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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

FOURTEENTH ORDER
REGARDING FEE
APPLICATIONS

18 Before the court are three quarterly fee applications: (1) the fourteenth interim fee
19 application of Receiver Michael A. Grassmueck's ("the Receiver") general counsel,
20 Allen Matkins Leck Gamble Mallory & Natsis, LLP ("Allen Matkins"), for \$80,936.55 in
21 fees and \$2,955.49 in costs (Dkt. # 683); (2) the fourteenth interim fee application of the
22 Receiver's forensic accountant, Financial Forensics, for \$9,396.00 in fees (Dkt. # 684);

1 and (3) the eleventh interim fee application of the Receiver’s tax accountants, Peterson
2 Sullivan LLP (“Peterson Sullivan”), for \$43,788.50 in fees and \$22.50 in costs (Dkt.
3 # 685). As described below, the court GRANTS the fee applications of Allen Matkins,
4 Financial Forensics, and Peterson Sullivan (Dkt. ## 683-85).

5 The Receiver’s counsel filed all of the foregoing motions on May 15, 2019, and
6 properly noted them for the court’s consideration on May 31, 2019. (*See id.*) Any
7 opposition to the motions was due no later than Monday, May 27, 2019. *See* Local Rules
8 W.D. Wash. LCR 7(d)(3) (“Any opposition papers shall be filed and served no later than
9 the Monday before the noting date.”). No party filed an opposition to any of the motions.
10 (*See generally* Dkt.)

11 The court finds that (1) the fees and costs requested in each of the fee applications
12 listed above are reasonable and necessary, (2) the notice of the fee applications was
13 appropriate, (3) the fee applications are made in accordance with the Order Appointing
14 Receiver (*see* OAR (Dkt. # 88) ¶¶ 55-59), and (4) the services provided were of
15 substantial benefit to the Receivership Estate. Each of the foregoing applicants seeks a
16 distribution of only 80% of the approved fees and costs at this time. (*See id.* ¶ 58
17 (“Quarterly Fee Applications may be subject to a holdback in the amount of 20% of the
18 amount of fees and expenses for each application filed with the Court.”); *see also* Dkt.
19 # 683 at 2; Dkt. # 684 at 3; Dkt. # 685 at 4.)

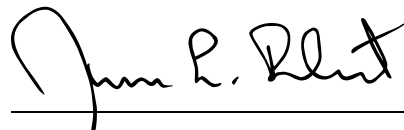
20 Accordingly, the court GRANTS the fee applications (Dkt. ## 683-85) and
21 APPROVES on an interim basis the following application amounts for the period of
22 January 1, 2019, through March 31, 2019:

Applicant:	Fees:	Costs:	Total Allowed:
Allen Matkins	\$80,936.55	\$2,955.49	\$83,892.04
Financial Forensics	\$9,396.00	\$00.00	\$9,396.00
Peterson Sullivan	\$43,788.50	\$22.50	\$43,811.00

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

- (1) \$67,113.63 to Allen Matkins, which is 80% of the approved fees and costs;
- (2) \$7,516.80 to Financial Forensics, which is 80% of the approved fees and costs; and
- (3) \$35,048.80 to Peterson Sullivan, which is 80% of the approved fees and costs.

Dated this 3rd day of June, 2019.



JAMES L. ROBART
United States District Judge