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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)

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

Date: April 29, 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 Twelfth Interim Application for approval
6 and payment of fees and reimbursement of expenses. This application covers the
7 period August 1, 2012 through October 31, 2012 ("Twelfth Interim Period").

8 Allen Matkins seeks interim approval of \$327,441.70 in fees and \$6,467.85 in
9 expenses incurred during the Twelfth Interim Period. Allen Matkins asks that the
10 Receiver be authorized to pay 80% of the requested fees, or \$261,953.36, 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 Twelfth
16 Interim Fee Application, along with the Fee Application set for hearing concurrently
17 herewith filed by the Receiver. The SEC does not oppose this Twelfth 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 Twelfth 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 Twelfth 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 Twelfth Interim Period.

14 **II. EXECUTIVE SUMMARY OF TASKS PERFORMED BY ALLEN**
15 **MATKINS DURING THE TWELFTH 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 Twelfth 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 • **Sale of NHBC assets:** During the Twelfth Interim Period, Allen Matkins
27 provided substantial assistance to the Receiver with respect to the sale of
28 the assets of receivership entity National Health Benefits Corporation

1 ("NHBC"). Allen Matkins advised the Receiver as to all aspects of this
2 complex transaction, including the drafting of all papers required to seek
3 approval of the proposed sale, handling of various due diligence issues
4 with the proposed buyer and potential overbidders, preparing an Overbid
5 Agreement, negotiating and documenting various revisions to the sale
6 agreement based on changed circumstances and the amended pleadings
7 necessary for the sale approval motion, handling of numerous employee
8 issues, communicating with and addressing the numerous questions from
9 prospective overbidders, preparing papers necessary to approve employee
10 bonus, handling of overbids and court papers needed to address same, and
11 preparing for and handling the hearing/auction on the proposed sale. The
12 result of the Receiver's efforts, with Allen Matkins' assistance, was a
13 bidding war that ended with the sale of NHBC's assets for over \$7 million,
14 more than double the stalking horse purchase price.

- 15 • **Distribution Plan:** During the Twelfth Interim Period, Allen Matkins
16 revised and finalized the Receiver's proposed distribution plan and
17 prepared all of the papers necessary to seek Court approval of the plan.
18 The motion for plan approval was filed on August 3, 2012. Allen Matkins
19 assisted the Receiver in addressing the numerous responses to the proposed
20 plan, including objections/oppositions filed by the trustees, note holders
21 and third party creditors. A number of these objections were lengthy and
22 complex and required substantial time and effort to address. Working
23 closely with the Receiver and his staff, Allen Matkins prepared reply
24 briefs and supporting papers with respect to all oppositions and objections.
25 In addition, Allen Matkins worked with counsel for various different
26 parties in attempting to negotiate reasonable resolutions to disputes. Allen
27 Matkins also had numerous communications with investors concerning the
28 terms of the proposed plan and the timing of any distributions. Following

1 submission of the reply papers, Allen Matkins prepared for and handled
2 two separate hearings before the Court concerning approval of the plan,
3 which the Court conditionally approved. Allen Matkins revised the plan
4 per the Court's instructions, then performed various tasks related to the
5 investigation of third party recoveries by note holders, including
6 preparation of a form and cover letter to note holders. Allen Matkins also
7 engaged in discussions with trustees' counsel concerning a stipulation and
8 briefing schedule to resolve the trustees' objections to the plan.

- 9 • **Third Party Claims:** Allen Matkins assisted the Receiver in addressing
10 various third party litigation, including the Receiver's claims against
11 Pyramid Technologies, Inc., Anthony Macaluso/ TEEM, LLC, and the
12 Receiver's proposed settlement with the trustees.
- 13 • **Reporting:** Allen Matkins assisted the Receiver in compiling the
14 information necessary to prepare and draft his 38th, 39th and 40th Interim
15 Reports to the Court.

16 **III. FEE APPLICATION.**

17 With respect to its work performed during the Twelfth Interim Period, Allen
18 Matkins requests approval of \$327,441.70 in fees and \$6,447.85 in expenses. For
19 ease of review, Allen Matkins has categorized the time billed by its professionals as
20 follows:

21 **A. Fees Requested (\$327,441.70)**

22 Allen Matkins seeks approval of \$327,441.70 in fees, which are categorized
23 in the table below.¹ Detailed descriptions of each category of fees and a break-down
24 of hours by professional are also included below.

CATEGORY	ALLEN MATKINS BILLING CODE	HOURS	FEES
Investigation / Reporting	298591-00004	9.9	\$4,890.00

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
1				
2	Sales Assets/Disposition	298591-00006	168.2	\$79,554.50
3	Outstanding Litigation	298591-00007	20.1	\$7,784.50
4	Third Party Claims	298591-00008	94.1	\$46,747.00
5	Claims	298591-00009	35.0	\$16,348.50
6	Medical Provider Funding Corporation III.2 - Assets / Disposition	298591-00014	1.1	\$401.50
7	Medical Provider Funding Corporation IV.1 - Assets / Disposition	298591-00015	1.1	\$537.50
8	Medical Provider Funding Corporation IV.2 - Assets / Disposition	298591-00016	1.1	\$537.50
9	Trace Life Sciences	298591-00020	1.2	\$596.00
10	The Perfect Game	298591-00021	10.3	\$5,343.50
11	Parkway / Dr. Aquino	298591-00022	1.9	\$693.50
12	Plan & Distribution	298591-00024	191.6	\$94,791.50
13	Manatt Phelps & Phillips Litigation	298591-00025	18.3	\$10,065.00
14	Sedgwick, LLP Litigation	298591-00026	102.0	\$38,340.20
15	Southwest Atlanta Medical Center	298591-00027	27.8	\$12,567.50
16	Fazio, Rinsky & Associates	298591-00028	1.6	\$652.00
17	Miscellaneous (General Receivership, Investor Issues)	298591-00002	16.5	\$6,891.00
18		298591-00005	1.3	\$700.50
19	TOTAL HOURS / FEES		703.1	\$327,441.70

17 ***1. Investigation / Reporting [298591-00004] (9.9 hours)***

18 This category contains time spent investigating, analyzing and providing legal
 19 advice as to the operations, transactions and assets of the Receivership Entities and
 20 recovering documents, records and other information regarding the business and
 21 assets of the Receivership Entities. During the Twelfth Interim Period, Allen
 22 Matkins assisted the Receiver with respect to the handling of certain tax issues and
 23 spent time gathering information for and preparing monthly reports to the Court.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	2.1	\$1,176.00
Michael R. Farrell	Partner Litigation	\$535	5.1	\$2,728.50
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	2.7	\$985.50
TOTAL HOURS & FEES²			9.9	\$4,890.00
TOTAL EXPENSES				\$206.60

2. Sale of Assets/Disposition [298591-00006] (168.2 hours)

During the Twelfth Interim Period, Allen Matkins provided substantial assistance to the Receiver with respect to the sale of the assets of receivership entity National Health Benefits Corporation ("NHBC"). Allen Matkins advised the Receiver as to all aspects of this complex transaction, including the drafting of all papers required to seek approval of the proposed sale, handling of various due diligence issues with the proposed buyer and potential overbidders, preparing an Overbid Agreement, negotiating and documenting various revisions to the sale agreement based on changed circumstances and the amended pleadings necessary for the sale approval motion, handling of numerous employee issues, communicating with and addressing the numerous questions from prospective overbidders, preparing papers necessary to approve employee bonus, handling of overbids and court papers needed to address same, and preparing for and handling the hearing/auction on the proposed sale. The result of the Receiver's efforts, with Allen Matkins' assistance, was a bidding war that ended with the sale of NHBC's assets for over \$7 million, more than double the stalking horse purchase price.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	7.5	\$4,200.00

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

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Michael R. Farrell	Partner Litigation	\$535	43.7	\$23,379.50
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	5.1	\$2,448.00
Susan E. Graham	Partner Real Estate	\$540	0.8	\$432.00
Matthew J. Ertman	Partner Corporate	\$460	0.6	\$276.00
Monica M. Quinn	Partner Litigation	\$450	9.5	\$4,275.00
Debra D. Hall	Partner Corporate & Securities	\$545	44.8	\$24,416.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	50.7	\$18,505.50
Kim A. Bui	Associate Litigation	\$295.00	5.5	\$1,622.50
TOTAL HOURS & FEES³			168.2	\$79,554.50
TOTAL EXPENSES				\$984.73

3. Outstanding Litigation [298591-00007] (20.1 hours)

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

- *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), relates to the bankruptcy case of Crown Plaza Development, LLC ("Crown Plaza"). Crown Plaza borrowed money from Edge Capital, an entity that borrowed money from Medical Capital. Edge Capital was unable to repay its loans from Medical Capital, and assigned the notes and deeds of trust for the Crown Plaza loans to Medical Capital. Crown Plaza filed

³ See Farrell Decl., Exh. A, pp. 36-51.

1 bankruptcy and sued Edge Capital, Edge Capital's principals, and Medical
 2 Capital. Pursuant to the Preliminary Injunction Order, the proceeding is
 3 enjoined as it pertains to Medical Capital. In December 2010, the basic
 4 terms of a settlement between the Receiver and Crown Plaza were
 5 negotiated, subject to agreeable documentation. The settlement involved
 6 the allocation of four commercial properties owned by Crown Plaza. A
 7 Mexican restaurant owned by two of the principals of Crown Plaza is
 8 located on one of the properties. During the Twelfth Interim Period, Allen
 9 Matkins engaged in discussions with Crown Plaza's counsel on the terms
 10 of a new settlement, analyzed and negotiated those terms, assisted in the
 11 preparation of a settlement agreement, and prepared the necessary court
 12 approval papers for the settlement. Allen Matkins also advised the
 13 Receiver concerning issues related to the sale of the properties and advised
 14 the Receiver as to a proposed new lease of the restaurant space.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	2.3	\$1,230.50
Brad H. Nielsen	Partner Real Estate	\$460	0.6	\$276.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	17.2	\$6,278.00
TOTAL HOURS & FEES⁴			20.1	\$7,784.50
TOTAL EXPENSES				\$0.00

23 **4. Third Party Claims [298591-00008] (94.1 hours)**

24 This category contains time spent analyzing and prosecuting claims on behalf
 25 of the receivership estate. Pending actions Allen Matkins assisted the Receiver with
 26 include the Receiver's claims against Pyramid Technologies, Inc. ("Pyramid") and
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28 ⁴ See Farrell Decl., Exh. A, pp. 30-34.

1 Anthony Macaluso/ TEEM, LLC ("TEEM"). Allen Matkins also worked on the
2 Forman Holt employment motion and worked on recovery of, and possible
3 settlement related to, the PEM/Pang claims.

4 In the Receiver's pending case against Pyramid Technologies, Allen Matkins
5 previously prepared and filed a motion for summary judgment and a reply brief in
6 connection therewith. Summary judgment in favor of the Receiver was granted, and
7 the parties stipulated to dismiss the remaining claims in the complaint. The
8 defendants filed a Notice of Appeal on January 6, 2012. Allen Matkins reviewed
9 various materials related to, and advised the Receiver regarding, potential collection
10 of the judgment against the defendants.

11 In the Receiver's case against TEEM, LLC and Anthony Macaluso, which
12 case is pending before Judge Carney, Allen Matkins assisted the Receiver in
13 negotiating and drafting a settlement agreement, and prepared various documents
14 relating thereto, including settlement approval documents and a stipulated judgment.

15 As to the Receiver's proposed settlement with the trustees, Allen Matkins
16 provided extensive advise to the Receiver and conflicts counsel concerning
17 procedural and receivership-specific issues relating to Court approval of the
18 settlement. Allen Matkins advised the Receiver as to certain aspects of the
19 opposition/objections to the settlement that were asserted by note holders, including
20 preparation of certain documents filed in response thereto.

21 Allen Matkins also assisted the Receiver is responding to inquiries from third
22 parties seeking information concerning the SEC investigation and the Receiver's
23 investigation of Medical Capital. Allen Matkins also interacted with third parties to
24 obtain information relating the third party recoveries by note holders.

25	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
26	David R. Zaro	Partner	\$560	13.1	\$7,728.00
27		Bankruptcy/Creditors' Rights			

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1	Michael R. Farrell	Partner Litigation	\$535	32.7	\$17,494.50
2	Francis N. Scollan	Partner Litigation	\$485	15.9	\$7,711.50
3	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	12.2	\$4,453.00
4	Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	19.5	\$9,360.00
5	TOTAL HOURS & FEES⁵			94.1	\$46,747.00
6	TOTAL EXPENSES				\$17.00

9 **5. Claims [298591-00009] (35.0 hours)**

10 Allen Matkins provided extensive assistance to the Receiver in addressing
 11 claims issues during the Twelfth Interim Period. Allen Matkins had numerous
 12 discussions with claim holders concerning the calculation of claims and issues
 13 raised by Court proceedings. Allen Matkins also engaged in numerous discussions
 14 with third parties interested in purchasing claims from note holders, and addressed
 15 various legal and procedural issues arising from such sales. Allen Matkins also
 16 assisted the Receiver in addressing various claims that required correction due to
 17 imprecise aggregating of claims among related parties, including the drafting of a
 18 claims correction motion.

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⁵ See Farrell Decl., Exh. A, pp. 36-51.

1	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
2	David R. Zaro	Partner	\$560	0.9	\$504.00
3		Bankruptcy/Creditors' Rights			
4	Michael R. Farrell	Partner	\$535	2.4	\$1,284.00
5		Litigation			
6	Loraine L. Pedowitz	Senior Counsel	\$480	26.0	\$12,480.00
7		Bankruptcy/Creditors' Rights			
8	Edward G. Fates	Senior Counsel	\$365	5.7	\$2,080.50
9		Bankruptcy/Creditors' Rights			
8	TOTAL HOURS & FEES⁶			35.0	\$16,348.50
9	TOTAL EXPENSES				\$855.17

6. **Medical Provider Funding Corporation III.2 – Assets /
Disposition [298591-00014] (1.1 hours)**

This category contains time spent analyzing, investigating and preserving the assets of MPIII, Series 2. During the Twelfth Interim Period, Allen Matkins assisted the Receiver in addressing issues raised by a creditor of former receivership entity Viva Vision.

17	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
18	Edward G. Fates	Senior Counsel	\$365	1.1	\$401.50
19		Bankruptcy/Creditors' Rights			
20	TOTAL HOURS & FEES⁷			1.1	\$401.50
20	TOTAL EXPENSES				\$41.83

7. **Medical Provider Funding Corporation IV.1 – Assets /
Disposition [298591-00015] (1.1 hours)**

This category contains time spent analyzing, investigating and preserving the assets of MPIV, Series 1. During the Twelfth Interim Period, Allen Matkins

⁶ See Farrell Decl., Exh. A, pp. 53-71.
⁷ See Farrell Decl., Exh. A, pp. 73-75.

1 communicated with counsel representing a prospective buyer of Southwest Hospital
2 and provided analysis regarding that.

3	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
4	Michael R. Farrell	Partner Litigation	\$535	0.8	\$428.00
5					
6	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.3	\$109.50
7	TOTAL HOURS & FEES⁸			1.1	\$537.50
8	TOTAL EXPENSES				\$0.00

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10 **8. Medical Provider Funding Corporation IV.2 – Assets /**
11 **Disposition [298591-00016] (1.1 hours)**

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

16	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
17	Michael R. Farrell	Partner Litigation	\$535	0.8	\$428.00
18					
19	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.3	\$109.50
20	TOTAL HOURS & FEES⁹			1.1	\$537.50
21	TOTAL EXPENSES				\$0.00

22 **9. Trace Life Science [298591-00020] (1.2 hours)**

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

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28 ⁸ See Farrell Decl., Exh. A, p. 77.
⁹ See Farrell Decl., Exh. A, p. 79.

1 During the Twelfth Interim Period, Allen Matkins assisted the Receiver with
 2 respect to a newspaper article relating to the Trace facility and the Receiver's
 3 strategy to address same.

4	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
5	Michael R. Farrell	Partner Litigation	\$535	0.4	\$214.00
6					
7	Debra D. Hall	Partner Corporate & Securities	545	0.5	\$272.50
8					
9	Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	0.2	\$73.00
10	TOTAL HOURS & FEES¹⁰			1.2	\$596.00
11	TOTAL EXPENSES				\$0.00

12 **10. The Perfect Game [298591-00021] (10.3 hours)**

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

17 Allen Matkins handled numerous tasks related to this film asset during the
 18 Twelfth Interim Period, including spending significant time to protect the
 19 receivership estate's interest in the film. Allen Matkins assisted the Receiver with
 20 issues relating to the distribution agreements with Image Entertainment and Camelot
 21 Distribution Group, and the threats made by the former distributor's terminated
 22 sub-distributor to distribute the film in Mexico. The firm interfaced with Mexican
 23 counsel regularly regarding the status and strategy for protecting the film's value.
 24 The firm interfaced with SAG-AFTRA, Image Entertainment and Camelot
 25 Distribution Group regarding contract issues. Allen Matkins also handled issues
 26 relating to an opportunity to participate in a film festival in Columbia.

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¹⁰ See Farrell Decl., Exh. A, p. 79.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	0.6	\$321.00
Edward G. Fates	Associate Bankruptcy/Creditors' Rights	\$365	4.5	\$1,642.50
Daniel G. McIntosh	Partner Corporate/Entertainment	\$650	5.2	\$3,380.00
TOTAL HOURS & FEES¹¹			10.3	\$5,343.50
TOTAL EXPENSES				\$0.00

11. Parkway Hospital / Dr. Aquino [298591-00022] (1.9 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 Twelfth Interim Period, Allen Matkins assisted the Receiver with various matters concerning the Aquino and Capitol Health bankruptcies and advised the Receiver with respect to the judgment for foreclosure.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.9	\$693.50
TOTAL HOURS & FEES¹²			1.9	\$693.50
TOTAL EXPENSES				\$22.00

12. Plan & Distribution [298591-00024] (191.6 hours)

During the Twelfth Interim Period, Allen Matkins revised and finalized the Receiver's proposed distribution plan and prepared all of the papers necessary to seek Court approval of the plan. The motion for plan approval was filed on August 3, 2012. Allen Matkins assisted the Receiver is addressing the numerous responses

¹¹ See Farrell Decl., Exh. A, pp. 83-86.
¹² See Farrell Decl., Exh. A, pp. 88-98.

1 to the proposed plan, including objections/oppositions filed by the trustees, note
2 holders and third party creditors. A number of these objections were lengthy and
3 complex and required substantial time and effort to address. Working closely with
4 the Receiver and his staff, Allen Matkins prepared reply briefs and supporting
5 papers with respect to all oppositions and objections. In addition, Allen Matkins
6 worked with counsel for various different parties in attempting to negotiate
7 reasonable resolutions to disputes. Allen Matkins also had numerous
8 communications with investors concerning the terms of the proposed plan and the
9 timing of any distributions. Following submission of the reply papers, Allen
10 Matkins prepared for and handled two separate hearings before the Court
11 concerning approval of the plan, which the Court conditionally approved. Allen
12 Matkins revised the plan per the Court's instructions, then performed various tasks
13 related to the investigation of third party recoveries by note holders, including
14 preparation of a form and cover letter to note holders. Allen Matkins also engaged
15 in discussions with trustees' counsel concerning a stipulation and briefing schedule
16 to resolve the trustees' objections to the plan.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$560	20.7	\$11,592.00
Michael R. Farrell	Partner Litigation	\$535	78.2	\$41,837.00
Loraine L. Pedowitz	Senior Counsel Bankruptcy/Creditors' Rights	\$480	67.4	\$32,352.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	22.1	\$8,066.50
Kim A. Bui	Associate Litigation	\$295	3.2	\$944.00
TOTAL HOURS & FEES¹³			191.6	\$94,791.50
TOTAL EXPENSES				\$660.47

13. Manatt Phelps & Phillips Claim [298591-00025]
(18.3 hours)

This category includes time spent by Allen Matkins relating to claims against former counsel for the Receivership Entities, the law firm of Manatt Phelps & Phillips. During the Twelfth 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.

¹³ See Farrell Decl., Exh. A, pp. 101-114.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$550	2.4	\$1,320.00
Michael R. Farrell	Partner Litigation	\$550	3.9	\$2,145.00
Patrick E. Breen	Partner Litigation	\$550	2.3	\$1,265.00
Stephen S. Walters	Partner Litigation	\$550	9.7	\$5,335.00
TOTAL HOURS & FEES¹⁴			18.3	\$10,065.00
TOTAL EXPENSES				\$15.00

14. Sedgwick, LLP Claim [298591-00026](102.0 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 Twelfth Interim Period, Allen Matkins spent substantial time reviewing and analyzing documents from various sources to assess the strength of the Receiver's claims and Sedgwick's defenses. Attorneys performed numerous searches of the applicable databases to identify relevant material and compiled relevant information. Allen Matkins corresponded with opposing counsel concerning discovery issues. Allen Matkins also performed various tasks related to a case management conference, including discussions with opposing counsel and preparation of a case management conference statement.

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.

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NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
David R. Zaro	Partner Bankruptcy/Creditors' Rights	\$550.00	0.3	\$165.00
Michael R. Farrell	Partner Litigation	\$550.00	0.9	\$495.00
Patrick E. Breen	Partner Litigation	\$550.00	5.2	\$2,860.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365.00	77.8	\$28,397.00
Cathy A. Hongola	Associate Litigation	\$328.50	15.2	\$4,993.20
Stephen S. Walters	Partner Litigation	\$550.00	2.6	\$1,430.00
TOTAL HOURS & FEES¹⁵			102.0	\$38,340.20
TOTAL EXPENSES				\$27.13

**15. Southwest Atlanta Medical Center [298591-00027]
(27.8 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 Twelfth Interim Period, Allen Matkins continued to assist the Receiver in negotiating and drafting a purchase and sale agreement and overbid agreement. Allen Matkins engaged in extensive discussions with opposing counsel concerning the terms of the agreements and the overbid process. Allen Matkins also assisted the Receiver in addressing title issues for the sale, including preparation of a title objection letter, and corresponded with prospective overbidders.

¹⁵ 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	14.9	\$8,046.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365.00	8.8	\$3,212.00
Jason R. Perscheid	Associate Real Estate	\$375	0.3	\$112.50
Brett Weiss	Associate Real Estate	\$315	3.8	\$1,197.00
TOTAL HOURS & FEES¹⁶			27.8	\$12,567.50
TOTAL EXPENSES				\$23.87

16. Fazio, Rinsky & Associates, LLP [298591-00028] (1.6 hours)

This category includes time spent by Allen Matkins in analyzing and discussing with the Receiver's office the potential pursuit of claims against the former General Counsel of Medical Capital, Thomas Fazio, and the firm of Fazio, Rinsky & Associates.

NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
Michael R. Farrell	Partner Litigation	\$535	0.4	\$214.00
Edward G. Fates	Senior Counsel Bankruptcy/Creditors' Rights	\$365	1.2	\$438.00
TOTAL HOURS & FEES¹⁷			1.6	\$652.00
TOTAL EXPENSES				\$0.00

¹⁶ See Farrell Decl., Exh. A, pp. 11-117.
¹⁷ See Farrell Decl., Exh. A, p. 79.

1 **17. Miscellaneous [298591-00002 and 00005] (17.8 hours)**

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

- 6 • General Receivership: Allen Matkins assisted the Receiver with
 7 inquiries from a third party relating to a former receivership asset,
 8 handling of retirement plan issues, and the handling of information
 9 requests relating to investors' third party recoveries and protective order
 10 issues involved with such information.
- 11 • Investor Issues: Allen Matkins continued to correspond with investors
 12 and their representatives relating to questions regarding the
 13 Receivership; and

14	NAME	TITLE	RATE	TOTAL HOURS	TOTAL FEES
15	David R. Zaro	Partner	\$560	0.2	\$112.00
16		Bankruptcy/Creditors' Rights			
17	Michael R. Farrell	Partner	\$535	5.9	\$3,156.50
18		Litigation			
19	Susan E. Graham	Partner	\$540	0.3	\$162.00
20		Real Estate			
21	Edward G. Fates	Senior Counsel	\$365	11.4	\$4,161.00
22		Bankruptcy/Creditors' Rights			
	TOTAL HOURS & FEES¹⁸			17.8	\$7,591.50
	TOTAL EXPENSES				\$3,614.05

23 **B. Expenses Requested (\$6,467.85)**

24 Allen Matkins also requests that the Court approve \$6,467.85 in expenses. A
 25 summary of the expenses by matter is contained in the charts above, and are
 26 consolidated for the Court's convenience below. Allen Matkins charges \$0.19 per
 27

28 ¹⁸ See Farrell Decl., Exh. A, pp. 4-5, 8-10, 17 and 19-28.

1 page for copies and \$2.00 per page on outgoing faxes only. No charge for incoming
 2 faxes is included. Messenger fees include hand delivery charges and federal express
 3 or other overnight services. The urgency of many matters and the volume of
 4 interested parties to whom service of pleadings and other notices were required
 5 made overnight services the only practical alternative in many instances. In
 6 addition, certain of the pleadings were voluminous.

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

CATEGORY	EXPENSES
Investigation/Reporting	\$206.60
Sale & Assets/Disposition	\$984.73
Third Party Claims	\$17.00
Claims	\$855.17
Medical Provider Funding Corporation III.2 Assets/Disposition	\$41.83
Parkway/Dr. Aquino	\$22.00
Plan and Distribution	\$660.47
Manatt Phelps & Phillips Litigation	\$15.00
Sedgwick Detert Moran & Arnold Litigation	\$27.13
Southwest Atlanta Medical Center	\$23.87
Miscellaneous (General Receivership, Investor Issues)	\$3,614.05
TOTAL EXPENSES	\$6,467.85

24 **IV. CONCLUSION.**

25 Allen Matkins has worked diligently to assist the Receiver in fulfilling his
 26 assigned duties, and has provided valuable service to the Receivership estate during
 27 this Twelfth Interim Period. Therefore, pursuant to the legal authorities cited in
 28

1 Allen Matkins' First Interim Fee Application, and this Court's power to approve the
2 requested interim fees and expenses, Allen Matkins respectfully requests an order:

- 3 1. Approving and allowing fees totaling \$327,441.70 for the Twelfth
4 Interim Period;
- 5 2. Approving and allowing reimbursement of costs totaling \$6,467.85 for
6 the Twelfth Interim Period;
- 7 3. Authorizing the Receiver to pay 80% of the allowed amount of Allen
8 Matkins' fees, which amount is \$261,953.36.
- 9 4. Authorizing the Receiver to pay 100% of the allowed amount of Allen
10 Matkins' costs, which amount is \$6,467.85; and
- 11 5. For other and further relief as is appropriate.

12 Dated: March 29, 2013

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

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14
15 By: /s/ Michael R. Farrell
16 MICHAEL R. FARRELL
17 Attorneys for Receiver
18 THOMAS A. SEAMAN
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