



and Expenses for the operation of the Receivership and its outside counsel. On December 3, 2010, the Court issued an order requesting clarification of the expenses incurred in connection with the fee application. This Supplemental Memorandum describes the expenses for which reimbursement is being sought.

### **EXPLANATION OF EXPENSES INCURRED**

1. The Fourth Application for fees and expenses included a request for reimbursement of \$5,781.81 in expenses incurred by counsel for the Receiver, Hawley Troxell Ennis & Hawley.

2. Attached Exhibit A lists each expense incurred between April 1, 2010 and September 30, 2010, including the date, amount, purpose of payment, payee, and case identification.

3. The expenses fall into the following categories:

a.	Court filing fees (District Court and Bankruptcy Court)	\$3,400.00
b.	Service of process for summons	\$1,302.50
c.	Travel for deposition	\$610.80
d.	Document copies	\$256.32
e.	Computer assisted legal research	\$169.41
f.	Shipping fees (Federal Express)	\$42.78
	Total	\$5,781.81

4. These expenses were incurred in connection with the SEC and CFTC enforcement action in which the receiver was appointed and in 17 of the other lawsuits which have been filed by the Receiver. The expenses broken down by lawsuit are as follows:

a.	Original Receivership action	\$203.18
b.	Lawsuit against Dean Palmer	\$317.57
c.	Lawsuit against George Heffernan	\$751.86
d.	Lawsuit against Karen Stoddard, Elegance in Art Gallery	\$1.80
e.	Lawsuit against No Limit dba Piano Gallery	\$5.04
f.	Lawsuit against Duane Yost	\$305.00
g.	Lawsuit against American Finance	\$350.90
h.	Lawsuit against Michael Beauchamp	\$350.00
i.	Lawsuit against Brad Beauchamp	\$350.00
j.	Lawsuit against Elaine Talbot	\$353.78
k.	Lawsuit against Copper Creek Fountain	\$354.68
l.	Lawsuit against Doyle Beck	\$4.32
m.	Lawsuit against John Goddard	\$85.54
n.	Lawsuit against Keith Rasmussen	\$475.00
o.	Lawsuit against Stephen Lawson	\$475.00
p.	Lawsuit against RoChel Burtenshaw	\$475.00
q.	Lawsuit against Sight & Sound, Beacon	\$923.14
r.	Total	\$5,781.81

5. None of these expenses were incurred in connection with assistance given to government agencies identified in paragraph 4(f) of the Fourth Application for Fees and Expenses.

**CONCLUSION**

The Receiver respectfully submits this Supplemental Memorandum Clarifying Expenses Incurred.

The Receiver verifies under penalty of perjury that the foregoing is true and correct.

DATED THIS 9<sup>th</sup> day of December, 2010.

By *R. Wayne Klein*  
R. Wayne Klein, Receiver