

1
2
3
4
5
6
7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 v.

14 PATH AMERICA, LLC, et al.,

15 Defendants, and

16 POTALA SHORELINE, LLC, et al.,

17 Relief Defendants.

CASE NO. C15-1350JLR

NINTH ORDER REGARDING
FEE APPLICATIONS

18 Before the court are five quarterly fee applications: **(1)** the ninth interim fee
19 application of Receiver Michael A. Grassmueck (“the Receiver”) for \$7,910.50 in fees
20 and \$473.35 in costs (Dkt. # 613); **(2)** the ninth interim fee application of the Receiver’s
21 general counsel, Allen Matkins Leck Gamble Mallory & Natsis, LLP (“Allen Matkins”),
22 for \$191,598.75 in fees and \$4,398.91 in costs (Dkt. # 612); **(3)** the ninth interim fee

1 application of Financial Forensics, the Receiver's forensic accountant, for \$6,075.00 in
2 fees and \$7.35 in costs (Dkt. # 615); **(4)** the ninth quarterly fee application for the
3 Receiver's local counsel, Karr Tuttle Campbell, P.S. ("Karr Tuttle"), for \$2,807.50 in
4 fees and \$6.25 in costs (Dkt. # 616); and **(5)** the sixth interim fee application of Peterson
5 Sullivan LLP, tax accountants for the Receiver, for \$4,528.85 in fees and \$304.60 in
6 costs (Dkt. # 614). As described below, the court GRANTS the fee applications of the
7 Receiver, Allen Matkins, Financial Forensics, Karr Tuttle, and Peterson Sullivan (Dkt.
8 ## 612-16).

9 Counsel for the Receiver filed all of the foregoing motions on February 14 or 15,
10 2018, and properly noted them for the court's consideration on March 2, 2018. (*See id.*)
11 Any opposition to the motions was due no later than Monday, February 26, 2018. *See*
12 Local Rules W.D. Wash. LCR 7(d)(3) ("Any opposition papers shall be filed and served
13 no later than the Monday before the noting date."). No party filed an opposition to any of
14 the motions. (*See generally* Dkt.)

15 The court finds that (1) the fees and costs requested in each of the fee applications
16 listed above are reasonable and necessary, (2) the notice of the fee applications was
17 appropriate, (3) the fee applications are made in accordance with the Order Appointing
18 Receiver (*see* Order Appointing Receiver ("OAR") (Dkt. # 88) ¶¶ 55-59), and (4) the
19 services provided were of substantial benefit to the Receivership Estate. Each of the
20 foregoing applicants seeks a distribution of only 80% of the approved fees and costs at
21 this time. (*See id.* ¶ 58 ("Quarterly Fee Applications may be subject to a holdback in the
22 amount of 20% of the amount of fees and expenses for each application filed with the

Court.”); *see also* Dkt. # 612 at 2; Dkt. # 613 at 2; Dkt. # 614 at 3-4; Dkt. # 615 at 4; Dkt. # 616 at 1-2.)

Accordingly, the court GRANTS these fee applications (Dkt. ## 612-16) and APPROVES on an interim basis the following application amounts for the period of October 1, 2017, through December 31, 2017:

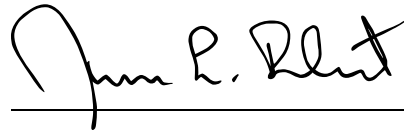
Applicant:	Fees:	Costs:	Total Allowed:
Receiver Michael A. Grassmueck	\$7,910.50	\$473.35	\$8,383.85
Allen Matkins	\$191,598.75	\$4,398.91	\$195,997.66
Financial Forensics	\$6,075.00	\$7.35	\$6,082.35
Karr Tuttle	\$2,807.50	\$6.25	\$2,813.75
Peterson Sullivan	\$4,528.85	\$304.60	\$4,833.45

Finally, the court AUTHORIZES the Receiver to disburse the following percentages of the foregoing approved fees and costs at this time:

- (1) The court AUTHORIZES the Receiver to disburse \$6,707.08 to the Receiver, which is 80% of the approved fees and costs;
- (2) The court AUTHORIZES the Receiver to disburse \$156,798.13 to Allen Matkins, which is 80% of the approved fees and costs;
- (3) The court AUTHORIZES the Receiver to disburse \$4,865.88 to Financial Forensics, which is 80% of the approved fees and costs;
- (4) The court AUTHORIZES the Receiver to disburse \$2,251.00 to Karr Tuttle, which is 80% of the approved fees and costs; and

1 (5) The court AUTHORIZES the Receiver to disburse \$3,866.76 to Peterson
2 Sullivan, which is 80% of the approved fees and costs.

3 Dated this 12th day of March, 2018.

4
5 

6 JAMES L. ROBART
7 United States District Judge
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22