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5 Consultants to Receiver
Thomas A. Seaman
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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **WESTERN DIVISION**

11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

14 STEVE CHEN, USFIA, INC.,
15 ALLIANCE FINANCIAL
GROUP, INC., AMAUCTION, INC.,
16 ABORELL MGMT I, LLC, ABORELL
ADVISORS I, LLC, ABORELL
17 REIT II, LLC, AHOME REAL
ESTATE, LLC, ALLIANCE
18 NGN, INC., APOLLO REIT I, INC.,
APOLLO REIT II, LLC, AMKEY, INC.,
19 US CHINA CONSULTATION
ASSOCIATION, and QUAIL RANCH
20 GOLF COURSE, LLC,

21 Defendants.

Case No. 2:15-cv-07425 RGK GJS

**THIRD INTERIM FEE
APPLICATION OF BERKELEY
RESEARCH GROUP, LLC**

Date: January 9, 2017
Time: 9:00 a.m.
Ct. No.: 850
Judge: Hon. R. Gary Klausner

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INTRODUCTION

Berkeley Research Group, LLC (“BRG”), consultants to Thomas Seaman, the court-appointed Receiver of Defendants USFIA, Inc., Alliance Financial Group, Inc., Amauction, Inc., Aborell Mgmt I, LLC, Aborell Advisors I, LLC, Aborell REIT II, LLC, Ahome Real Estate, LLC, Alliance NGN, Inc., Apollo REIT I, LLC, Apollo REIT II, LLC, Amkey, Inc., US China Consultation Association, and Quail Ranch Golf Club, LLC (collectively, the “Receivership Entities”), hereby submits this Third Interim Application for Payment of Fees and Reimbursement of Expenses (the “Third Application”). The Application covers the period from May 1, 2016 through September 30, 2016 (the “Third Application Period”).

BRG previously filed a First and Second Interim Fee Application, for the period of September 28, 2015 through April 30, 2016 (the “Prior Application Periods”). BRG requested, and the Court approved \$210,873.80 in fees and \$22,107.33 in costs for the Prior Application Periods. The Court authorized the Receiver to pay out of assets of the Receivership Estate 90% of the allowed fees, equal to \$187,086.42, and 100% of the allowed costs.

By this Third Interim Fee Application, BRG seeks compensation for professional fees totaling \$32,731.25 and \$2,579.87 in expenses incurred during the Third Application Period. BRG now requests that the Court approve such fees and expenses on an interim basis, and enter an Order authorizing the Receiver to pay 90% of the fees (\$29,458.13) and 100% of expenses incurred.

SERVICES PERFORMED DURING THE THIRD APPLICATION PERIOD

On or about September 28, 2015, the Court appointed Thomas Seaman on a temporary basis. The Receiver was authorized to, among other things, to (1) collect and take custody, control, and possession of all assets and premises of the Receivership Entities; (2) conduct such investigation and discovery as may be necessary to locate and account for all assets of or managed by the Receivership

1 Entities; (3) take such action as is necessary and appropriate to preserve and take
2 control of and to prevent the dissipation, concealment, or disposition of any assets of
3 or managed by the Receivership Entities; (4) have access to and monitor all mail,
4 electronic mail, and video phone of the Receivership Entities; and (4) to employ
5 attorneys, accountants, consultants, and other persons to assist in such investigation
6 and discovery.

7 Reasonably detailed descriptions of the fees and expenses incurred by BRG
8 during the Third Application Period are included in the invoices attached hereto as
9 Exhibit A.

10 As summarized below, BRG provided services in the following categories
11 during the Third Application Period:

- 12 1. Collections and Backups
- 13 2. Database Analysis and Reporting
- 14 3. Password Cracking
- 15 4. Keyword Searching

16 The Receiver instructed BRG to undertake these tasks, approved the amounts
17 billed by BRG in connection with these tasks, and instructed BRG to prepare this
18 Application. BRG completed these tasks as efficiently as possible given the time
19 constraints, amount of data requested to be preserved, and analysis performed.

20 **1. Collections and Backups**

21 BRG performed forensic collections of newly identified data sources and
22 generated a complete backup of all data collected to date and delivered same to the
23 Receiver's Counsel. The backed up images were individually checked and verified
24 to ensure they remained in working order before delivery.

25 In order to complete these activities, BRG staff was required to spend 24 hours
26 resulting in fees in the amount of \$8,400.00.

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2. Database Analysis and Reporting

BRG analyzed various databases hosted by the Receivership Entities and reported on the following:

- Analyzed and queried the USFIA database to generate a contact list of unique investors in order to assist the Receiver in contacting them.
- Analyzed and exported data from the front-end of the database to provide investor data.
- Analyzed and repaired the configuration of the “Ahome” front-end database to provide the Receiver with a means to review the content of the database.

In order to complete these activities, BRG staff was required to spend 55.5 hours resulting in fees in the amount of \$19,343.75.

3. Password Cracking

BRG decrypted the key password protected files related to the accounting of the Receivership Entities as requested by the Receiver. In order to complete these activities, BRG staff was required to spend 3.25 hours resulting in fees in the amount of \$1,137.50

5. Keyword Searching

BRG searched email servers, databases, and workstations to assist the Receiver in responding to government inquiries. The servers, databases, and workstations were searched and the data was exported to assist the SEC in preparation for depositions.

In order to complete these activities, BRG staff was required to spend 11 hours resulting in fees in the amount of \$3,850.00.

EXPENSES

In order to complete each of the above tasks, BRG incurred \$2,579.87 in expenses during the application period summarized as follows:

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Description	Amount
Travel (Air, Lodging, Transportation)	\$943.30
Admin Fee	\$1,636.57
Total	\$2,579.87

The expenses covered under our 5% standard admin fee relate to specialized computer software purchased for this matter together with equipment costs such as Network Attached Storage Devices, Certified Blank Hard Drives, Data Backup Systems, High Speed Network, Telecommunications, Internal Copying and Printing, Itemized Supplies.

BRG’S FEES AND EXPENSES ARE REASONABLE AND APPROPRIATE

The amounts sought in this Application are reasonable for the professional services performed by BRG on behalf of the Receiver and the Receivership Entities. BRG believes the services rendered constitute necessary and appropriate services to assist the Receiver in carrying out his duties and obligations. Moreover, BRG believes that the services rendered provided substantial benefit to the Receiver and the Receivership Entities and therefore respectfully submits that its fees and expenses are fair and reasonable and should be approved on an interim basis.

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CONCLUSION

Accordingly, BRG respectfully requests that the Court enter an Order approving, on an interim basis, BRG’s fees in the amount of \$32,731.25, its expenses in the amount of \$2,579.87, and authorizing the Receiver to pay BRG 90% of its fees incurred, or \$29,458.13, and 100% of its expenses, in the amount of \$2,579.87.

Dated: December 1, 2016 BERKELEY RESEARCH GROUP, LLC



Marvin A. Tenenbaum
Senior Vice President & General Counsel

EXHIBIT A



Thomas Seaman
Thomas Seaman Company
3 Park Plaza, Suite 550
Irvine, CA 92614

July 7, 2016
Client-Matter: 7733-11355
Invoice #: 42315
Tax ID # 27-1451273

Via Email: tom@thomasseaman.com

RE: SEC v. US Fine Investments Arts Inc

Services Rendered Through May 31, 2016

Professional Services	\$	9,456.25	USD
Expenses Incurred		<u>472.82</u>	
CURRENT CHARGES	\$	9,929.07	USD
 <i>OUTSTANDING INVOICES</i>			
Invoice # 39745 - Dated 03/21/16		19,083.25	
Invoice # 40686 - Dated 04/28/16		15,986.25	
Invoice # 41318 - Dated 05/19/16		24,425.63	
BALANCE DUE	\$	69,424.20	USD

PAYMENT IS DUE BY August 6, 2016

Please direct questions regarding this invoice to: Michael Bandemer at (619) 823-8867 or mbandemer@thinkbrg.com.

Please remit payment by check to:

Berkeley Research Group, LLC
2200 Powell Street, Suite 1200
Emeryville, CA 94608

Please remit payment by wire or ACH to:

Bank Name: PNC Bank, N.A.
SWIFT: PNCCUS33ENJ
ABA #: 031207607
Account Name: Berkeley Research Group, LLC
Account #: 8026286672
Reference: 42315

Remittance advices are to be sent to:
remitadvice@thinkbrg.com



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 2 of 3
Invoice # 42315
Client-Matter: 07733-011355

Services Rendered Through May 31, 2016

PROFESSIONAL SERVICES

	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Senior Managing Consultant			
David Jimenez	350.00	24.00	8,400.00
Craig Fennell	325.00	3.25	1,056.25
Total Professional Services		<u>27.25</u>	<u>9,456.25</u>

EXPENSES

In-House Costs: Technology, Fax, Phone, Supplies & Photocopies	<u>472.82</u>
Total Expenses	472.82



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 3 of 3
Invoice # 42315
Client-Matter: 07733-011355

Services Rendered Through May 31, 2016

DETAIL OF PROFESSIONAL SERVICES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/02/16	David Jimenez	Analyzed database. Performed data processing.	3.00
05/04/16	David Jimenez	Analyzed database. Performed data processing.	1.75
05/05/16	Craig Fennell	Develop exhibit of unique member names and email addresses per client request.	1.50
05/05/16	David Jimenez	Analyzed database. Performed data processing.	2.00
05/10/16	Craig Fennell	Develop table of all member names and unique email address.	1.75
05/10/16	David Jimenez	Analyzed database. Performed data processing.	1.50
05/12/16	David Jimenez	Analyzed database. Performed data processing.	4.50
05/13/16	David Jimenez	Password cracking.	3.25
05/19/16	David Jimenez	Performed duplicate copies of forensic images.	2.00
05/23/16	David Jimenez	Created duplicate copies of forensic images.	2.00
05/26/16	David Jimenez	Performed duplicate copy of forensic images.	4.00
Professional Services			27.25



Thomas Seaman
Thomas Seaman Company
3 Park Plaza, Suite 550
Irvine, CA 92614

July 20, 2016
Client-Matter: 7733-11355
Invoice #: 42990
Tax ID # 27-1451273

Via Email: tom@thomasseaman.com

RE: SEC v. US Fine Investments Arts Inc

Services Rendered Through June 30, 2016

Professional Services	\$	9,100.00	USD
Expenses Incurred		670.10	
CURRENT CHARGES	\$	9,770.10	USD
OUTSTANDING INVOICES			
Invoice # 39745 - Dated 03/21/16		19,083.25	
Invoice # 40686 - Dated 04/28/16		15,986.25	
Invoice # 41318 - Dated 05/19/16		24,425.63	
Invoice # 42315 - Dated 07/07/16		9,929.07	
BALANCE DUE	\$	79,194.30	USD

PAYMENT IS DUE BY August 19, 2016

Please direct questions regarding this invoice to: Michael Bandemer at (619) 823-8867 or mbandemer@thinkbrg.com.

Please remit payment by check to:

Berkeley Research Group, LLC
2200 Powell Street, Suite 1200
Emeryville, CA 94608

Please remit payment by wire or ACH to:

Bank Name: PNC Bank, N.A.
SWIFT: PNCCUS33ENJ
ABA #: 031207607
Account Name: Berkeley Research Group, LLC
Account #: 8026286672
Reference: 42990

Remittance advices are to be sent to:
remitadvice@thinkbrg.com



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 2 of 3
Invoice # 42990
Client-Matter: 07733-011355

Services Rendered Through June 30, 2016

PROFESSIONAL SERVICES

	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Senior Managing Consultant David Jimenez	350.00	26.00	9,100.00
Total Professional Services		<u>26.00</u>	<u>9,100.00</u>

EXPENSES

Express Messenger/Shipping			215.10
In-House Costs: Technology, Fax, Phone, Supplies & Photocopies			<u>455.00</u>
Total Expenses			670.10



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 3 of 3
Invoice # 42990
Client-Matter: 07733-011355

Services Rendered Through June 30, 2016

DETAIL OF PROFESSIONAL SERVICES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/02/16	David Jimenez	Performed forensic imaging of 4 devices. Provided on site database analysis and support.	6.00
06/03/16	David Jimenez	Searched for Ahome databases and exported copies for analysis.	2.50
06/06/16	David Jimenez	Performed backup forensic images of all collected USFIA evidence.	3.50
06/07/16	David Jimenez	Performed backups of all collected USFIA evidence.	2.00
06/08/16	David Jimenez	Performed QC of all backup images	2.75
06/10/16	David Jimenez	Prepared and shipped set of backup images.	1.75
06/23/16	David Jimenez	Database analysis.	3.00
06/24/16	David Jimenez	Database analysis.	4.50
Professional Services			26.00



Thomas Seaman
Thomas Seaman Company
3 Park Plaza, Suite 550
Irvine, CA 92614

September 28, 2016
Client-Matter: 7733-11355
Invoice #: 45031
Tax ID # 27-1451273

Via Email: tom@thomasseaman.com

RE: SEC v. US Fine Investments Arts Inc

Services Rendered Through August 31, 2016

Professional Services	\$	3,850.00	USD
Expenses Incurred		<u>1,135.80</u>	
CURRENT CHARGES	\$	4,985.80	USD
OUTSTANDING INVOICES			
Invoice # 39745 - Dated 03/21/16		19,083.25	
Invoice # 40686 - Dated 04/28/16		15,986.25	
Invoice # 41318 - Dated 05/19/16		24,425.63	
Invoice # 42315 - Dated 07/07/16		9,929.07	
Invoice # 42990 - Dated 07/20/16		9,770.10	
BALANCE DUE	\$	84,180.10	USD

PAYMENT IS DUE BY October 28, 2016

Please direct questions regarding this invoice to: Michael Bandemer at (619) 823-8867 or mbandemer@thinkbrg.com.

Please remit payment by check to:

Berkeley Research Group, LLC
2200 Powell Street, Suite 1200
Emeryville, CA 94608

Please remit payment by wire or ACH to:

Bank Name: PNC Bank, N.A.
SWIFT: PNCCUS33ENJ
ABA #: 031207607
Account Name: Berkeley Research Group, LLC
Account #: 8026286672
Reference: 45031

Remittance advices are to be sent to:
remitadvice@thinkbrg.com



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 2 of 3
Invoice # 45031
Client-Matter: 07733-011355

Services Rendered Through August 31, 2016

PROFESSIONAL SERVICES

	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Senior Managing Consultant David Jimenez	350.00	11.00	3,850.00
Total Professional Services		<u>11.00</u>	<u>3,850.00</u>

EXPENSES

Travel - Airline			266.18
Travel - Hotel/Lodging			335.56
Travel - Taxi, Car Rental, Toll, Train			341.56
In-House Costs: Technology, Fax, Phone, Supplies & Photocopies			<u>192.50</u>
Total Expenses			1,135.80



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 3 of 3
Invoice # 45031
Client-Matter: 07733-011355

Services Rendered Through August 31, 2016

DETAIL OF PROFESSIONAL SERVICES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
08/01/16	David Jimenez	Database analysis.	3.00
08/02/16	David Jimenez	Database analysis.	2.00
08/03/16	David Jimenez	Database analysis.	3.25
08/04/16	David Jimenez	Database analysis.	2.75
Professional Services			11.00



Thomas Seaman
Thomas Seaman Company
3 Park Plaza, Suite 550
Irvine, CA 92614

October 26, 2016
Client-Matter: 7733-11355
Invoice #: 45885
Tax ID # 27-1451273

Via Email: tom@thomasseaman.com

RE: SEC v. US Fine Investments Arts Inc

Services Rendered Through September 30, 2016

Professional Services	\$ 10,325.00	USD
Expenses Incurred	516.25	
CURRENT CHARGES	10,841.25	
Less: Overpayment Applied	(2,580.57)	
NET CURRENT CHARGES	\$ 8,260.68	USD

OUTSTANDING INVOICES

Invoice # 39745 - Dated 03/21/16	2,777.64	
Invoice # 40686 - Dated 04/28/16	1,522.50	
Invoice # 41318 - Dated 05/19/16	2,326.25	
Invoice # 42315 - Dated 07/07/16	9,929.07	
Invoice # 42990 - Dated 07/20/16	9,770.10	
Invoice # 45031 - Dated 09/28/16	4,985.80	
BALANCE DUE	\$ 39,572.04	USD

PAYMENT IS DUE BY November 25, 2016

Please direct questions regarding this invoice to: Michael Bandemer at (619) 823-8867 or mbandemer@thinkbrg.com.

Please remit payment by check to:

Berkeley Research Group, LLC
2200 Powell Street, Suite 1200
Emeryville, CA 94608

Please remit payment by wire or ACH to:

Bank Name: PNC Bank, N.A.
SWIFT: PNCCUS33ENJ
ABA #: 031207607
Account Name: Berkeley Research Group, LLC
Account #: 8026286672
Reference: 45885

Remittance advices are to be sent to:
remitadvice@thinkbrg.com



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 2 of 3
Invoice # 45885
Client-Matter: 07733-011355

Services Rendered Through September 30, 2016

PROFESSIONAL SERVICES

	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Senior Managing Consultant David Jimenez	350.00	29.50	10,325.00
Total Professional Services		<u>29.50</u>	<u>10,325.00</u>

EXPENSES

In-House Costs: Technology, Fax, Phone, Supplies & Photocopies			<u>516.25</u>
Total Expenses			516.25



To: Thomas Seaman
c/o: Thomas Seaman Company
RE: SEC v. US Fine Investments Arts Inc

Page 3 of 3
Invoice # 45885
Client-Matter: 07733-011355

Services Rendered Through September 30, 2016

DETAIL OF PROFESSIONAL SERVICES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
09/08/16	David Jimenez	Database analysis of investor data and related transactions.	10.00
09/09/16	David Jimenez	Database analysis of investor data and related transactions.	6.00
09/12/16	David Jimenez	Database analysis of investor data and related transactions.	3.00
09/13/16	David Jimenez	Database analysis of investor data and related transactions.	2.00
09/19/16	David Jimenez	Prepared report of hosted websites.	3.25
09/20/16	David Jimenez	Exported amkey and ahome databases.	5.25
Professional Services			29.50