

<b>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO</b> 1437 Bannock Street Denver, CO 80202	DATE FILED: December 7, 2022 4:07 PM FILING ID: 91722DC8E95FF CASE NUMBER: 2019CV33770
TUNG CHAN, Securities Commissioner for the State of Colorado,  Plaintiff,  v.  MARK RAY; REVA STACHNIW; CUSTOM CONSULTING & PRODUCT SERVICES, LLC; RM FARM & LIVESTOCK, LLC; MR CATTLE PRODUCTION SERVICES, LLC; SUNSHINE ENTERPRISES; UNIVERSAL HERBS, LLC; DBC LIMITED, LLC,  Defendants.	<p style="text-align: center;"><b>▲ COURT USE ONLY ▲</b></p>
<i>Attorneys for Court-appointed Receiver Gary Schwartz:</i> John A. Chanin, #20749 Katherine A. Roush, #39267 FOSTER GRAHAM MILSTEIN & CALISHER, LLP 360 South Garfield Street, Suite 600 Denver, Colorado 80209 Phone: (303) 333-9810 Fax: (303) 333-9786 Email: <a href="mailto:jchanin@fostergraham.com">jchanin@fostergraham.com</a> ; <a href="mailto:kroush@fostergraham.com">kroush@fostergraham.com</a>	Case Number: 19CV33770  Division: 209
<p style="text-align: center;"><b>FIFTH APPLICATION FOR PROFESSIONAL FEES</b></p>	

Gary Schwartz (“Receiver”), Court-appointed Receiver for the Receivership Assets of Defendants Mark Ray (“Ray”), Reva Stachniw (“Stachniw”), Custom Consulting & Product Services, LLC (“CCPS”), RM Farm & Livestock, LLC (“RM”), MR Cattle Production Services, LLC (“MR Cattle”), Sunshine Enterprises (“Sunshine”), Universal Herbs, LLC (“Universal”), DBC Limited, LLC (“DBC”) (collectively, the “Receivership Defendants”), submits this Fifth Application for Fees and Expenses, which covers the period from July 1, 2022 through November 30, 2022.

1. On September 30, 2019, David Cheval, then-Acting Securities Commissioner for the State of Colorado (the “Commissioner”), filed his Complaint for Injunctive and Other Relief against Ray and the Ray Entities. The Securities Commissioner is now Tung Chan.

2. On September 30, 2019, the Commissioner and Ray, Custom Consulting, MR Cattle, UH and DBC filed a Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Ray, Custom Consulting, MR Cattle, UH and DBC pursuant to Colo. Rev. Stat. § 11-51-602(1) and C.R.C.P. 66.

3. On September 30, 2019, the Court entered a Stipulated Order Appointing Receiver (the “September 30 Order”) appointing Gary Schwartz of Betzer Call Lausten & Schwartz, LLP as receiver for Ray, Custom Consulting, MR Cattle, UH and DBC and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the “Ray Estate”) September 30 Order at ¶ 3.

4. On September 30, 2019, the Securities and Exchange Commission (“SEC”) filed a Complaint against Ray and the Ray Entities and Ron Throgmartin in the United States District Court for the District of Colorado, case no. 19-cv-02789-DDD-NYW (the “Federal Case”).

5. On September 30, 2019 the SEC and Ray, Throgmartin, UH, Custom Consulting, MR Cattle, and DBC filed a stipulated request for the entry of consent orders in the Federal Case.

6. The Court in the Federal Case granted the request for entry of consent orders on October 10, 2019 (the “Ray Consent Judgments”).

7. On October 16, 2019, the SEC and Stachniw, RM Farm and Sunshine filed a second stipulated request for the entry of consent orders in the Federal Case.

8. The Court in the Federal Case granted the request for entry of consent orders on October 18, 2019 (the “Stachniw Consent Judgments”).

9. On October 30, 2019, the Commissioner and Stachniw, RM Farm and Sunshine filed a Second Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over RM Farm, Sunshine, and “the real property, equipment, supplies or inventory located at 12700 E. Lone Chimney Road, Glencoe, OK 74032 that are in the name of or under the control of” Stachniw (the “Stachniw Assets”) pursuant to Colo. Rev. Stat. § 11-51-602(1) and C.R.C.P. 66.

10. On November 4, 2019, the Court entered a Stipulated Order Appointing Receiver (the “November 4 Order” and collectively with the September 30 Order, the “Receivership Orders”) appointing Gary Schwartz of Betzer Call Lausten & Schwartz, LLP as receiver for the Stachniw Assets, RM Farm, Sunshine, and RM Farm’s and Sunshine’s respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses, and (the “Stachniw Estate”) and added the Stachniw Estate to the Ray Estate (collectively, the Stachniw Estate and Ray Estate are referred to herein as the “Receivership Estate” or “Estate”). November 4 Order at ¶¶ 3, 4.

11. The Ray Consent Judgments and the Stachniw Consent Judgments both stay the Federal Case during the pendency of the above-captioned litigation.

12. The Receivership Orders give the Receiver the authority to “hire as an expense of the Estate, the personnel necessary to perform a historical accounting of the Estate for such time period as may be determined by the Receiver and to maintain a complete and accurate accounting of the income and expenses of the Estate . . . and to pay the reasonable value for the services rendered[.]” Receivership Orders at ¶ 5(n)(iii).

13. The Receivership Orders give the Receiver the authority to “hire as an expense of the Estate such employees, accountants, consultants, attorneys and other professionals, as his

counsel, as is necessary for the proper administration of the Estate.” *Id.* ¶ 5(n)(iv) and other professionals as may be reasonably necessary to the proper discharge of the Receiver’s duties, and to hire, pay and discharge the personnel necessary to fulfill the obligations of the Receiver hereunder, including the retention of . . . other third parties to assist the Receiver in the performance of its duties hereunder, all within the Receiver’s discretion[.]” Receivership Order at p. 9, ¶ 13(l).

14. The Receivership Orders further state that

The Receiver shall make an application of the Court for payment of reasonable and necessary fees, costs and expenses incurred as Receiver, including but not limited to, disbursement of professional fees to himself, his counsel, or accountant, and shall be entitled to payment of said fees and expenses as hereinafter provided. Copies of the application to the Court shall be provided to counsel for the parties and to the Commissioner. Such parties shall have ten (10) calendar days following the filing of such application to file any objections with the Court. Objections will not be general in nature but are to be specific, stating all amounts, in detail, if any, which is not objected to by the objector. If no objections are filed with the Court within ten (10) calendar days, the Receiver may thereupon draw funds from his trust account sufficient to pay such fees, disbursements and expenses without further order of the Court. If any objections are filed the Receiver may draw funds from his trust account sufficient to pay the amount not objected to, and the Court will conduct a hearing on any objections within twenty (20) days from the filing of the objection. At such hearing, the compensation of the Receiver or other professional as well as allowable disbursements and expenses will be determined by the Court. *Id.* ¶ 5(n)(iv).

15. This Application covers the period from July 1, 2022 through November 30, 2022. This is the Receiver’s fifth fee application. This Application requests the following fees and expenses:

Provider	Amount Sought:	Description:
Betzer, Lausten Call & Schwartz, LLP and Gary Schwartz, Receiver	\$57,960.11	Receiver and Accounting Fees
Foster Graham Milstein & Calisher, LLP	\$ 127,699.62	Legal Fees and costs

16. A detailed itemization of the fees requested are included in Exhibits 1 and 2 hereto.

**Betzer, Lausten Call & Schwartz, LLP's Fees**

17. The Receiver and his staff (the forensic accounting team) have continued to diligently work on a forensic accounting on the entire Estate, to establish what monies came into and went out of the Estate and the various entities, which is now largely complete.

18. In so doing, the forensic accounting team reviewed and incorporated information from thousands of pages of the Ray Entities' and investors' bank statements and reviewed and summarized the data entry in the form of detailed and summary reports of all banking activity of the Estate. This process was challenging and iterative, because no formal accounting was maintained by Mark Ray and because a multitude of transactions related to the Mark Ray enterprise were conducted investor-to-investor.

19. To date, the forensic accounting team has entered over six thousand transactions from investor accounts that represent more than \$500 million in both inflows and outflows. In context, the forensic accounting team entered almost forty thousand transactions from the Mark Ray enterprise bank accounts that represent more than \$900 million of both inflows and outflows. In total, in absolute dollars, the forensic accounting team has entered more than **\$3 billion** in funds flowing among and between the Mark Ray enterprise and the investors (to be clear, this figure represents the amount of entry completed and includes, in many cases, both sides of transactions). To avoid double-counting transactions in the analyses, the forensic accounting team has created a complex matching algorithm to help flag transactions where the team believes they have information from both sides of a transaction.

20. The forensic accounting team has also largely completed a comparison of reconstructed banking activity to claims made by investors. The forensic accounting team has created reports for each investor reflecting the detailed funds flow related to the Mark Ray

enterprise. These reports reflect the funds flow associated with that investor, including the various names associated with that investor and include every detailed transaction associated with that investor. These reports allow the Receiver and counsel to conduct detailed analysis of claims submitted by the investors.

21. The forensic accounting team has also assisted counsel with providing information in reply to a variety of ad hoc requests regarding certain specific parties, which helps counsel in regard to a variety of other legal activities related to the estate.

22. The Receiver has also addressed Titan Health's default of the Asset Purchase Agreement and various promissory notes between Universal Herbs, LLC and Titan. Pursuant to the terms of those agreements and notes, the Receiver has accelerated the payments under the notes and has filed suit against Titan Health, including requesting that a receiver be appointed over the assets Universal Herbs sold to Titan in order to protect those assets as they are Universal Herbs' collateral. The Receiver was appointed as Receiver over these assets and has been working to maintain those assets.

23. In October 2020, the Receiver sought and obtained Court approval for a claims process, which established a bar date on February 1, 2021. On January 20, 2021, the Receiver extended the claims bar date to March 15, 2021 to ensure every potential creditor had a chance to submit a claim.

24. As of the Bar Date, the Estate received 98 claims, totaling \$64,128,430.21. These claims include claims from vendors of the Estate, investors in the cattle scheme, and banks.

25. The Receiver and his team have reviewed all the claims filed and have made preliminary decisions on each claim, subject to Court approval.

## **Foster Graham Milstein & Calisher's Fees**

26. Foster Graham Milstein & Calisher, LLP ("the Firm") was hired as legal counsel by the Receiver, and attorneys at the Firm have been working diligently in that capacity since September 30, 2019. The Firm's invoices are attached here as Exhibit 2. In particular, Firm partner John Chanin has extensive experience representing receivers appointed to investigate and wind down a Ponzi scheme.

27. As counsel to the Receiver, in the last six months, the Firm has performed numerous tasks, including without limitation:

- a. Providing legal advice and counsel to the Receiver, often on a daily basis, on a broad array of topics, such as employment issues, regulatory issues, tax issues, real estate and lease issues, litigation and settlement options, and the scope of the Receiver's powers and duties under the Receivership Orders;
- b. Communicating regularly with investors and counsel concerning the Receivership and the investigation;
- c. Reviewing and analyzing nearly 100 claims filed by investors, vendors and other interested persons, including review supporting documentation provided by claimants and comparing provided information with the investor reports created by BCLS, and making preliminary adjudications of claims pending court approval;
- d. Reviewing and analyzing dozens of investor reports detailing each investor's investments in and distributions from the Ponzi scheme;
- e. As detailed in the previous fee application, the Receiver had previously entered into settlement agreements with 13 individuals, all of whom were investors in the Ponzi scheme and all of whom the Receiver's forensic analysis indicated had received

fictitious profits from the Ponzi scheme. Since the date of the last fee application, the Receiver has entered into settlements with two additional individuals, for additional recovery for the estate of over \$335,000.

- f. Investigated various methodologies for distribution of estate assets to investors;
- g. Coordinating with the Colorado Securities Commissioner, the trial attorney for the SEC, and the federal criminal prosecutor and case agent;
- h. Performing legal research and analysis on a myriad of issues;
- i. Prosecuting its suit against Titan Health, Inc for defaulting on promissory notes owed to Universal Herbs, LLC, including seeking summary judgment on all claims;
- j. Continued prosecuting the Receiver's claw-back case against JP Morgan Chase, including securing a favorable ruling on Chase's partial motion to dismiss.
- k. Beginning to create a distribution plan for approval by the Court and all interested parties.

28. The Firm bills on an hourly basis ranging from \$325 to \$495 for attorney time, and \$150 for paralegal time. The Firm has written off all finance charges and is not seeking reimbursement for finance charges. The Firm also has largely not billed for a second paralegal's time, resulting in a significant discount to the Estate. These rates are at or below the market rate typically charged by attorneys with the same experience and background as the attorneys representing the Receiver.

29. Pursuant to Paragraph 5(n)(iv), the Receiver is providing a copy of this Application and exhibits to counsel for the parties to this case. Court approval of the application shall be given as a matter of course unless a party objects within ten days after service.

DATED this 7<sup>th</sup> Day of December, 2022.



FOSTER GRAHAM MILSTEIN & CALISHER, LLP

By: /s/ Katherine A. Roush  
John A. Chanin, #20749  
Katherine A. Roush, #39267

*Attorneys for Court-appointed Receiver Gary  
Schwartz*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 7, 2022, a true and correct copy of the foregoing **FIFTH APPLICATION FOR PROFESSIONAL FEES** was electronically filed and served on all parties of record via the Colorado Court E-Filing System.

/s/ Lucas Wiggins  
Lucas Wiggins

**Betzer Call Lausten & Schwartz, LLP**  
633 Seventeenth Street  
Suite 2250  
Denver, CO 80202  
FEIN: 84-1521553

**EXHIBIT 1**

August 9, 2022

DATE FILED: December 7, 2022 4:07 PM  
FILING ID: 91722DC8E95FF  
CASE NUMBER: 2019CV33770

Gary Schwartz  
BCLS

In Reference To: Ray Receivership - Matter #76801  
Invoice # 17664

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Professional services rendered:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
7/11/2022 KH Review vendor documents.	1.50	\$125.00/hr	187.50
7/27/2022 ML Call with counsel.	0.50	\$375.00/hr	187.50
7/28/2022 GMS Data review and analysis of UHerbs information.	4.25	\$400.00/hr	1,700.00

For professional services rendered			<u>\$2,075.00</u>
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Additional Charges :

7/1/2021 Colorado Dept of Revenue 5/27/22			2,178.69
7/31/2022 Photocopies.			<u>0.30</u>

Total costs			<u>\$2,178.99</u>
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Total amount of this bill			<u>\$4,253.99</u>
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Previous balance			\$42,646.17
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7/31/2022 Payment - thank you			<u>(\$42,646.17)</u>
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Total payments and adjustments			<u>(\$42,646.17)</u>
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Gary Schwartz

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Amount

Balance due

\$4,253.99

**Betzer Call Lausten & Schwartz, LLP**  
633 Seventeenth Street  
Suite 2250  
Denver, CO 80202  
FEIN: 84-1521553

**EXHIBIT 1**

September 7, 2022

Gary Schwartz  
BCLS

In Reference To: Ray Receivership - Matter #76801  
Invoice # 17678

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Professional services rendered:

			<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
8/3/2022	KH	Discussion with Marilyn Davies regarding [REDACTED]	1.00	\$125.00/hr	125.00
8/4/2022	GMS	Document review of Park Ave sale documents. Telephone call with counsel re: [REDACTED]	1.75	\$425.00/hr	743.75
8/10/2022	ML	Re-run analysis. Send to counsel.	1.00	\$375.00/hr	375.00
8/17/2022	KH	Discussion with Marilyn Davies regarding [REDACTED]	1.00	\$125.00/hr	125.00
8/23/2022	ML	Review and respond to questions from counsel.	1.00	\$375.00/hr	375.00
	KH	Review investor documents and database to update transaction entry status.	4.50	\$125.00/hr	562.50
8/24/2022	ML	Project coordination.	0.50	\$375.00/hr	187.50
8/25/2022	ML	Project coordination. Communication with counsel.	0.50	\$375.00/hr	187.50
8/29/2022	ML	Discussion with counsel. Review analyses.	2.00	\$375.00/hr	750.00
	KH	Discussion with M Lausten. Review and compare client and BCLS investment spreadsheets for Nowatzke, Ozzello and Hirschfeld.	4.75	\$125.00/hr	593.75

**EXHIBIT 1**

Gary Schwartz

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			<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
8/30/2022	ML	Review claims and analyze records.	0.50	\$375.00/hr	187.50
	KH	Review and compare client and BCLS investment spreadsheets for Nowatzke, Ozzello and Hirschfeld.	5.50	\$125.00/hr	687.50
8/31/2022	ML	Review claims and analyze records.	0.75	\$375.00/hr	281.25
	KH	Discussion with K. Hagans. Research investments and payments for Nowatzke and Hirschfeld.	6.75	\$125.00/hr	843.75
		For professional services rendered			<u>\$6,025.00</u>
		Additional Charges :			
8/31/2022		Photocopies.			4.90
		Color copies.			<u>2.00</u>
		Total costs			\$6.90
		Total amount of this bill			<u>\$6,031.90</u>
		Previous balance			\$4,253.99
		Balance due			<u><u>\$10,285.89</u></u>

**Betzer Call Lausten & Schwartz, LLP**  
633 Seventeenth Street  
Suite 2250  
Denver, CO 80202  
FEIN: 84-1521553

**EXHIBIT 1**

October 11, 2022

Gary Schwartz  
BCLS

In Reference To: Ray Receivership - Matter #76801  
Invoice # 17697

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Professional services rendered:

		<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
9/6/2022	KH	Review and analyze bank statements and transactions for Hirschfeld, Ozzello and Nowatzke. Compare investor provided documents to bank documents.	6.75	\$125.00/hr	843.75
9/7/2022	ML	Review transactions for Hirschfeld, Ozzello, Kolterman, and Nowatzke. Discussion with K. Hagans.	2.75	\$425.00/hr	1,168.75
	KH	Review and analyze bank statements and transactions for Hirschfeld, Ozzello and Nowatzke. Compare investor provided documents to bank documents. Update investor spreadsheets.	9.75	\$125.00/hr	1,218.75
9/8/2022	ML	Review October 2018 transactions.	4.00	\$425.00/hr	1,700.00
	KH	Discussion with M. Lausten. Review and analyze bank statements and transactions for Hirschfeld, Ozzello and Nowatzke. Compare investor provided documents to bank documents. Update investor spreadsheets.	3.50	\$125.00/hr	437.50

**EXHIBIT 1**

Gary Schwartz

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			<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
9/9/2022	ML	Review October 2018 transactions.	5.00	\$425.00/hr	2,125.00
	KH	Review and analyze bank statements and transactions for Ozzello. Compare investor provided documents to bank documents. Update investor spreadsheets.	7.25	\$125.00/hr	906.25
9/12/2022	ML	Draft Hirschfeld memo. Discussions with K. Hagans.	5.00	\$425.00/hr	2,125.00
	KH	Review and analyze bank statements and transactions for Ozzello. Compare investor provided documents to bank documents. Update investor spreadsheets.	7.50	\$125.00/hr	937.50
9/13/2022	ML	Investor transaction analysis. Review Kolterman transactions.	6.00	\$425.00/hr	2,550.00
9/14/2022	ML	Investor transaction analysis. Review Kolterman transactions.	3.00	\$425.00/hr	1,275.00
	KH	Update investor spreadsheets and run database reports.	1.75	\$125.00/hr	218.75
9/15/2022	ML	Review September & October 2018 transactions.	5.00	\$425.00/hr	2,125.00
	KH	Update investor spreadsheets and run database reports.	3.50	\$125.00/hr	437.50
9/16/2022	ML	Review transactions.	4.00	\$425.00/hr	1,700.00
9/19/2022	ML	Review transactions.	0.50	\$425.00/hr	212.50
	KH	Update Ozzello investor spreadsheets and run database reports.	5.75	\$125.00/hr	718.75
9/20/2022	ML	Review and summarize transactions.	3.50	\$425.00/hr	1,487.50
	KH	Update Luckey investor spreadsheets and run database reports for all investors. Review Helen Carter Squire claim documents.	5.50	\$125.00/hr	687.50
9/23/2022	ML	Review and summarize transactions.	4.00	\$425.00/hr	1,700.00
9/29/2022	ML	Review correspondence from counsel. Update database.	0.50	\$425.00/hr	212.50
For professional services rendered					<u>\$24,787.50</u>



Gary Schwartz

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## Additional Charges :

	<u>Amount</u>
9/30/2022 Photocopies.	37.30
Scanned documents.	0.50
Total costs	<u>\$37.80</u>
 Total amount of this bill	 <u>\$24,825.30</u>
 Previous balance	 \$10,285.89
 Balance due	 <u><u>\$35,111.19</u></u>

**Betzer Call Lausten & Schwartz, LLP**  
633 Seventeenth Street  
Suite 2250  
Denver, CO 80202  
FEIN: 84-1521553

**EXHIBIT 1**

November 2, 2022

Gary Schwartz  
BCLS

In Reference To: Ray Receivership - Matter #76801  
Invoice # 17708

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Professional services rendered:

			<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
10/3/2022	ML	Run and distribute payout scenarios.	3.00	\$425.00/hr	1,275.00
10/4/2022	ML	Prepare for and participate in call with counsel.	1.25	\$425.00/hr	531.25
	KH	Discussion with M. Lausten and counsel.	1.00	\$125.00/hr	125.00
10/13/2022	GMS	Data review and analysis of claims.	5.25	\$425.00/hr	2,231.25
10/17/2022	GMS	Telephone conference with counsel re: [REDACTED].	1.50	\$425.00/hr	637.50
10/18/2022	KH	Update database and reporting for changes to Darby investment.	1.25	\$125.00/hr	156.25
10/19/2022	ML	Review related case findings.	1.00	\$425.00/hr	425.00
10/26/2022	ML	Review and edit receiver's report.	1.00	\$425.00/hr	425.00
10/27/2022	KH	Forward report to M. Davies.	0.25	\$125.00/hr	31.25
10/28/2022	ML	Transaction research.	0.50	\$425.00/hr	212.50
	KH	Review and research Nowatzke transactions.	3.75	\$125.00/hr	468.75
For professional services rendered					<u>\$6,518.75</u>

Gary Schwartz

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## Additional Charges :

	<u>Amount</u>
10/31/2022 Photocopies.	5.20
Scanned documents.	0.50
Total costs	<u>\$5.70</u>
 Total amount of this bill	 <u>\$6,524.45</u>
 Previous balance	 \$35,111.19
 Balance due	 <u><u>\$41,635.64</u></u>

**EXHIBIT 1**

**Betzer Call Lausten & Schwartz, LLP**  
 633 Seventeenth Street  
 Suite 2250  
 Denver, CO 80202  
 FEIN: 84-1521553

November 30, 2022

Gary Schwartz  
 BCLS

In Reference To: Ray Receivership - Matter #76801  
 Invoice # 17713

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Professional services rendered:

		<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
11/2/2022 ML	Review Porter transactions.	1.00	\$425.00/hr	425.00
11/3/2022 ML	Analyze Porter transactions. Discussion with counsel. Begin drafting Porter memo.	6.50	\$425.00/hr	2,762.50
11/4/2022 ML	Analyze Porter transactions. Complete initial Porter memo draft.	6.00	\$425.00/hr	2,550.00
11/8/2022 ML	Edits to Porter memo.	2.00	\$425.00/hr	850.00
11/10/2022 ML	Prep for and call with counsel re [REDACTED] [REDACTED]	1.00	\$425.00/hr	425.00
11/11/2022 ML	Prep for and call with counsel re [REDACTED] [REDACTED] Edits to Porter memo.	5.50	\$425.00/hr	2,337.50
11/14/2022 ML	Edits to Porter memo.	4.00	\$425.00/hr	1,700.00
11/15/2022 ML	Edits to Porter memo.	2.25	\$425.00/hr	956.25
11/16/2022 KH	Update files with Helen Carter Squire claim document. Review and analyze update from Misty Hirschfeld and identify supporting documents.	5.50	\$125.00/hr	687.50
ML	Review Hirschfeld transactions. Update claims database.	0.50	\$425.00/hr	212.50

Gary Schwartz

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			<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
11/18/2022	ML	Finalize Porter memo. Discussion with counsel.	3.00	\$425.00/hr	1,275.00
11/30/2022	KH	Review Blake Spellings transactions.	3.25	\$125.00/hr	406.25
	ML	Research related to Blake Spellings.	0.50	\$425.00/hr	212.50
	BM	November 2022 time - 5.5 hrs.	5.50	\$275.00/hr	1,512.50
		For professional services rendered			<u>\$16,312.50</u>
		Additional Charges :			
11/30/2022		Photocopies.			6.90
		Color copies.			4.50
		Mailings.			0.57
		Total costs			<u>\$11.97</u>
		Total amount of this bill			<u>\$16,324.47</u>
		Previous balance			\$41,635.64
		Balance due			<u>\$57,960.11</u>

**FOSTER GRAHAM MILSTEIN & CALISHER, LLP**

360 S. Garfield St., 6th Fl.  
Denver, CO 80209

DATE FILED: December 7, 2022 4:07 PM  
FILING ID: 91722DC8E95FF  
CASE NUMBER: 2019CV33770

Attn: Gary Schwartz

Gary Schwartz  
Betzer Call Lausten & Schwartz LLP  
633 17th St. Ste 2250  
Denver, CO 80202  
gary@bcls-cpa.com

Invoice Date: August 9, 2022  
Invoice No. 198426  
Account No. 23998.0003  
Page: 1

RE: Receiver, Case No. 2019CV33770

**For online payment, copy this link into your browser and use the account number for this invoice as the reference:**  
**<https://secure.lawpay.com/pages/fostergraham/operating>**

Fees

			Hours	
07/05/2022	JAC	Emails with client; emails with J. Gonnell; attention to show cause hearing set for Titan and emails with assistant city attorney; emails with potential buyer of Diego shares; research regarding 144 stock transfers.	1.50	742.50
07/06/2022	JAC	Emails with client; emails with J. Gonnell; emails with D. Clore (assistant city attorney); work on Titan show cause issues.	2.50	1,237.50
07/07/2022	JAC	Emails with client; attention to Titan issues and new counsel for Kaweske; confer with KR; telephone conference with D. Clore regarding Titan show cause hearing; emails with J. Gonnell.	2.50	1,237.50
	KAR	Finalize and file motion for amended order appointing receiver; finalize conferral on same.	0.30	105.00
07/08/2022	JAC	Review amended order and answer; emails with client; confer with KAR.	2.00	990.00
07/11/2022	JAC	Review vendor claims.	0.75	371.25
	MRD	Communicate with J. Chanin regarding vendors claims.	0.10	15.00
07/12/2022	JAC	Telephone conference with client; emails with client; confer with KAR and JS regarding Titan answer; emails with MRD.	1.50	742.50
	KAR	Attention to fee application; emails regarding titan receivership.	1.00	350.00
	JS	Communications regarding Titan answer.	0.20	86.00
07/13/2022	JAC	Review claims; emails with BCLS; emails with MRD; confer with KAR.	1.75	866.25
	LWW	Filed Stipulation of Dismissal (Throgmartin)	0.20	20.00

**EXHIBIT 2**

Gary Schwartz  
Account No. 23998.0003  
RE: Receiver, Case No. 2019CV33770

Statement Date: 08/09/2022  
Statement No. 198426  
Page No. 2

			Hours	
07/14/2022	JAC	Emails with client; confer with KAR; review Titan answer.	1.00	495.00
	KAR	Finalize and file fee application. Draft and file stipulation of dismissal in Throgmartin case. Review order; email creditor to provide notice of receivership.	1.50	525.00
	LWW	Finalized and Filed Application for professional fees	0.30	30.00
07/18/2022	KAR	Call with DOJ attorney; follow up with MD.	1.60	560.00
07/19/2022	MMH	Review estoppel and draft revisions to estoppel; conference with KAR concerning estoppel issues/outstanding items.	0.80	300.00
	KAR	Draft stipulation of dismissal in Throgmartin.	0.30	105.00
	KAR	Review Titan Health estoppel.	0.50	175.00
07/20/2022	MRD	Communicate with B. Burkart with DOJ regarding supplemental Subpoena document request.	0.20	30.00
07/21/2022	MRD	Review and analyze responsive documents for DOJ supplemental Subpoena document request regarding Stachniw claim; email communication with DOJ forwarding responsive documents; upload pleading to website.	0.60	90.00
07/22/2022	MRD	Update files/records on website; work on web issue with web designer.	0.40	60.00
07/26/2022	MRD	Update files/records on website.	0.10	15.00
	JAC	Analyze investor forensic reports; review claims.	1.50	742.50
	LWW	Filed Joint Status Report	0.20	20.00
07/28/2022	JAC	Telephone conference with BCLS regarding [REDACTED]; confer with KAR; emails with client.	1.50	742.50
	MRD	Prepare for and participate in outside conference with Receiver, J. Chanin, K. Roush, K. Hagans, and M. Lausten; upload multiple Universal Herbs v. Titan Health pleadings to website.	1.60	240.00
	KAR	Call with client regarding [REDACTED]. Draft motion for more definite statement on Titan's answer.	4.00	1,400.00
	KAR	Email correspondence with claimant against Titan.	0.50	175.00
	LWW	(Titan) Filed motion for extension of time	0.20	20.00
07/29/2022	JAC	Analyze investor forensic reports; review claims; review sample distribution plans and [REDACTED].	2.50	1,237.50
		Total Fees	33.60	13,726.00

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 08/09/2022  
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Expenses

07/01/2022	Online legal research - Q2 Usage - Pacer Service Center	18.30
07/01/2022	Online legal research - Q2 Usage - Pacer Service Center	0.80
07/08/2022	Filing fee - (PROPOSED) AMENDED ORDER APPOINTING RECEIVER, PLAINTIFFS UNOPPOSED MOTION TO ENTER AMENDED ORDER APPOINTING RECEIVER - Colorado Interactive (ICCES)	12.00
07/08/2022	Service fee - (PROPOSED) AMENDED ORDER APPOINTING RECEIVER, PLAINTIFFS UNOPPOSED MOTION TO ENTER AMENDED ORDER APPOINTING RECEIVER - Colorado Interactive (ICCES)	12.00
07/15/2022	Service fee - Exhibit 1 to FOURTH APPLICATION FOR PROFESSIONAL FEES, FOURTH APPLICATION FOR PROFESSIONAL FEES (w/attach), Exhibit 2 to FOURTH APPLICATION FOR PROFESSIONAL FEES - Colorado Interactive (ICCES)	12.00
07/15/2022	Filing fee - Exhibit 1 to FOURTH APPLICATION FOR PROFESSIONAL FEES, FOURTH APPLICATION FOR PROFESSIONAL FEES (w/attach), Exhibit 2 to FOURTH APPLICATION FOR PROFESSIONAL FEES - Colorado Interactive (ICCES)	12.00
07/19/2022	*Case Access fee - Beacon Integrated Tech Inc et al v. Universal Herbs LLC et al - Colorado Interactive (ICCES)	15.72
	Total Expenses	82.82
	<b>Total Fees &amp; Expenses for Current Month</b>	13,808.82
	Previous Balance	\$268,453.12
	<b>Balance Due</b>	<u><u>\$282,261.94</u></u>

Aged Due Amounts

<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
33,235.93	0.00	82,545.47	53,110.61	39,740.31	73,629.62

A finance charge of up to 2% per month may be assessed on all accounts past due 30 days.

\* **Invoice total due upon receipt**

\* **Cost/Advances may include an additional Denver city use tax of 4.81%**



**FOSTER GRAHAM MILSTEIN & CALISHER, LLP**

360 S. Garfield St., 6th Fl.  
Denver, CO 80209

(303) 333-9810

Attn: Gary Schwartz

Gary Schwartz  
Betzer Call Lausten & Schwartz LLP  
633 17th St. Ste 2250  
Denver, CO 80202  
gary@bcls-cpa.com

Invoice Date: September 26, 2022  
Invoice No. 200129  
Account No. 23998.0003  
Page: 1

RE: Receiver, Case No. 2019CV33770

**For online payment, copy this link into your browser and use the account number for this invoice as the reference:**  
**<https://secure.lawpay.com/pages/fostergraham/operating>**

Fees

			Hours	
08/01/2022	JAC	Emails with MRD; attention to vendor claims and supporting documentation; confer with KAR.	2.25	1,113.75
	KAR	Review proposed conferral on motion for more definite statement; confer with opposing counsel on same.	0.70	245.00
	MRD	Communicate with K. Hagans; email communication with J. Chanin.	0.20	30.00
08/02/2022	JAC	Attention to vendor claims and supporting documentation; emails with MRD.	2.50	1,237.50
	KAR	Attention to orders from Court; estoppel certificate.	0.40	140.00
08/03/2022	JAC	Emails with MRD; review claims and investor spreadsheets.	2.25	1,113.75
	MRD	Prepare for and travel to conference with K. Hagans in FGMC offices regarding [REDACTED]; email communication with J. Chanin.	2.10	315.00
08/04/2022	KAR	Address estoppel certificate.	0.50	175.00
	MRD	Communicate with J. Chanin providing summary of K. Hagans meeting; update claims tracking log per meeting with K. Hagans.	0.70	105.00
08/05/2022	JAC	Review claims and investor forensic reports.	2.00	990.00
08/08/2022	JAC	Review claims and investor forensic reports.	1.75	866.25
08/09/2022	JAC	Telephone conference with client; telephone conference with J. Goutell; emails with client; review claims and new forensic reports; attention to issues involving Titan and Kaweske; confer with KAR.	2.50	1,237.50
	KAR	Confer with counsel for Titan per Rule 16. Discuss update on Titan health with JAC. Review orders.	1.40	490.00

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 09/26/2022  
 Statement No. 200129  
 Page No. 2

			Hours	
	LWW	Drafted and filed notice to set.	0.30	30.00
08/10/2022	JAC	Emails with client; research potential secured debt on UH assets; review clawback claims and status; review investor claims; review new forensic reports; team meeting regarding [REDACTED].	5.00	2,475.00
	KAR	Meet with MD and JAC to [REDACTED].	2.50	875.00
	MRD	Prepare for and attend office conference with J. Chanin and K. Roush; download updated BCLS investor spreadsheet; telephone conference and email communication with K. Hagans.	3.20	480.00
08/11/2022	JAC	Review claims and new investor forensic reports; confer with KAR	2.00	990.00
	MRD	Update clawback tracking log.	0.40	60.00
08/12/2022	JAC	Telephone conference with client; telephone conference with J. Goutell regarding Kaweske issues; confer with KAR; emails with client; review new investor forensic reports.	2.25	1,113.75
08/15/2022	JAC	Emails with client; research UCC-1 filings on Titan Health; confer with KAR; review claims and individual investor forensic reports.	2.25	1,113.75
08/16/2022	JAC	Review and evaluate claims; analyze individual investor forensic reports; emails with client; confer with KAR regarding Titan issues.	2.50	1,237.50
	MRD	Update claims spreadsheet; draft claimant letters; update clawback spreadsheet.	1.30	195.00
08/17/2022	JAC	Review claims and investor forensics; team meeting to [REDACTED]; emails with client; emails with DOJ.	3.50	1,732.50
	MRD	Prepare for and travel to office conference with J. Chanin and K. Roush regarding claim review; telephone conversation with K. Hagans regarding [REDACTED].	3.10	465.00
08/18/2022	JAC	Attention to issues regarding Titan Health.	1.00	495.00
	MRD	Update files/records; revise claimant notice letters; forward same to K. Roush for review; update tracking log; email communication with K. Roush.	0.80	120.00
	KAR	Review certificate of conferral; meet with JAC and MRD on [REDACTED].	2.20	770.00
08/19/2022	JAC	Review claims and investor forensics; work on distribution plan.	1.75	866.25
08/22/2022	MRD	Update files/records; update claim tracking spreadsheet; email communication with K. Hagans regarding [REDACTED].	0.40	60.00

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 09/26/2022  
 Statement No. 200129  
 Page No. 3

			Hours	
08/23/2022	JAC	Review claims and investor forensics and documents; telephone conference with client.	2.25	1,113.75
08/24/2022	JAC	Review claims and investor forensics; attention to issue with Titan and Kaweske; review C6 Capital loan documents.	1.75	866.25
08/25/2022	JAC	Review claims and investor forensics; attention to Titan receivership issues and emails.	1.00	495.00
08/26/2022	JAC	Emails with M. Lausten regarding BCLS review of claims and status; review document review logs; review investor claims, documents, and forensics.	2.25	1,113.75
08/29/2022	JAC	Telephone conference with M. Lausten and KAR regarding [REDACTED]; review claims and investor forensic spreadsheets; confer with KAR; emails with BCLS; emails with DOJ attorney; review Stachniw indictment; telephone conference with client; attention to Kaweske computer issues.	3.50	1,732.50
	KAR	Review and revise draft letters to claimants. Call with M. Lausten and JAC, [REDACTED].	3.00	1,050.00
08/30/2022	JAC	Review claims and investor forensic spreadsheets; work on claim response letters; confer with KAR; emails with BCLS; review claim denial letters.	2.25	1,113.75
	MRD	Update files/records; obtain verdict in USA v Throgmartin and Stachniw matter; deal with Outlook email issues.	0.20	30.00
	KAR	Revise claim response letters; draft denial letters.	2.00	700.00
	DKC	Prepare for and call with KAR regarding [REDACTED].	0.40	210.00
08/31/2022	JAC	Emails with MRD; review claims and investor documentation; work on claims response letters.	2.00	990.00
	MRD	Draft/revise website language regarding USA v Throgmartin and Stachniw verdict; email communication with J. Chanin and G. Schwartz regarding revision to website language; upload pleading to website; draft numerous versions of notice letters to claimants regarding claim status.	2.80	420.00
	KAR	Respond to NLRB attorney; draft Case Management Order and communicate about same with R. Bryans. Research [REDACTED] authority.	2.50	875.00
	Total Fees		79.60	31,847.50

Expenses

08/01/2022 Filing fee - PLAINTIFFS UNOPPOSED MOTION FOR EXTENSION OF TIME TO FILE MOTION FOR MORE DEFINITE STATEMENT, Proposed

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 09/26/2022  
 Statement No. 200129  
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	ORDER GRANTING PLAINTIFFS UNOPPOSED MOTION FOR EXTENSION OF TIME TO FILE MOTION FOR MORE DEFINITE STATEMENT - Colorado Interactive (ICCES)	12.00
08/01/2022	Service fee - PLAINTIFFS UNOPPOSED MOTION FOR EXTENSION OF TIME TO FILE MOTION FOR MORE DEFINITE STATEMENT, Proposed ORDER GRANTING PLAINTIFFS UNOPPOSED MOTION FOR EXTENSION OF TIME TO FILE MOTION FOR MORE DEFINITE STATEMENT - Colorado Interactive (ICCES)	12.00
08/10/2022	Filing fee - NOTICE TO SET CASE MANAGEMENT CONFERENCE AND TRIAL - Colorado Interactive (ICCES)	12.00
08/10/2022	Service fee - NOTICE TO SET CASE MANAGEMENT CONFERENCE AND TRIAL - Colorado Interactive (ICCES)	12.00
08/16/2022	Filing fee - NOTICE OF CASE MANAGEMENT CONFERENCE AND TRIAL - Colorado Interactive (ICCES)	12.00
08/16/2022	Service fee - NOTICE OF CASE MANAGEMENT CONFERENCE AND TRIAL - Colorado Interactive (ICCES)	12.00
	Total Expenses	72.00
	<b>Total Fees &amp; Expenses for Current Month</b>	31,919.50
	Previous Balance	\$282,261.94
	<u>Payments</u>	
08/15/2022	Thank you - Payment on account	-268,483.12
	<b>Balance Due</b>	<u>\$45,698.32</u>

<b>Aged Due Amounts</b>					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
31,919.50	13,726.00	52.82	0.00	0.00	0.00

A finance charge of up to 2% per month may be assessed on all accounts past due 30 days.

\* **Invoice total due upon receipt**

\* ***Cost/Advances may include an additional Denver city use tax of 4.81%***

**FOSTER GRAHAM MILSTEIN & CALISHER, LLP**

360 S. Garfield St., 6th Fl.  
Denver, CO 80209

(303) 333-9810

Attn: Gary Schwartz

Gary Schwartz  
Betzer Call Lausten & Schwartz LLP  
633 17th St. Ste 2250  
Denver, CO 80202  
gary@bcls-cpa.com

Invoice Date: October 20, 2022  
Invoice No. 201135  
Account No. 23998.0003  
Page: 1

RE: Receiver, Case No. 2019CV33770

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Fees

			Hours	
09/01/2022	KAR	Finalize and file draft Case Management Order for Titan; review emails regarding Kaweske.	1.00	350.00
	LWW	Filed proposed CMO	0.20	20.00
09/02/2022	KAR	Email with Amanda Halstead regarding sale of Tweedleaf assets. Draft Titan initial disclosures.	1.00	350.00
09/04/2022	MRD	Draft and revise additional letters to various claimants regarding status.	0.80	120.00
09/05/2022	MRD	Draft and revise additional letters to various claimants regarding status; email communication with K. Roush and J. Chanin.	0.30	45.00
09/06/2022	JAC	Review and revise letters to claimants; emails with MRD; review claims and investor forensics; confer with KAR; emails with client regarding Titan; review new summons.	2.50	1,237.50
	MRD	Revise and finalize multiple letters and related attachments to various claimants regarding status.	3.20	480.00
	KAR	Finalize and file Titan initial disclosure certificate. Review claimant batch 1 letters.	1.50	525.00
09/07/2022	JAC	Emails with MRD; review and revise letters to claimants; confer with KAR.	1.75	866.25
	MRD	Draft and revise additional letters to various claimants regarding status.	0.20	30.00
09/08/2022	JAC	Emails with client; confer with KAR regarding Titan case management conference; emails with MRD; attention to claims response letters; emails with M. Lausten.	2.50	1,237.50

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 10/20/2022  
 Statement No. 201135  
 Page No. 2

			Hours	
	KAR	Attend case management conference in Titan. Research [REDACTED] in context of claimants in receivership case.	2.50	875.00
09/09/2022	JAC	Emails with client; confer with KAR regarding [REDACTED] in Titan and [REDACTED]	0.50	247.50
	KAR	Research [REDACTED] in receiver cases; begin draft of Titan summary judgment.	3.20	1,120.00
09/12/2022	JAC	Review and revise investor forensic reports; emails with BCLS; emails with MRD; confer with KAR regarding Titan summary judgment motion	1.50	742.50
	MRD	Review status of claimant letters.	0.30	45.00
09/13/2022	JAC	Review new forensic report on investors; team meeting regarding [REDACTED]	2.00	990.00
	KAR	Call with MRD and JAC on [REDACTED]. Review draft letter from M. Lausten.	2.00	700.00
	MRD	Prepare for and attend office conference with J. Chanin and K. Roush; continue preparation of Claimant letters; research UCC filings regarding Titan Health.	2.30	345.00
09/15/2022	KAR	review outstanding settlement payments. Draft motion for summary judgment against Titan Health.	2.00	700.00
	JAC	Emails with MRD; review UCC-1 filings; confer with KAR; review new investor forensics and reports; Telephone conference with client and KAR; emails with K Hagans	2.75	1,361.25
09/16/2022	JAC	Telephone conference with BCLS team; review claims and investor documentation; work on claims response letters; review emails with Wunderlich and Silver Lake Holdings; Telephone conference with client and J Gonnell	2.75	1,361.25
	KAR	Call regarding [REDACTED] with M Lausten, K Hagans, JAC.	1.00	350.00
09/18/2022	MRD	Draft and revise additional letters to various claimants regarding status; email communication with K. Roush and J. Chanin.	0.40	60.00
09/19/2022	JAC	Review MCA agreements and UCC filings regarding Titan; emails with client; emails with MRD; review and revise claims response letters; review new forensic reports	2.25	1,113.75
	MRD	Revise and finalize additional letters to various claimants regarding status; email communication with K. Roush.	0.30	45.00
09/20/2022	JAC	Emails with client; emails with BCLS; review new investor forensic reports; review claims and investor documentation	2.00	990.00

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
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Statement Date: 10/20/2022  
 Statement No. 201135  
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			Hours	
	MRD	Email communication with J. Chanin and K. Roush.	0.10	15.00
	KAR	Draft summary judgment motion for Titan.	4.00	1,400.00
09/21/2022	JAC	Emails with M Lausten; review new forensic reports on the largest investors; work on Titan summary judgment motion; confer with KAR	2.25	1,113.75
	MRD	Email communication with K. Roush regarding claimant letters.	0.10	15.00
	KAR	Draft motion for summary judgment in Titan.	4.00	1,400.00
09/22/2022	JAC	Work on claims response letters; confer with KAR; review lien filings for Titan	1.75	866.25
	MRD	Revise and finalize additional letter to claimant regarding status.	0.10	15.00
	KAR	Draft update on subpoenas, file same.	0.20	70.00
	LWW	Finalized and filed Joint Status Report	0.20	20.00
09/23/2022	JAC	Review new investor documentation; reviews claims	1.50	742.50
	KAR	Follow up on payments from diego.	0.90	315.00
	KAR	Research [REDACTED].	1.00	350.00
09/26/2022	KAR	Draft summary judgment for Titan.	2.00	700.00
09/27/2022	JAC	Telephone conference with client; emails with client; review new Summons; emails with A Castro; confer with KAR; emails with M Lausten; review new forensic reports and documents; emails with MRD; review claims response letters	3.00	1,485.00
	MRD	Draft and revise letters to various Vendor claimants regarding status.	2.00	300.00
	KAR	Continue revising summary judgment.	2.40	840.00
09/28/2022	JAC	Review and revise claims response letters; emails with M Lausten; emails with MRD; analyze "Big 6" investor reports and data	2.50	1,237.50
	MRD	Finalize letters to various Vendor claimants regarding status.	0.50	75.00
09/29/2022	JAC	Telephone conference with MRD regarding [REDACTED]; review and revise same; confer with KAR	1.75	866.25
	MRD	Communicate with J. Chanin and K. Roush regarding [REDACTED]; draft additional letters to various claimants regarding status.	0.50	75.00
	KAR	Call with JAC, MRD [REDACTED].	1.00	350.00
		Total Fees	74.45	28,558.75

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 10/20/2022  
 Statement No. 201135  
 Page No. 4

Expenses

09/06/2022	Filing fee - PROPOSED CASE MANAGEMENT ORDER (also filed on behalf of Defendant) - Colorado Interactive (ICCES)	12.00
09/06/2022	Service fee - PROPOSED CASE MANAGEMENT ORDER (also filed on behalf of Defendant) - Colorado Interactive (ICCES)	12.00
09/06/2022	Service fee - Plaintiff's C.R.C.P. 26(a)(1) Disclosures - Colorado Interactive (ICCES)	12.00
09/12/2022	*Case Access fee - Coldwater Capital Inc v. Kaweske, John et al - Colorado Interactive (ICCES)	15.72
09/15/2022	*Case Access fee - Silver Lake Holdings LLC v. Titan Health LLC et al - Colorado Interactive (ICCES)	15.72
09/30/2022	B & W Print - September	3.50
09/30/2022	Color print - September	9.50
09/30/2022	Postage - September	25.26
	Total Expenses	105.70
	<b>Total Fees &amp; Expenses for Current Month</b>	28,664.45
	Previous Balance	\$45,698.32
	<b>Balance Due</b>	<u><u>\$74,362.77</u></u>

<u>Aged Due Amounts</u>					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
60,583.95	0.00	13,726.00	52.82	0.00	0.00

A finance charge of up to 2% per month may be assessed on all accounts past due 30 days.

\* **Invoice total due upon receipt**

\* **Cost/Advances may include an additional Denver city use tax of 4.81%**



**FOSTER GRAHAM MILSTEIN & CALISHER, LLP**

360 S. Garfield St., 6th Fl.  
Denver, CO 80209

(303) 333-9810

Attn: Gary Schwartz

Gary Schwartz  
Betzer Call Lausten & Schwartz LLP  
633 17th St. Ste 2250  
Denver, CO 80202  
gary@bcls-cpa.com

Invoice Date: November 9, 2022  
Invoice No. 201899  
Account No. 23998.0003  
Page: 1

RE: Receiver, Case No. 2019CV33770

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**<https://secure.lawpay.com/pages/fostergraham/operating>**

Fees

			Hours	
10/03/2022	JAC	Work on claims response letters; review new investor documentation; emails with A. Schmitz; emails with client	2.25	1,113.75
10/04/2022	JAC	Emails with BCLS; review new forensic reports and potential distribution scenarios; review new investor documents; conference call with BCLS team; revise claims response letters	3.00	1,485.00
	KAR	Call with M. Lausten, K. Hagans, JAC on [REDACTED]	1.00	350.00
	MRD	Revise multiple claim letters, attachments and finalize; prepare for and participate in an online meeting with J. Chanin, K. Roush, K. Hagans, and M. Lausten.	3.80	570.00
10/05/2022	MRD	Draft additional claim status letters; email communication with J. Chanin and K. Roush.	0.40	60.00
	MRD	Revise claims tracking log regarding Porter; draft additional claimant status letters.	0.50	75.00
	KAR	Review letters for claimants; review settlement payments. Continue drafting motion for summary judgment. Discuss status with JAC.	3.00	1,050.00
10/06/2022	JAC	Telephone conference with A Castro; review and revise claims response letters; emails with MRD; confer with KAR; review and revise Titan summary judgment motion	2.25	1,113.75
	KAR	Review MSJ against Titan, send same to JAC for review. Draft supporting affidavits.	3.00	1,050.00
10/07/2022	JAC	Work on claims response letters; emails with MRD; confer with KAR; work on Titan Motion for Summary Judgment	2.50	1,237.50
	MRD	Email communication with J. Chanin regarding [REDACTED]	0.10	15.00

**EXHIBIT 2**

Gary Schwartz  
 Account No. 23998.0003  
 RE: Receiver, Case No. 2019CV33770

Statement Date: 11/09/2022  
 Statement No. 201899  
 Page No. 2

			Hours	
10/10/2022	JAC	Work on plan of distribution; legal research regarding same; work on claims response letters	1.75	866.25
	MRD	Research new address and revise Vendor claim letter; email communication with J. Chanin.	0.20	30.00
	KAR	Confer with Kaweske; follow up on affidavits. Draft claimant letter.	2.00	700.00
10/11/2022	JAC	Telephone conference with D. Stier (DOJ); confer with KAR; review and revise claims response letters; emails with MRD; work on Titan Motion for Summary Judgment	2.00	990.00
	MRD	Revise additional claim status letters; research current addresses for returned claimant letters.	0.30	45.00
	KAR	Revise and finalize affidavits. call with creditor of Titan. Draft joint status report; call with DOJ.	3.00	1,050.00
10/12/2022	JAC	Emails with client; emails with D Horowitz; review investors' claims and documentation; confer with KAR; finalize Titan Motion for Summary Judgment; emails with A Johnson	2.25	1,113.75
	KAR	Finalize and file motion for summary judgment against Titan. Call with David Wunderlich.	2.30	805.00
	LWW	Finalized and filed Motion for Summary Judgment	0.60	60.00
10/13/2022	JAC	Review emails with Kaweske; emails with client; confer with KAR; emails with A Johnson	1.00	495.00
	KAR	Emails with Kaweske on motion.	0.60	210.00
10/14/2022	JAC	Emails with MRD; work on claims response letters; review claims	1.25	618.75
	MRD	Email communication with J. Chanin and K. Roush regarding claimant status letters.	0.20	30.00
	KAR	Review claimants letters.	0.40	140.00
10/17/2022	JAC	Telephone conference with A Johnson; review claims; emails with MRD; work on claims response letters	2.00	990.00
	KAR	Call with client on [REDACTED]; review records on same. Update with JAC.	1.10	385.00
	MRD	Prepare additional claimant status letters.	0.20	30.00
	LWW	Filed Amended Certificate of Conferral	0.20	20.00
10/18/2022	JAC	Review claw back payments; emails with MRD; confer with KAR; emails with client; review amended conferral in Titan; work on draft		

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		distribution plan	Hours 1.75	866.25
	MRD	Prepare additional claimant status letters; email communication with K. Roush and J. Chanin.	1.10	165.00
	KAR	Discuss [REDACTED] with JAC. Email A. Johnson on Spellings' claim.	1.00	350.00
10/19/2022	JAC	Review sample distribution plans; legal research regarding same; work on claims response letters; emails with MRD; confer with KAR regarding [REDACTED]	2.25	1,113.75
	KAR	Draft report due at end of month. Discuss [REDACTED] with client.	1.30	455.00
	MRD	Prepare additional claimant status letters.	0.20	30.00
10/20/2022	JAC	Review claims and claims response letters; emails with MRD; emails with client	1.50	742.50
	KAR	Continue revising draft report. Follow up on outstanding settlement payments.	3.50	1,225.00
10/21/2022	JAC	Work on receiver report; confer with KAR; emails with client	1.50	742.50
	KAR	Follow up with JP Phillips on Titan Health.	0.50	175.00
10/24/2022	JAC	Work on receiver report; review claims and claim response letters; email with MRD; confer with KAR; emails with client; legal research	2.25	1,113.75
	MRD	Revise and review claim spreadsheet; email communication with J. Chanin regarding [REDACTED].	0.90	135.00
	KAR	Call with counsel for Beacon.	0.50	175.00
10/25/2022	JAC	Emails with MRD; review claims and investor documents; confer with KAR; emails with K Hagens; work on receiver report	1.75	866.25
	MRD	Email communication with J. Chanin regarding Nowatzke.	0.10	15.00
	KAR	Discuss Beacon's claim and lawsuit with B. Tracy.	0.40	140.00
10/26/2022	JAC	Emails with MRD; emails with client; work on receiver report; review claims and investor documentation; Telephone conference with B Burkhart (DOJ)	1.75	866.25
	KAR	Revise report to include M. Lausten's edits; send same to client for review and continued edits.	0.80	280.00
10/27/2022	JAC	Emails with MRD; work on receiver report; review and revise claims response letters; confer with KAR	1.50	742.50

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			Hours	
	JS	Conference with K. Roush regarding [REDACTED].	0.20	86.00
	MRD	Finalize additional claimant status letters; email communication with J. Chanin; prepare contact information list of net loser investors pursuant to request from DOJ.	2.20	330.00
	KAR	Research [REDACTED].	3.90	1,365.00
	KAR	Update report; confer with counsel for Beacon.	0.70	245.00
10/28/2022	JAC	Emails with MRD; work on claims response letters; emails with BCLS; work on spreadsheet of net losers for DOJ; emails with client	1.50	742.50
	MRD	Finalize the contact information spreadsheet for DOJ and forward to J. Chanin.	0.30	45.00
10/31/2022	MRD	Finalize additional claimant status letter; update Mailing Matrix; email communication with DOJ.	0.30	45.00
	JAC	Emails with MRD; work on claims response letters; emails with client; emails with BCLS; review new forensic report	1.50	742.50
	KAR	Finalize and file report.	1.30	455.00
	LWW	Finalized and filed Receivers Report	0.30	30.00
		Total Fees	79.90	30,983.50

Expenses

10/01/2022	Online legal research - Q3 Usage - Pacer Service Center	3.80
10/10/2022	*Case Access fee - Impact Opportunities Fund Lp et al v. Titlecard Capital 1fund Lp et al - Colorado Interactive (ICCES)	15.72
10/14/2022	Filing fee - Exhibit 1 to PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Affidavit of Gary Schwartz, Exhibit 2 to PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Affidavit of William Mellenthin, PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT w/attach, PROPOSED ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Colorado Interactive (ICCES)	12.00
10/14/2022	Service fee - Exhibit 1 to PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Affidavit of Gary Schwartz, Exhibit 2 to PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Affidavit of William Mellenthin, PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT w/attach, PROPOSED ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT - Colorado Interactive (ICCES)	12.00
10/18/2022	Filing fee - PLAINTIFF'S AMENDED CERTIFICATE OF CONFERRAL REGARDING ITS MOTION FOR SUMMARY JUDGMENT - Colorado Interactive (ICCES)	12.00
10/18/2022	Service fee - PLAINTIFF'S AMENDED CERTIFICATE OF CONFERRAL REGARDING ITS MOTION FOR SUMMARY JUDGMENT - Colorado Interactive (ICCES)	12.00
10/19/2022	*Case Access fee - Beacon Integrated Tech Inc et al v. Universal Herbs LLC et al - Colorado Interactive (ICCES)	15.72

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10/31/2022	B & W Print - October	14.25
10/31/2022	Color print - October	43.00
10/31/2022	Postage - October	14.22
	Total Expenses	<u>154.71</u>
	<b>Total Fees &amp; Expenses for Current Month</b>	31,138.21
	Previous Balance	\$74,362.77
	<b>Balance Due</b>	<u><u>\$105,500.98</u></u>

<u>Aged Due Amounts</u>					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
59,802.66	31,919.50	0.00	13,778.82	0.00	0.00

A finance charge of up to 2% per month may be assessed on all accounts past due 30 days.

\* **Invoice total due upon receipt**

\* **Cost/Advances may include an additional Denver city use tax of 4.81%**

**FOSTER GRAHAM MILSTEIN & CALISHER, LLP**

360 S. Garfield St., 6th Fl.  
Denver, CO 80209

(303) 333-9810

Attn: Gary Schwartz

Gary Schwartz  
Betzer Call Lausten & Schwartz LLP  
633 17th St. Ste 2250  
Denver, CO 80202  
gary@bcls-cpa.com

Invoice Date: December 5, 2022  
Invoice No. 202599  
Account No. 23998.0003  
Page: 1

RE: Receiver, Case No. 2019CV33770

**For online payment, copy this link into your browser and use the account number for this invoice as the reference:**  
**<https://secure.lawpay.com/pages/fostergraham/operating>**

Fees

			Hours	
11/01/2022	MRD	Telephone conference with Monte Lowderman.	0.10	15.00
	KAR	Attention to email from court re docket; confer on same with opposing counsel; review docket issues.	1.00	350.00
11/02/2022	JAC	Emails with A Johnson; emails with BCLS; work on claims responses; work on Porter-family analysis and transactions	2.00	990.00
11/03/2022	JAC	Telephone conference with M Lausten; review Porter family forensic reports; emails with client; confer with KAR regarding Titan summary judgment	1.00	495.00
	KAR	Follow up with counsel for Beacon on claim and pending lawsuit. Call with M. Lausen and K. Hagans regarding Porter claims and analysis.	2.00	700.00
11/07/2022	JAC	Review new forensic memo on Porter family transactions; emails with client; confer with KAR; emails with MRD	1.50	742.50
	MRD	Conduct UCC research online; upload pleading to website and post; email communication with K. Roush; telephone conversation with Mrs. J. Hobza; telephone conversation with M. Lowderman.	0.90	135.00
11/08/2022	JAC	Emails with M Lausten; review Porter analysis	1.00	495.00
11/09/2022	JAC	Emails with M Lausten; review new Porter memo and forensic report; emails with MRD; revise memo regarding Porter Entities; work on plan of distribution; legal research regarding same	2.75	1,361.25
11/10/2022	JAC	Emails with MRD; review status of claims response letters and deadlines; Telephone conference with M Lausten; work on Porter memo	1.75	866.25
	JS	Review court order and communications regarding same.	0.30	129.00

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			Hours	
	MRD	Revise tracking log regarding response dates to claimant letters; email communication with J. Chanin and K. Roush; prepare additional claimant letters.	0.90	135.00
	KAR	Review Porter analysis. Review Sensoria litigation. Discuss same with JAC. Research case law regarding [REDACTED]. Review new order in Chase litigation.	2.50	875.00
	CGS	Review/analyze court order rejecting magistrate recommendation; conference with team regarding same.	0.30	135.00
11/11/2022	JAC	Review new court order in Chase; emails with client; Telephone conference with M Lausten; work on Porter memo; confer with KAR; Telephone conference with A Friedberg	3.00	1,485.00
	KAR	Discuss new order with JAC, client, CGS. Discuss next steps to take.	1.00	350.00
11/14/2022	JAC	Emails with DOJ; emails with client; emails with A Johnson; review draft rising tide spreadsheet	0.75	371.25
	MRD	Review and analyze Chase de-designated confidentiality documents; email communication with J. Chanin and K. Roush; receive Carter-Squire's claim; update tracking log.	0.50	75.00
11/15/2022	JAC	Emails with DOJ; review claims and documentation; emails with CS [REDACTED]	1.00	495.00
	MRD	Draft/Revise claimant letter to Carter-Squire; telephone conversation with M. Lowderman.	0.20	30.00
	CGS	Conference with JAC regarding [REDACTED]	0.20	90.00
11/16/2022	JAC	Emails with MRD; confer with KAR; work on Porter memo; legal research regarding [REDACTED]; review Chase confidential documents and protective order	1.75	866.25
	MRD	Review Chase Red Flag Documents; email communication with K. Roush; email communication with J. Chanin regarding Carter-Squire claim.	0.40	60.00
	KAR	Secretary of state filings for Titan; discuss same with client.	2.00	700.00
11/17/2022	JAC	Work on claims responses; emails with MRD; Telephone conference with DOJ attorneys; review Chase confidential documents; emails with Chase attorney	2.00	990.00
	MRD	Revise and finalize claimant letters and send.	0.10	15.00
	KAR	Wire information to settlors. Review email conferral from Chase on scope of stay.	0.50	175.00

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			Hours	
11/18/2022	JAC	Telephone conference with M Lausten regarding Porter memo and analysis; confer with KAR regarding [REDACTED]; review motion and order; emails with client; emails with GT lawyers; research timing of discovery	2.50	1,237.50
	JS	Communications regarding [REDACTED].	0.30	129.00
	KAR	Discuss [REDACTED] with JAC and JMS; respond to Chase on same.	1.40	490.00
11/19/2022	JAC	Analyze Chase documents and complaint for confidential information; legal research regarding equitable subordination	1.50	742.50
11/21/2022	JAC	Emails with A Johnson; emails with GT lawyers; confer with KAR; work on Chase confidential documents; legal research regarding equitable subordination; emails with R Finke; emails with client	2.25	1,113.75
	KAR	Continue conferral on stay scope and answer deadline.	0.30	105.00
11/22/2022	JAC	Work on Chase and HSB claim response letters; work on plan of distribution; emails with client; emails with BCLS; confer with KAR	2.00	990.00
	KAR	Review Chase produced docs. Discuss dedesignation with JAC.	1.80	630.00
11/23/2022	JAC	Work on claims responses; work on disallowance letters to Chase and HSB; analyze forensic reports.	2.25	1,113.75
11/28/2022	JAC	Work on plan of distribution; work on claims response letters to Chase and HSB	1.00	495.00
	KAR	Draft status report on subpoenas.	0.50	175.00
11/29/2022	JAC	Confer with KAR; emails with MRD; work on Chase confidentiality designations; work on claims response letters	1.25	618.75
	MRD	Telephone conference with K. Hagans.	0.10	15.00
11/30/2022	JAC	Emails with MRD; confer with KAR; revise Chase de-designation letter	1.25	618.75
	MRD	Review and analyze status of claimant letters; email communication with J. Chanin.	0.20	30.00
	KAR	Draft de-designation demand to Chase.	1.50	525.00
		Total Fees	51.50	22,155.50

Expenses

11/01/2022	Filing fee - RECEIVERS REPORT - Colorado Interactive (ICCES)	12.00
11/01/2022	Service fee - RECEIVERS REPORT - Colorado Interactive (ICCES)	12.00
11/10/2022	*Case Access fee - Impact Opportunities Fund Lp et al v. Titlecard Capital	



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11/30/2022	1fund Lp et al - Colorado Interactive (ICCES)	15.72
	Postage - November	3.42
	Total Expenses	43.14
<b>Total Fees &amp; Expenses for Current Month</b>		22,198.64
Previous Balance		\$105,500.98
<b>Balance Due</b>		<u>\$127,699.62</u>

<b>Aged Due Amounts</b>					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
53,336.85	28,664.45	31,919.50	13,726.00	52.82	0.00

A finance charge of up to 2% per month may be assessed on all accounts past due 30 days.

\* **Invoice total due upon receipt**

\* ***Cost/Advances may include an additional Denver city use tax of 4.81%***