Allen Matkins handled various aspects of the closing and the post-closing documentation needed to complete the sale. Work was done on revisions to closing documents, and Allen Matkins communicated with Parkway's bankruptcy trustee and the Escrow Officer regarding these and other closing related matters. Allen Matkins reviewed and analyzed the consulting role of Chesterfield Faring, Ltd. including payment of its fee. In addition, Allen Matkins handled communication concerning the Aquino bankruptcy and monitored its status. The Receiver completed the sale during this period and obtained total funds of \$6.5 million as a result of the sale.

¹⁰ See Farrell Decl., Exh. A, pp. 83-86.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Robyn L. Williams	Paralegal Real Estate	\$250	25.3	\$6,325.00
Michael R. Farrell	Partner Litigation	\$535	2.9	\$1,551.50
Anne E. Klokow	Partner Real Estate	\$550	23.3	\$12,815.00
Karen L. Files	Secretary Real Estate	\$250	0.2	\$50.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	20.7	\$7,555.50
TOTAL HOURS & FEES¹¹			72.4	\$28,297.00
TOTAL EXPENSES				\$46.40

11. Plan & Distribution [298591-00024] (112.7 hours)

During the Eleventh Application Period, Allen Matkins assisted the Receiver in analyzing and evaluating the numerous comments and oppositions received in response to the publication of the draft distribution plan. Allen Matkins participated in numerous conferences with interested parties concerning potential revisions to the draft plan. Allen Matkins drafted, analyzed and discussed with the Receiver various proposed revisions to the plan, particularly with respect to the effect of third party recoveries and a proposed settlement with the trustees. Allen Matkins had numerous communications with investors concerning the terms of the plan and the timing of any distributions, and there were communications with the SEC to obtain comments on the revised plan and motion. Allen Matkins also completed work on the draft and revisions of the Seaman declaration and motion in support of the plan. Allen Matkins reviewed the FINRA subpoena to obtain information on settlements.

¹¹ See Farrell Decl., Exh. A, pp. 88-98.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	15.8	\$8,848.00
Michael R. Farrell	Partner Litigation	\$535	32.0	\$17,120.00
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	23.1	\$11,088.00
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$450	41.1	\$18,495.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.7	\$255.50
TOTAL HOURS & FEES¹²			112.7	\$55,806.50
TOTAL EXPENSES				\$48.91

**12. *Manatt Phelps & Phillips Claim [298591-00025]*
(62.4 hours)**

This category includes time spent by Allen Matkins investigating and pursuing claims against former counsel for the Receivership Entities, the law firm of Manatt Phelps & Phillips. On May 19, 2011, the Receiver commenced an arbitration against Manatt before JAMS. During the Eleventh Interim Period, Allen Matkins assisted the Receiver regarding potential new counsel for the Receiver, including recommendation of proposed counsel, preparation of documents for counsel, and meeting with counsel concerning the potential representation.

¹² See Farrell Decl., Exh. A, pp. 101-114.

1	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
2	Michael R. Farrell	Partner	\$550.00	5.8	\$3,190.00
3		Litigation			
4	Patrick E. Breen	Partner	\$550.00	19.0	\$10,450.00
5		Litigation			
6	Nicholas A. Subias	Senior Counsel	\$355.50	0.7	\$248.85
7		Litigation			
8	Cathy A. Hongola	Associate	\$328.50	1.0	\$328.50
9		Litigation			
10	Stephen S. Walters	Partner	\$550.00	34.5	\$18,975.00
11		Litigation			
12	N. Celeste Bucciarelli	Paralegal	\$240.00	1.4	\$336.00
13		Litigation			
14	TOTAL HOURS & FEES¹³			62.4	\$33,528.35
15	TOTAL EXPENSES				\$2,961.13

13. Sedgwick, LLP Claim [298591-00026] (336.2 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. Allen Matkins' activities during the Eleventh Interim Period include the negotiation of a protective order, various meet and confer efforts with opposing counsel, the handling and review of hundreds of documents for discovery and investigation purposes, and legal research on various issues. Allen Matkins prepared for and attended the scheduling conference on May 7, 2012, including meeting with opposing counsel. Allen Matkins spent substantial time addressing opposing counsel's assertions concerning loans that purportedly did not involve Sedgwick, including the review of numerous loan documents and correspondence with opposing counsel.

¹³ 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.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$550.00	0.6	\$330.00
Michael R. Farrell	Partner Litigation	\$550.00	14.3	\$7,865.00
Patrick E. Breen	Partner Litigation	\$550.00	29.3	\$16,115.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$418.50	0.3	\$125.55
Cathy A. Hongola	Associate Litigation	\$328.50	57.7	\$18,954.45
Stephen S. Walters	Partner Litigation	\$550.00	201.5	\$110,825.00
N. Celeste Bucciarelli	Paralegal Litigation	\$250.00	10.8	\$2,700.00
N. Celeste Bucciarelli	Paralegal Litigation	\$240.00	21.7	\$5,208.00
TOTAL HOURS & FEES¹⁴			336.2	\$162,123.00
TOTAL EXPENSES				\$2,762.66

**14. *Southwest Atlanta Medical Center* [298591-00027]
(9.6 hours)**

This category contains time spent by Allen Matkins on issues relating to the Southwest Atlanta Medical Center property located in Atlanta, Georgia. Receivership Entity Georgia Medical Provider Financial Corporation holds title to the property, which is currently vacant. During the Eleventh Interim Period, in response to a signed letter of intent received from a potential purchaser, Allen Matkins assisted the Receiver in negotiating and drafting a purchase and sale agreement and joint escrow instructions.

¹⁴ 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
Susan E. Graham	Partner Real Estate	\$540	3.5	\$1,890.00
Jason R. Perscheid	Associate Real Estate	\$375	6.1	\$2,287.50
TOTAL HOURS & FEES¹⁵			9.6	\$4,177.50
TOTAL EXPENSES				\$6.00

**15. *Miscellaneous* [298591-00002, 00003, 00005, 00006]
(83.7 hours)**

This category includes fees and costs for four billing categories: General Receivership, Asset Recovery, Investor Issues, and Sale of Assets/Disposition. Specifically, time relating to the administration of the Receivership, researching and securing Receivership assets, and negotiating and structuring the sale of various assets are included in this category, including but not limited to:

- General Receivership: Allen Matkins assisted the Receiver with issues relating to communications with trustee counsel on the handling of unclaimed funds pursuant to disbursing agreements and provided review and analysis of documents regarding compilation of information for tax returns.
- Asset Recovery: Allen Matkins performed analysis regarding the proposed disposition of the property of Sid Field and did follow-up work on home sale negotiations and the possible deed to transfer.
- Investor Issues: Allen Matkins continued to correspond with investors and their representatives relating to questions regarding the Receivership; and
- Sale of Assets: Allen Matkins assisted the Receiver with issues relating to the potential sale of assets of Receivership Entity National

¹⁵ See Farrell Decl., Exh. A, pp. 11-117.

1 Health Benefits Corporation ("NHBC"), including the negotiation and
 2 drafting of a non-disclosure agreement and purchase and sale
 3 agreement, advising the Receiver on various due diligence, disclosure
 4 and overbid issues, responding to inquiries from potential purchasers
 5 and advising the Receiver on procedural issues in the sale approval
 6 process. The sale of these assets was completed in September of 2012
 7 for over \$7 million.

8	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
9	David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	3.3	\$1,848.00
10	Michael R. Farrell	Partner Litigation	\$535	21.1	\$11,288.50
11	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	21.6	\$7,884.00
12	Debra D. Hall	Partner Corporate & Securities	\$545	37.7	\$20,546.50
13	TOTAL HOURS & FEES¹⁶			83.7	\$41,567.00
14	TOTAL EXPENSES				\$717.62

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 18 **B. Expenses Requested (\$9,534.41)**

19 Allen Matkins also requests that the Court approve \$9,534.41 in expenses. A
 20 summary of the expenses by matter is contained in the charts above, and are
 21 consolidated for the Court's convenience below. Allen Matkins charges \$0.19 per
 22 page for copies and \$2.00 per page on outgoing faxes only. No charge for incoming
 23 faxes is included. Messenger fees include hand delivery charges and federal express
 24 or other overnight services. The urgency of many matters and the volume of
 25 interested parties to whom service of pleadings and other notices were required
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¹⁶ See Farrell Decl., Exh. A, pp. 4-5, 8-10, 17 and 19-28.

1 made overnight services the only practical alternative in many instances. In
 2 addition, certain of the pleadings were voluminous.

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

CATEGORY	EXPENSES
Investigation / Reporting	\$857.17
Outstanding Litigation	\$502.75
Third Party Claims	\$125.57
Claims	\$1,334.20
Medical Provider Funding Corporation III.2 Assets / Disposition	\$172.00
Parkway / Dr. Aquino	\$46.40
Plan and Distribution	\$48.91
Manatt Phelps & Phillips Litigation	\$2,961.13
Sedgwick Detert Moran & Arnold Litigation	\$2,762.66
Southwest Atlanta Medical Center	\$6.00
Miscellaneous (Sale of Assets / Disposition, Asset Recovery, Investor Issues, General Receivership)	\$717.62
TOTAL EXPENSES	\$9,534.41

20
 21 **IV. CONCLUSION.**

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

27 1. Approving and allowing fees totaling \$473,378.85 for the Eleventh
 28 Interim Period;

1 2. Approving and allowing reimbursement of costs totaling \$9,534.41 for
2 the Eleventh Interim Period;

3 3. Authorizing the Receiver to pay 80% of the allowed amount of Allen
4 Matkins' fees, which amount is \$378,703.08.

5 4. Authorizing the Receiver to pay 100% of the allowed amount of Allen
6 Matkins' costs, which amount is \$9,534.41 ; and

7 5. For other and further relief as is appropriate.

8 Dated: January 4, 2012

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