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Attorneys for David K. Broadbent as Court-Appointed Receiver

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

FEDERAL TRADE COMMISSION; and
UTAH DIVISION OF CONSUMER
PROTECTION,

Plaintiffs,

vs.

ZURIXX, LLC, a Utah limited liability
company; CARLSON DEVELOPMENT
GROUP, LLC, a Utah limited liability
company; CJ SEMINAR HOLDINGS, LLC, a
Utah limited liability company; ZURIXX
FINANCIAL, LLC, a Utah limited liability
company; CHRISTOPHER A. CANNON,
individually and as an officer of ZURIXX,
LLC; JAMES M. CARLSON, individually and
as an officer of ZURIXX, LLC; and JEFFREY
D. SPANGLER, individually and as an officer
of ZURIXX, LLC,

Defendants.

**RECEIVER’S FIRST APPLICATION FOR
COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR
(1) THE MONITOR AND RETAINED
PROFESSIONALS, AND (2) THE
RECEIVER AND RETAINED
PROFESSIONALS**

Case No. 2:19-cv-00713

David K. Broadbent, as receiver (the “Receiver”) for Defendants Zurixx, LLC and related entities (collectively, “Zurixx”), submits this First Application for Compensation and

Reimbursement of Expenses for (1) the Monitor and Retained Professionals, and (2) the Receiver and Retained Professionals (the “First Application”). The Receiver requests an Order approving payment of fees and expenses incurred in the month of October, 2019 (while Mr. Broadbent served as Court-appointed Monitor; the “Monitor Application Period”) and in the month of November, 2019 (while Mr. Broadbent served as Court-appointed Receiver; the “Receiver Application Period”). In advance of this filing, the Receiver provided to the Federal Trade Commission and the Utah Division of Consumer Protection copies of the invoices attached hereto, and counsel for each have indicated to the Receiver that they do not have any objections to this First Application.

APPLICATION FOR MONITOR AND RETAINED PROFESSIONALS

1. On October 1, 2019, the Court entered its *Ex Parte* Temporary Restraining Order with Asset Preservation, Appointment of a Temporary Monitor over Corporate Defendants, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (Dkt. No. 24) (the “Monitor Appointment Order”). The Monitor Appointment Order appointed David K. Broadbent as the “temporary monitor for the Monitored Entities and any of their affiliates, subsidiaries, successors, and assigns, wherever located,” (Section X).

2. The Monitor Appointment Order imposed various duties on the Monitor (*see* generally Sections X-XVIII). It also authorized the Monitor to “choose, engage, and employ attorneys, investigators, accountants, appraisers, and other independent contractors and technical specialists, as the Monitor deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order,” (Section XI H).

3. The Monitor Appointment Order also provides that “the Monitor and all personnel hired by the Monitor . . . including counsel to the Monitor and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the Monitored Entities,” (Section XVI). It is pursuant to this provision that the Monitor makes this First Application.¹

4. Pursuant to the authority granted by the Monitor Appointment Order, the Monitor retained the law firm of Holland & Hart, LLP (“H&H”) to serve as his counsel, and Rocky Mountain Advisory, LLC (“RMA”) to serve as his accountants. For this engagement, the Monitor agreed to discount his usual rate from \$530 to \$475, and this discount applies to his rate as Receiver for the work discussed in the next section. H&H agreed to discount the rates for all H&H professionals by 10%. This discount also applies to H&H professionals as counsel to the Receiver for the work discussed in the next section.

5. On December 13, 2019, the Receiver filed the Monitor’s Report (Dkt. No. 71) that details the work performed by the Monitor and his retained professionals during the Monitor Application Period, as well as the Monitor’s findings. In short, the Monitor and the professionals worked to, among other things, understand the Zurixx business from an operational and accounting perspective, including by approving expenses, interviewing principals and employees, monitoring the activities of Zurixx by observing telesales calls, coaching calls, and recordings of various types of events to determine whether such activities complied with the

¹ Given that Mr. Broadbent has now been appointed as the Receiver in this case, this will be the only application filed with respect to the monitorship.

Court's Monitor Appointment Order. The Monitor and his counsel also attended depositions and participated in negotiations and conferences between the parties. The Monitor worked to compile the Monitor's Report that has now been filed with the Court.

6. During the Monitor Application Period, the Monitor and his retained professionals incurred the following in fees and expenses (collectively, the "Monitor's Fees and Expenses"):

	<u>Fees Requested</u>	<u>Expense Reimbursement Requested</u>	<u>Total</u>
Monitor	\$42,892.50	\$937.50	\$43,830.00
H&H	\$164,146.35	\$6,440.00	\$170,586.35
RMA	\$53,558.00	\$92.80	\$53,650.80
Total	\$260,596.85	\$7,470.30	\$268,067.15

7. Invoices detailing the work performed by the Monitor, H&H, and RMA during the Monitor Application Period are attached hereto as **Exhibits A, B, and C**, respectively. The invoices also detail the professionals that performed the work and the hourly rate of each of the professionals.

8. The compensation requested for the work performed during the Monitor Application Period is reasonable compensation for the services performed, which services have been actually and necessarily rendered in this case.

9. The Receiver respectively requests that the Court approve the Monitor's Fees and Expenses as reasonable compensation and authorize the Receiver to make payments in the amounts as outlined above.

APPLICATION FOR RECEIVER AND RETAINED PROFESSIONALS

10. On November 1, 2019, the Court entered its Stipulated Preliminary Injunction (Dkt. No. 54) (the “Receiver Appointment Order”). The Receiver Appointment Order appointed David K. Broadbent as the “receiver over the Receivership Entities with full powers of an equity receiver” (Section XIV).

11. The Receiver Appointment Order imposed various duties on the Receiver (*see* generally Sections XV-XXIII). It also authorized the Receiver to “choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order,” (Section XV E).

12. The Receiver Appointment Order also provides that “the Receiver and all personnel hired by the Receiver . . . including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the Receivership Entities,” (Section XXI). It is pursuant to this provision that the Receiver makes this First Application.

13. Pursuant to the authority granted by the Receiver Appointment Order, the Receiver retained the law firm of Holland & Hart, LLP (“H&H”) to serve as his counsel, and Rocky Mountain Advisory, LLC (“RMA”) to serve as his accountants.

14. During the Receiver Application Period, the Receiver and his professionals worked to, *inter alia*, secure Zurixx’s office space in Puerto Rico and Utah; secure the assets of the Receivership Entities, including bank accounts and reserves held with merchant bankers;

analyze and make determinations regarding whether, and to what extent, to continue operations; manage employee issues, including making determinations as to which employees to retain or terminate and whether to continue various benefits for employees (which required the filing of a motion); begin preparations for the liquidation of personal property and file a related motion; negotiate with landlords regarding possible settlements of claims; communicate with consumers, vendors, and creditors regarding the status of Zurixx’s operations and a potential claims process; analyze potential claims that may be brought by the Receiver to recover assets; and conference with the FTC and the Utah Division of Consumer Protection regarding the status of the case.

15. During the Receiver Application Period, the Receiver and his retained professionals incurred the following in fees and expenses (collectively, the “Receiver’s Fees and Expenses”):

	<u>Fees Requested</u>	<u>Expense Reimbursement Requested</u>	<u>Total</u>
Receiver	\$31,590.50	\$0.00	\$31,590.50
H&H	\$90,128.50	\$32.51	\$90,161.01
RMA	\$14,870.50	\$344.12	\$15,214.62
Total	\$136,589.50	\$376.63	\$136,966.13

16. Invoices detailing the work performed by the Receiver, H&H, and RMA during the Receiver Application Period are attached hereto as **Exhibits D, E, and F**, respectively. The invoices also detail the professionals that performed the work and the hourly rate of each of the professionals.

17. The compensation requested for the work performed during the Receiver Application Period is reasonable compensation for the services performed, which services have been actually and necessarily rendered in this case.

18. The Receiver respectfully requests that the Court approve the Receiver's Fees and Expenses as reasonable compensation and authorize the Receiver to make payments in the amounts as outlined above.

CONCLUSION

For the foregoing reasons, the Receiver respectfully requests that the Court enter an order approving the amounts outlined above for the Monitor's Fees and Expenses and the Receiver's Fees and Expenses as reasonable compensation and authorizing the Receiver to make payments in such amounts.

RESPECTFULLY SUBMITTED this 19th day of December, 2019.

HOLLAND & HART LLP

/s/ Doyle S. Byers _____

Doyle S. Byers

Cory A. Talbot

Engels J. Tejada

Chelsea J. Davis

Attorneys for David K. Broadbent as the Court-Appointed Monitor

INDEX OF EXHIBITS

- A - Monitor 10-2019.
- B - H&H 10-2019.
- C - RMA 10-2019.
- D - Receiver 11-2019.
- E - H&H 11-2019.
- F - RMA 11-2019.

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EXHIBIT “A”



IRS EMPLOYER NO. 84-0382505
 PLEASE REMIT TO:
 P.O. BOX 17283
 DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1776021 3236127 107333 DKBroadbent
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Regarding: Matter No. 0001 - Receiver Services

Invoice Summary

Current fees	\$42,892.50
Current disbursements	\$937.50
Current charges this invoice	\$43,830.00

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776021 3236127
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For professional services rendered through October 31, 2019

Itemized Fees

Description of Work	Date	Tkpr	Hours
Telephone conferences with Mr. Doan, FTC attorney; review order; meet with Mr. Doan, Ms. Guerard and Ms. Kim of FTC to review order, monitor duties, and plan for visit to defendant's offices; conference with Mr. Miller regarding accounting participation; conferences with Mr. Wing, CATalbot and DSByers;	10/01/19	DKB	3.20
Conference with FTC and attorneys from State of Utah, conferences with CATalbot and DSByers; go to Zurixx offices, commence monitor efforts, including interviewing personnel; reviewing documents; arranging for security;	10/02/19	DKB	7.60
Conferences with FTC, Mr. Wing, Zurixx personnel, CATalbot, DSByers, Messrs. Miller and Curtis, review financial information;	10/03/19	DKB	11.60
Conferences with FTC, Mr. Wing, Zurixx personnel, CATalbot, DSByers, Messrs. Miller and Curtis, review financial information;	10/04/19	DKB	5.40
Conferences with CATalbot; Mr. Wing; DSByers; Messrs. Miller, Curtis and Utah Division of Consumer Protection staff, review payment requests;	10/08/19	DKB	4.30
Conferences with Mr. Wing; CATalbot; DSByers; review order regarding items to monitor and report, conferences with and email to Messrs. Miller and Curtis, review financial reports; review presentation transcript; letter to Zurixx counsel;	10/09/19	DKB	4.20
Conferences with Mr. Miller; conference with FTC attorneys, conference with CATalbot; conference with DSByers;	10/10/19	DKB	0.80
Conferences with Messrs. Miller and Curtis of RMA, review payroll and accounts payable issues; conference with CATalbot and DSByers; review exhibits to TRO motion; conference with Mr. Wing;	10/11/19	DKB	3.50
Conferences with Mr. Wing; conferences with CATalbot and DSByers; listen to telephone sales recordings; review	10/14/19	DKB	3.10

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776021 3236127
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sales transcripts; review financial information, prepare email to team regarding review of expenses; review and evaluate email correspondence;

Review and evaluate email correspondence; conference with Mr. Wing; review recording of sales contacts; conference with CATalbot and DSByers; review order requirements regarding marketing materials; conference with Mr. Miller; review consolidated audit report; review transfer pricing study;	10/15/19	DKB	2.20
Conference with Messrs. Carlson, Curtis, Magistro and Beckstrom regarding ongoing expense and revenue issues and report; conferences with Mr. Wing; review financial report; conference with CJDavis regarding monitoring of telephone conferences and events; conference with DSByers regarding investigations;	10/16/19	DKB	3.20
Conference with Mr. Miller; conference with FTC staff and Mr. Wing of State of Utah; continuing conference with Mr. Miller;	10/17/19	DKB	1.20
Review and evaluate email correspondence; conferences with Mr. Miller; conference with Mr. Curtis, review requests regarding expenses and payroll; prepare outline of report; conference with FTC and State of Utah Attorneys;	10/21/19	DKB	3.20
Meeting with CATalbot, DSByers; conference with Mr. Curtis; review accounts payable schedule and employee schedules for approval; review and respond to emails; monitor sales call recordings; coordinate document review; conferences with Mr. Wing and FTC staff;	10/22/19	DKB	3.40
Conferences with CATalbot and DSByers; conferences with Mr. Wing; review email regarding financial status received from Mr. Carlson; review and respond to other communications; prepare report outline;	10/23/19	DKB	3.40
Review and evaluate email correspondence; conference with Mr. Miller, DSByers, Ms. Easter, Mr. Carlson and Mr. Berkstrom regarding ongoing Zurixx operation and financial condition; conference with DSByers and ERSP personnel regarding compliance issues; review accounts payable request and approve; review sales marketing materials;	10/24/19	DKB	3.80
Review and evaluate email correspondence and respond; conference with DSByers and CATalbot, review financial	10/25/19	DKB	1.20

IRS EMPLOYER NO. 84-0382505

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776021 3236127
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reports, review and approve refund requests; coordinate event reviews;

Prepare for and attend deposition of Mr. Spangler; conferences with DSByers, FTC attorneys and Mr. Wing;	10/28/19	DKB	9.10
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Attend deposition of Mr. Carlson; conferences with FTC and State of Utah attorneys; participate in settlement discussions;	10/29/19	DKB	8.40
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Conferences with attorneys for defendants, conferences with DSByers and CATalbot regarding possible receivership issues; review and respond to emails; review and provide suggestions for proposed order;	10/30/19	DKB	5.70
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Conferences with DSByers and CATalbot; conference with Mr. Wing; conferences with Ms. Grier of FTC; review request for approval of accounts payable/payroll; review proposed order;	10/31/19	DKB	1.80
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Total Current Fees: \$42,892.50

Timekeeper Summary

Timekeeper	Tkpr ID	Rate	Hours	Amount
DKBroadbent	5140	475.00	90.30	42,892.50
			90.30	\$42,892.50

Disbursements

Description of Disbursements	Date	Amount
Outside Fees: VENDOR: Strider Security, LLC; INVOICE#: 100319-01; security services rendered Oct. 2-3, 2019	10/09/19	937.50

Total Current Disbursements: \$937.50



IRS EMPLOYER NO. 84-0382505
 PLEASE REMIT TO:
 P.O. BOX 17283
 DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1776021 3236127 107333 DKBroadbent
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Regarding: Matter No. 0001 - Receiver Services

Invoice Summary

Current fees	\$42,892.50
Current disbursements	\$937.50
Current charges this invoice	\$43,830.00

Thank you for your prompt payment. Questions regarding this invoice should be directed to the attorney responsible for your account, or Carla Norton, Billing Specialist in our Salt Lake City office, at (801) 799-5815 or cnorton@hollandhart.com.

Due On Receipt

Please return this page with your remittance.

EXHIBIT “B”



IRS EMPLOYER NO. 84-0382505
PLEASE REMIT TO:
P.O. BOX 17283
DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1776022 3236128 107333 DKBroadbent
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Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys

Invoice Summary

Current fees	\$164,146.35
Current disbursements	\$6,440.00
Current charges this invoice	\$170,586.35

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776022 3236128
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For professional services rendered through October 31, 2019

Itemized Fees

Description of Work	Date	Tkpr	Hours
Conference with DKBroadbent and FTC counsel regarding strategy for case; further conference with DKBroadbent and CATalbot regarding the same and assignments for various tasks; review and analyze TRO order;	10/01/19	DSB	3.00
Conference with monitor and team regarding status and strategy; participate in monitoring at Zurixx offices, including witness interviews and review of documents;	10/02/19	CAT	8.60
Analyze and prepare interview outlines for employees and owners of Zurixx, and conference with DKBroadbent and CATalbot regarding the same; office conference with DKBroadbent, CATalbot, and Messrs. Miller and Wing regarding procedures for visit to Zurixx's offices; coordination with law enforcement and FTC counsel regarding the same; participate in initial service of TRO order at Zurixx's offices; conduct interview of employees; conferences with client regarding strategy for gathering information;	10/02/19	DSB	10.60
Conferences with DSByers regarding database set up;	10/02/19	BBL	0.20
Conduct interview of various customer service representatives; correspondence with Mr. Ockner, counsel for credit card processor, regarding concerns for withholding fees and reserve amounts, and conference with DKBroadbent regarding the same; analyze corporate structure of defendant entities and personnel and their various functions; correspondence with shredding service regarding schedule for service; conference with Mr. Greenland regarding existing storage facilities and obtaining access to the same; conference with governmental agencies and client regarding process moving forward;	10/03/19	DSB	9.50
Continue onsite investigation, including review of Zurixx documents, witness interviews, and multiple conferences with the monitor, FTC personnel, and personnel from the Utah Division of Consumer Protection;	10/03/19	CAT	8.20

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Telephone conference with CATalbot regarding TRO and issues in case; review TRO order; conduct interviews of employees;	10/03/19	KS 5.40
Participate in interview of Mr. Carlson; conduct interview of Mr. Clasen with telesales department; conduct interview of Mr. Spangler; conference with Mr. Cantarero regarding gaining access to recorded telephone conferences for all departments, and conference with Ms. Easter and Mr. Curtis regarding employee lists by department; follow-up conference with Mr. Ockner regarding credit card processor services continuing under TRO; work on returning copied materials; analyze information gathered in light of allegations of complaint;	10/04/19	DSB 8.20
Continue investigation of Zurixx, including conference with Zurixx personnel, interview with Mr. Carlson and counsel, and review of documents; prepare monitor's report, including review of documents;	10/04/19	CAT 4.50
Investigation, including inventory of storage facility;	10/04/19	KS 5.80
Review and analyze Zurixx materials;	10/05/19	CAT 1.30
Interview with Mr. Carlson; telephone conference with counsel for parties regarding events; review and analyze documents; prepare Monitor's report;	10/07/19	CAT 5.90
Work on getting access to recordings of telephone conferences and events, and conferences with client regarding the same; interview Mr. Pecoraro; various telephone conferences with client regarding status and strategy for preparing for submitting report; telephone conference with counsel for Zurixx, FTC, Mr. Wing, and client regarding various issues; interview Mr. Andrus and receive laptop from him for imaging; analyze TRO regarding coordination with various agencies;	10/07/19	DSB 7.50
Conference with DSByers regarding listening and monitoring sales telephone conferences;	10/07/19	KS 0.10
Prepare for, and participate in, interview with Mr. Mangold; conference with DKBroadbent, DSByers, Messrs. Miller, and Curtis regarding status and strategy; prepare monitor's report, including review of documents;	10/08/19	CAT 7.30

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776022 3236128
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Conference with Mr. Doan regarding status of remaining laptops needing to be imaged, and correspondence with Mr. Beckstrom regarding the same; conference with DKBroadbent and CATalbot regarding various tasks and strategy with respect to matter, and extended conference with Mr. Wing regarding matter; office conference with DKBroadbent, CATalbot, and Messrs. Miller and Curtis regarding information obtained thus far and strategy going forward; conference with Mr. Larsen and Ms. Veillette regarding recorded events and recordings of all telephone conferences for Zurixx; conference and correspondence with Ms. Robison regarding obtaining passes to events and obtaining updated calendar of events for the next 30 days, and correspondence with Mr. O'Bannon regarding the same; conference with Mr. Ockner, of EMS, regarding merchant account; conference with EJTejeda and CJDavis regarding strategy and assignments;	10/08/19	DSB	6.50
Conference with CATalbot, DSByers, and EJTejeda regarding the scope of the required monitoring and substantive background of the matter;	10/08/19	CJD	0.70
Work on obtaining access to events and correspondence with DCP regarding the same; work on access to records; interviews with Mr. Olson, Ms. Kershaw, Ms. Robison, and Mr. Way; correspondence and conferences with defendant's counsel regarding obtaining Mr. Cannon's laptop and conferences, and correspondence with client and FTC attorneys regarding the same; analyze additional needed information and tasks to perform; conference with client regarding reserve account; correspondence with Mr. Marinello and Ms. Denenberg regarding request for conference; correspondence with DCP regarding organizational documents for defendant entities;	10/09/19	DSB	7.20
Interviews with Mr. Way, Ms. Robinson, Ms. Kershaw, and Mr. Olson; telephone conference with DKBroadbent regarding interviews and compliance issues; review and analyze document production;	10/09/19	CAT	6.30
Begin reviewing initial pleadings, TRO, Complaint, Exparte Motion for TRO and Plaintiffs' recommendation for a monitor;	10/09/19	EJT	3.60
Email with team and counsel regarding document production; review of Zurixx documents;	10/10/19	CAT	2.00

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1776022 3236128
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Correspondence with Mr. Doan of FTC regarding obtaining copies of scanned documents FTC retrieved from defendants; review documents scanned by FTC; review documents obtained during interviews; attention to arranging for imaging of computers; correspondence regarding status meeting with FTC; telephone conference with Mr. Ockner regarding status of case and his credit card processor client's intentions going forward; analyze documents requested but not yet received and correspondence with CATalbot regarding the same; correspondence with Ms. Veillette with attorney general's office regarding organizational documents;	10/10/19	DSB	4.90
Email with counsel regarding documents and reserve funds; conference with DKBroadbent and DSByers regarding status and strategy, including telephone conference with Mr. Wing; telephone conference with FTC personnel, DKBroadbent, DSByers, Messrs. Curtis, Miller, and Wing regarding status, needs, and schedule going forward; prepare Monitor's report, including review of documents and correspondence;	10/11/19	CAT	5.80
Attention and correspondence with FTC and Zurixx regarding laptops and timing for imaging of the same; additional interviews of employees; review TRO regarding various duties of Monitor; conference with DKBroadbent and CATalbot regarding various tasks and in preparation for status call with FTC and Mr. Wing; review and analyze documents obtained from FTC and Zurixx employee interviews; participate in status call with DKBroadbent and Monitor's team, as well as FTC and Mr. Wing; message from Mr. Woods, counsel for BBB;	10/11/19	DSB	6.60
Draft and email simple list of items in storage unit;	10/11/19	KS	0.30
Prepare monitor's report, including review and analysis of documents and review of temporary restraining order; outreach to former employee regarding interview; conference with DKBroadbent and DSByers regarding status and strategy; telephone conference with Mr. Wing regarding documents from recent Zurixx summit;	10/14/19	CAT	4.30
Review telephone conferences and documents received from FTC and interviews; conference with DKBroadbent regarding reviewing telephone conferences; conference with	10/14/19	DSB	4.80

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Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1776022
	H&H Ref. No.	3236128

DKBroadbent and CATalbot regarding strategy and status of case;

Review Complaint and Motion for Temporary Restraining Order;	10/14/19	CJD	3.80
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Review and analyze Zurixx documents; email with team regarding review issues;	10/15/19	CAT	1.20
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Conference with Mr. Doan regarding coordination for additional imaging of computers; review documents received from FTC and during interview and analyze additional needed documents; monitor telephone conferences and conference with CJDavis regarding strategy with respect to the same; analyze communication from Mr. Carlson regarding staffing and conference and correspondence with DKBroadbent regarding the same; analyze TRO and anticipated report to the court to determine needed tasks to perform;	10/15/19	DSB	6.90
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Review Temporary Restraining Order; review and discuss scope of monitoring recording with DSByers;	10/15/19	CJD	1.00
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Create thorough presentation of contents in Zurixx storage facility;	10/15/19	KS	1.40
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Prepare monitor's report, including review and analysis of documents; meet with FTC personnel re laptops from Zurixx personnel; coordinate interviews with counsel for Zurixx; conference with DSByers regarding interviews, recordings, and documents;	10/16/19	CAT	5.10
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Coordinate imaging of machines at Zurixx's offices and participate in meeting with Mr. Carlson and DKBroadbent; review recordings of sales telephone conferences; conference with DKBroadbent and CJDavis regarding strategy for continued review of telephone conferences, as well as various tasks for preparation of report; correspondence with Mr. Beckstrom regarding requested documents; review and analyze correspondence from Zurixx's counsel regarding perceived deficiencies and conference with DKBroadbent regarding the same; conference and correspondence with DGLad regarding organizing documents for substantive review;	10/16/19	DSB	6.20
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Review recordings of telephone sales discussions; discuss obligations under the Temporary Restraining Order with	10/16/19	CJD	3.20
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IRS EMPLOYER NO. 84-0382505

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1776022
	H&H Ref. No.	3236128

DSByers and DKBroadbent;

Continue working on thorough presentation regarding Zurixx's storage facility;	10/16/19	KS	1.00
Prepare for and participate in interviews of Ms. Pett and Ms. Velilla; prepare draft discovery requests; conference with DKBroadbent and DSByers regarding status and work; conference with CJDavis regarding research; conference with counsel for defendants regarding document production; review and analyze documents from defendants;	10/17/19	CAT	7.50
Conduct interviews at Zurixx's offices; participate in interview of employees; work on correspondence to counsel for Zurixx regarding various issues; review list of sales representatives by sales volume; correspondence with FTC and Consumer Protection Agency regarding scheduling of telephone conference; conferences with CATalbot and DKBroadbent regarding strategy for preparation of report and needed information; conference with Mr. Woods regarding arrangement of interviews of Mr. Marinello and Ms. Denenberg with the ERSP program; analyze additional individuals to interview and/or review recordings; correspondence with Ms. Veillette and Mr. Larsen regarding review of recordings;	10/17/19	DSB	6.80
Research and analyze the elements of the claims raised in the Complaint; draft memorandum for internal use describing the TRO parameters and providing examples of activities that the FTC claims have violated the law; distribute memorandum to internal monitor team;	10/17/19	CJD	3.30
Review materials received from Mr. Doan and participate in status telephone conference with FTC, Mr. Wing, and Monitor's team; work on discovery requests and conference with CATalbot and DKBroadbent regarding the same; finalize and serve discovery requests; correspondence with Mr. Beckstrom regarding needed information regarding sales team; correspondence with Ms. Veillette, Mr. Larsen and CJDavis regarding strategy for review of telephone conferences and information discovered; correspondence with Mr. Hathaway in response to letter;	10/18/19	DSB	6.30
Prepare for and participate in telephone conference with agency counsel and monitor's team regarding status and schedule; review and edit discovery requests; telephone	10/18/19	CAT	1.70

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conference with DSByers regarding same;

Telephone conference with DSByers and the Utah Division of Consumer Protection regarding monitoring activities; review Zurixx's sales team and develop monitoring plan;	10/18/19	CJD	0.80
Coordination with Holland & Hart team regarding review of recorded telephone conferences and events; correspondence with client, FTC, and Mr. Wing regarding effectiveness of layoffs;	10/19/19	DSB	0.30
Email with team regarding monitor's report; review and analyze disclosed documents;	10/19/19	CAT	0.70
Strategy conference with client and CATalbot regarding needed information for monitor's report and status of various tasks; conference and correspondence with Mr. Beckstrom regarding production of documents; conference and correspondence with Mr. Woods regarding interview of Mr. Marinello and Ms. Denenberg regarding involvement with Zurixx's compliance;	10/21/19	DSB	4.40
Telephone conference with DKBroadbent and counsel for Zurixx defendants regarding discovery and related issues; conference with DKBroadbent and DSByers regarding monitor's report; prepare monitor's report, including review of documents;	10/21/19	CAT	4.90
Review telesales recordings for TRO compliance; discuss login issues with the Division of Consumer Protection;	10/21/19	CJD	0.70
Emails regarding document review;	10/21/19	NA	0.30
Prepare for, and participate in, telephone conference with agencies and monitor team regarding status and next steps; prepare monitor's report, including review of documents; coordinate downloading documents;	10/22/19	CAT	8.90
Review and analyze categories and documents produced by Zurixx and documents left to be produced, and conference with CATalbot regarding the same; conference with Mr. Wing, FTC attorneys, client, CATalbot, and Mr. Miller regarding status and coordination for continued monitoring and obtaining information; conference with Holland & Hart team regarding document review; correspondence with counsel for Zurixx regarding assertion of privilege and need for privilege log, and conference with client and CATalbot	10/22/19	DSB	6.80

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regarding the same; review documents produced by Zurixx; scan documents received in interviews; compile interview notes;

Review recordings from Zurixx sales representative for compliance with the TRO; meet with internal review team regarding document review; research and analyze the FTC's policy on deceptive practices; research and analyze federal case law applying the "net impression" analysis to violations of the FTC Act; edit memorandum and distribute to internal review team;	10/22/19	CJD	7.00
Attend initial conference on case background and objective of document review;	10/22/19	MLC	0.50
Internal conference regarding discovery review requirements;	10/22/19	KS	0.50
Meet with CATalbot, DSByers, and team to discuss Zurixx case and document review;	10/22/19	BJM	0.70
Conference with CATalbot and document review team regarding what to look for in document review;	10/22/19	CDM	0.50
Initial meeting with document review team to discuss case background and strategy for reviewing and identifying key document for the Nov. 5 monitor report;	10/22/19	SAE	0.50
Review memorandum and attend meeting with monitor;	10/22/19	NA	0.50
Participate in telephone conference with CATalbot and other attorneys involved in Zurixx monitoring document review;	10/22/19	CCC	0.50
Attend meeting regarding document review project; continue reviewing pleadings and memorandum regarding case background and TRO; exchange emails with CATalbot and AKBahnsen regarding document review database;	10/22/19	EJT	1.50
Interview Mr. Carlson at Zurixx's offices, and conference with Mr. Beckstrom regarding various discovery issues; conference with Ms. Velilla regarding compliance; conference with client and CATalbot regarding status of various tasks and strategy for completing report; conference with Holland & Hart teams regarding review of documents, telesales telephone conference, and event recordings; correspondence with Mr. Wing regarding scripts maintained by the company; review recordings of events; conference	10/23/19	DSB	7.40

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with BBLarsen regarding organization of documents for review; conference with Mr. Orison regarding departure from Zurixx and sales practices;

Prepare for, and participate in, interview of Mr. Carlson; conference with DKBroadbent and DSByers regarding status and workloads; telephone conference with Mr. Wing regarding events; prepare monitor's report, including review of documents;	10/23/19	CAT	8.70
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Conference with internal review team regarding the process for accessing recordings; assist review team with installing review software and coordinate review strategy; review personnel lists and discuss inactive telesales representatives with DSByers;	10/23/19	CJD	3.80
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Conference with team to discuss call monitor process; review memorandum regarding monitoring for compliance with the TRO;	10/23/19	BJM	1.80
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Further review client file, complaint, TRO and memorandum; attend walk through meeting to start telephone conference listening, attend to downloading Citrix vpn software, set up telephone conferences to review;	10/23/19	NA	2.80
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Start review of Hymas telephone conferences;	10/23/19	NA	2.10
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Analyze document review memorandum from CJDavis and discuss same with her; discuss document management with AKBahnsen and BBLarsen; discuss and identify tags for document review project; audit audio file from Long Beach, October 2019 preview meeting;	10/23/19	EJT	5.60
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Orientation with DSByers regarding review of audio presentations;	10/23/19	SAC	0.60
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Conferences with EJTejda, DSByers and CATalbot; regarding database and document review; conference with AKBahnsen regarding database set up; gather documents for inclusion in database for attorney review;	10/23/19	BBL	1.60
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Create charts based on drawing in email; send for review; make changes;	10/23/19	DEC	2.00
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Prepare monitor's report, including review of documents and legal authorities; conference with DKBroadbent regarding same; telephone conference with Mr. Wheeler regarding telesales;	10/24/19	CAT	7.20
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Correspondence with Mr. Wing regarding document production from Zurixx and arrange for sharing of information; telephone conference with Messrs. Marinello and Woods, Ms. Denenberg, and DKBroadbent regarding Zurixx's participation in ERSP program; correspondence with Mr. Beckstrom regarding access to events; conference with Mr. Carlson, Zurixx's counsel, Mr. Miller, and DKBroadbent regarding economic viability of company; conference with Holland & Hart review team regarding strategy for review of documents, sales calls, and events; correspondence with Mr. Cantarero regarding storage of telephone conference recordings and need to free up space while allowing review of the same; coordination with Ms. Veillette regarding review of recordings;	10/24/19	DSB	5.20
Review recording of sales telephone conferences for compliance with the TRO;	10/24/19	CJD	1.80
Circulate key for tagging documents;	10/24/19	EJT	0.20
Review and analyze Motion for Temporary Restraining Order, Complaint for Permanent Injunction;	10/24/19	CCC	1.50
Email Mr. Larson and Ms. Veillette to coordinate review of audio files from preview and workshop events;	10/24/19	EJT	0.30
Address additional documents received from Kirton McConkie; for inclusion in database for attorney review; database work in preparation for attorney review;	10/24/19	BBL	1.20
Make changes to chart;	10/24/19	DEC	0.30
Analyze what documents to request from ERSP program, and conference with DKBroadbent regarding the same; draft and send request for information from ERSP; correspondence with Mr. Marinello regarding format and means for receiving documents; conference with Mr. Doan regarding case and coordination for depositions; work on document review; review interview notes and otherwise prepare for depositions; conference with Ms. Grier regarding deposition preparation and arrange to share information obtained; conference with review team regarding status and strategy for completion of report, and conference with DKBroadbent regarding the same; correspondence with BBLarsen regarding document	10/25/19	DSB	8.10

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productions from Zurixx, and correspondence with Mr. Beckstrom regarding the same;

Email with team regarding monitor's report;	10/25/19	CAT	0.30
Review and tag documents;	10/25/19	BTC	1.90
Review sales call recordings for compliance with the TRO; contact Zurixx technical desk regarding access to the VPN and sales call logs; draft summary report analyzing the sales calls for compliance with the TRO;	10/25/19	CJD	4.70
Review sales call recording for compliance with the TRO;	10/25/19	BJM	2.50
Hymas telephone conferences (Oct 8, 9, 11, 15);	10/25/19	NA	4.10
Confer with CATalbot regarding drafting Section II.C.1 "Compliance with Section I of the Order" to insert into Monitor's Report to the court; review updated team memorandum and locate and review prior summaries of FTC Section 5 deceptive acts and practices standard;	10/25/19	CCC	1.60
Correspondence regarding monitoring project;	10/25/19	SAC	0.10
Conferences with BTChristensen and EJTejeda regarding document review and DropBox link; prepare shared file of documents received from Kirton McConkie for FTC access; conferences with DSByers regarding additional documents from Kirton McConkie and email files; set up share file for BBBNP group to upload documents per DSByers request;	10/25/19	BBL	1.60
Prepare monitor's report, including review of documents; email with agency personnel regarding deposition; telephone conference with DSByers regarding monitor's report;	10/26/19	CAT	2.70
Review and tag documents;	10/26/19	BTC	2.00
Review telephone conferences (Hymas) (16 - 23);	10/26/19	NA	2.10
Continue auditing recordings from preview meetings in Atlanta, Georgia on October 18, 2019;	10/26/19	EJT	2.50
Review the complaint, TRO, and memorandum regarding the monitoring of Zurixx for compliance with the TRO; review instructions and issue tags for document review;	10/27/19	MLC	5.40

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survey documents from various batches to understand review instructions; begin reviewing documents to identify documents responsive to monitoring objectives and compliance with TRO;

Document review;	10/27/19	KS	4.00
Review TRO and court order granting TRO; review sales call recording for compliance with the TRO;	10/27/19	BJM	2.00
Review and analyze recent FTC publications by the division of advertising and marketing practices and recent business opportunity enforcement actions;	10/27/19	CCC	3.50
Conference with FTC attorneys, Mr. Wing, and client regarding case and in preparation for depositions; participate in deposition of Mr. Spangler; post-deposition meeting with client; email correspondence to Mr. Beckstrom regarding discovery requests to which Zurixx has not responded and additional requests; conferences with teams reviewing sales telephone conferences and event recordings regarding various issues related to the same and strategy for compiling information for report; conference with CATalbot regarding strategy for obtaining needed information;	10/28/19	DSB	10.00
Prepare monitor's report, including review of documents; telephone conference with DSByers regarding monitor's report;	10/28/19	CAT	7.50
Review and analyze complaint, TRO, and internal memorandum; review and analyze documents provided by Zurixx to determine whether it has complied with TRO;	10/28/19	CDM	3.30
Review and tag documents;	10/28/19	BTC	4.70
Review sales call recordings for compliance with the TRO;	10/28/19	BJM	6.50
Continue reviewing documents to identify documents responsive to monitoring objectives and compliance with TRO;	10/28/19	MLC	5.80
Document review;	10/28/19	KS	5.80
Review the Holland & Hart memorandum outlining the allegation and law asserted by the FTC; review the FTC Complaint; review the TRO and Motion for TRO; review	10/28/19	SAE	8.70

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the FTC's Enforcement Policy Statement on Deceptively Formatted Advertisements; review Zurixx document batches for the report to the court by DKBroadbent;

Final review of Hymas telephone conferences and prepare net impression analysis;	10/28/19	NA	4.10
Document review FLR-00031 and FLR-00032;	10/28/19	NA	2.30
Research Utah Consumer Sales Practices Act ("UCSPA") and Business Opportunity Disclosure Act ("BODA") case law and review and analyze available publications and treatises on same; research FTC cases targeting business opportunity schemes and real estate marketing schemes focusing on deceptive acts and practices claims;	10/28/19	CCC	4.80
Review of TRO, interoffice memorandum; listening to workshops and commenting on same;	10/28/19	SAC	3.60
Conferences with Ms. Shiller regarding Zurixx documents from Kirton McConkie for review; address additional document received for review; conferences with review team regarding database review; database work to assist document review;	10/28/19	BBL	1.20
Prepare monitor's report, including review of documents; interview Mr. Magistro regarding entities and educational programs; telephone conference with DSByers regarding monitor's report;	10/29/19	CAT	6.90
Prepare for, and participate in, deposition of Mr. Carlson; participation in potential settlement discussions; analyze potential receivership issues; correspondence with ERSP regarding production of documents and timing for additional production; conference with review team regarding status and strategy for review of recordings of telephone conferences and events and document review; correspondence with Zurixx and its counsel regarding additional needed information;	10/29/19	DSB	10.20
Review sales call recordings for compliance with the TRO;	10/29/19	BJM	1.30
Review and discuss access to sales call recordings for review with BJMerrill;	10/29/19	CJD	0.30
Correspond with BBLarsen regarding documents;	10/29/19	BTC	0.10

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Review and analyze documents provided by Zurixx to analyze whether it has complied with TRO;	10/29/19	CDM 4.70
Continue reviewing documents to identify documents responsive to monitoring objectives and compliance with TRO;	10/29/19	MLC 1.90
Continue review of Zurixx documents;	10/29/19	SAE 7.80
Document review FLR-00030, FLR-00019, set up review for FLR-00015 & 16;	10/29/19	NA 3.20
Review Dixon and Willey telephone conferences;	10/29/19	NA 5.60
Emails with Zurixx regarding login for Chahanovich and telephone conference history of Willey and Dixon;	10/29/19	NA 0.30
Emails with Kirton McConkie regarding setter for Hymas;	10/29/19	NA 0.20
Review the draft Monitor's Report of Findings; outline and begin drafting section for integration into Monitor's Report describing legal standards applicable to FTC Section 5 relating to deceptive acts and practices and Section 13 relating to standards for imposition of a permanent injunction;	10/29/19	CCC 5.90
Review of workshop presentations;	10/29/19	SAC 5.20
Database work in connection with attorney review; address DropBox files and prepare for addition to Relativity and attorney review batches; conferences with DSByers and CATalbot; regarding DropBox data; address documents received from BBBNP;	10/29/19	BBL 0.60
Prepare monitor's report, including review of documents;	10/30/19	CAT 7.60
Analyze issues regarding merchants and Monitor's position with respect to the TRO and draft correspondence to merchant account services regarding the same; correspondence and conferences with DKBroadbent regarding the same; conferences and correspondence with client and FTC attorneys regarding status of possible settlement, as well as interpretation of TRO; work with review teams regarding review of recordings and documents; correspondence with counsel for Zurixx regarding document production; conference and	10/30/19	DSB 7.10

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coordination with CATalbot regarding strategy and status of report; review information produced by BBB;

Continue reviewing documents to identify documents responsive to monitoring objectives and compliance with TRO; prepare and email general notes of reviewed documents to DSByers and BBLarsen;	10/30/19	MLC	1.70
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Review sales call recordings for compliance with the TRO;	10/30/19	BJM	3.40
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Finalize review of Batch FLR-00015, and FLR-00014;	10/30/19	NA	0.50
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Continue review of documents;	10/30/19	SAE	2.80
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Emails with Zurixx regarding Mr. Chahanovich log in, set up review file and select telephone conferences or review, review Mr. Chahanovich telephone conferences, confer with DSByers regarding terminating review;	10/30/19	NA	3.20
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Listening to Zurixx workshops; notes regarding same; correspondence regarding same;	10/30/19	SAC	1.70
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Conferences with DSByers and CATalbot; gather attorney notes related to Zurixx document review; address documents received from BBBNP;	10/30/19	BBL	0.30
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Conference with CATalbot and DKBroadbent regarding status of monitorship and anticipated tasks and strategy when converted to receivership; work on obtaining contact information for various merchant account providers and correspondence to the same regarding TRO and need for Monitor approval for various actions; review analyze filing of stipulated PI and related communications; correspondence with Ms. Denenberg regarding production of documents and review production; conference with attorneys for FTC regarding various matters including interest in notes regarding review of telephone conferences and documents from BBB; correspondence with review teams regarding status of case and need for reports of review; continue working on report of Monitor and related declarations;	10/31/19	DSB	7.10
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Prepare monitor's report, including review of documents, outlines from presentations, and recordings; conference with DKBroadbent and DSByers regarding same and regarding strategy;	10/31/19	CAT	6.20
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Conferences with DSByers and CATalbot regarding additional documents received from BBBNP; address documents received from BBBNP;	10/31/19	BBL	0.30
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Total Current Fees: \$164,146.35

Timekeeper Summary

Timekeeper	Tkpr ID	Rate	Hours	Amount
CCCrane	0530	288.00	17.80	5,126.40
DECarter	1871	148.50	2.30	341.55
BBLarsen	2172	252.00	7.00	1,764.00
DSByers	5654	380.00	161.60	61,408.00
CATalbot	5657	385.00	131.30	50,550.50
NAArchibald	5712	252.00	31.30	7,887.60
EJTejeda	5852	274.50	13.70	3,760.65
CJDavis	5960	220.50	31.10	6,857.55
BTChristensen	5961	220.50	8.70	1,918.35
MLChudacoff	5965	189.00	15.30	2,891.70
KSSargsian	5974	243.00	24.30	5,904.90
CDMack	6060	229.50	8.50	1,950.75
SAClayton	6080	279.00	11.20	3,124.80
SAEady	6093	315.00	19.80	6,237.00
BJMerrill	6137	243.00	18.20	4,422.60
			502.10	\$164,146.35

Disbursements

Description of Disbursements	Date	Amount
Computerized Research: Westlaw	10/17/19	51.00
Computerized Research: Westlaw	10/22/19	71.50
Technical Litigation Support: Extract document review data to Relativity for review	10/23/19	6,240.00
Computerized Research: Westlaw	10/23/19	71.50
Walking Messenger		6.00
	Total Current Disbursements:	\$6,440.00

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PLEASE REMIT TO:
P.O. BOX 17283
DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1776022 3236128 107333 DKBroadbent
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Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys

Invoice Summary

Current fees	\$164,146.35
Current disbursements	\$6,440.00
Current charges this invoice	\$170,586.35

Thank you for your prompt payment. Questions regarding this invoice should be directed to the attorney responsible for your account, or Carla Norton, Billing Specialist in our Salt Lake City office, at (801) 799-5815 or cnorton@hollandhart.com.

Due On Receipt

Please return this page with your remittance.

EXHIBIT “C”

Rocky Mountain **RMA** ADVISORY

215 South State Street
Suite 550
Salt Lake City, UT 84111
801.428.1600

Mr. David Broadbent, Monitor
Holland & Hart
222 South Main Street, Suite 220
Salt Lake City, UT 84101

December 2, 2019
Invoice # 14237

Billing for: 10/01/19 to 10/31/19

RE: Federal Trade Commission v ZURIXX

Professional Services Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	
Gil A. Miller	69.50	365.00	\$25,367.50
John H. Curtis	83.30	260.00	\$21,658.00
Kyle Dowdle	33.50	195.00	\$6,532.50

Professional Services Detail

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
10/02/19	GAM	Meet with counsel and Monitor to prepare for first day matters at Zurixx. Travel to Cottonwood Heights police department to prepare to enter Zurixx. Enter Zurixx facility, participate in staff wide meeting and interview with Monitor and CFO. Discussions with controller. Prepare work plan for Day 2 and discuss with staff and Monitor.	8.00	\$2,920.00
	JHC	Prepared for initial meetings and visits to Zurixx offices by preparing data drives and computer files for work at offices. Calls and email correspondence with G. Miller to prepare for initial entrance and meetings at Zurixx offices. Meet with FTC and Monitor to enter premises and begin work. Met with D. Easter, financial controller to review available accounting and financial files and obtain information. Meetings with FTC attorneys and investigators, Monitor and Monitor's counsel.	6.10	\$1,586.00
10/03/19	GAM	Interviews of personnel with Monitor. Handle payables and cash management issues.	8.90	\$3,248.50
	JHC	Meetings and planning with D. Broadbent, Monitor, and counsel for Monitor. Met with M. Magistro, CFO, to review various accounting files, obtain data dump and discuss Zurixx processes and operations.	8.30	\$2,158.00

Mr. David Broadbent, Monitor

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
		Developed and prepared database of Zurixx accounting transactions from 2012 to 2019. Cursory review and analysis of accounting data. Met with D. Easter regarding accounting and finances of Zurixx.		
10/04/19	GAM	Continue interviews with relevant personnel. Meet with accounting personnel and monitor to review AP payments. Work on issues with bank account freezes.	5.50	\$2,007.50
	JHC	Met with D. Easter and M. Magistro to review accounts payable and prepare for meeting with Monitor to review cash payments and transfers. Meeting with CFO, controller and Monitor to review and approve cash payments and transfers and obtain approval. Analyzed accounts payable proposed for payment. Met with accounts payable staff to review invoices and supporting documents for payments to ensure compliance with temporary restraining order. Reviewed chart of accounts with M. Magistro.	7.40	\$1,924.00
10/07/19	GAM	Review audited financials and notes. Discussion with CFO regarding Puerto Rico invoicing and transfer pricing. Discuss merchant account issues with CFO and counsel.	4.00	\$1,460.00
	JHC	Meeting with M. Magistro to discuss transfer pricing and intercompany transactions between Zurixx US and Puerto Rico. Analyzed accounting data related to transfers. Met with D. Byers and G. Miller regarding various case issues.	3.80	\$988.00
10/08/19	JHC	Reviewed payroll file for Puerto Rico and responded for Monitor approval. Reviewed American Express charges by vendor and cardholder and provided comments to Monitor for approval. Prepared summary of financial statement data for meeting with D. Broadbent and counsel. Meeting with D. Broadbent and counsel to review order, duties and status of various tasks. Met with Zurixx staff to review refunds to provide D. Broadbent with information for approval. Met with M. Magistro at Zurixx offices to obtain access to monitor cash flow and transactions daily.	5.90	\$1,534.00
	GAM	Clean up organizational chart and distribute to team. Review order and prepare for update meeting with Monitor. Respond to various Zurixx staff emails. Meet with Monitor and counsel to discuss work plan and status of current issues. Call with R. Wing regarding owner distributions and useful data for agencies.	3.80	\$1,387.00
10/09/19	JHC	Worked on preparation of first daily accounting and transaction monitoring report. Prepared daily summary. Prepared 2015 distribution data and provided to G. Miller. Meetings with G. Miller regarding data needed. Calls and correspondence with M. Magistro to obtain financial information and monitor transactions.	5.10	\$1,326.00
	GAM	Meet with counsel at facility. Discussions with J. Carlson regarding frozen accounts. Review Complaint for Permanent Injunction and Motion for Ex Parte TRO with its exhibits. Correspondence with CFO. Correspondence with R. Wing regarding owner distributions.	3.90	\$1,423.50
10/10/19	JHC	Call with M. Magistro to access First Bank Puerto Rico accounts and prepare daily financial report and monitoring. Prepared daily financial summary and monitoring report and revised with G. Miller.	3.40	\$884.00

Mr. David Broadbent, Monitor

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
		Met with and directed K. Dowdle in preparing daily financial monitoring report. Reviewed payroll, discussed with financial controller and updated D. Broadbent in order to approve.		
10/10/19	GAM	Meet with staff to discuss format of new daily financial status report for Monitor. Finalize drafts and send to Monitor. Call with Monitor regarding payroll. Call with R. Wing regarding status of cash.	1.20	\$438.00
	KD	Discussed client and cash activity report details with J. Curtis. Obtained authorization to access bank accounts. Obtained bank accounts' details. Reconciled bank account activity and balances. Obtained reserve and refund information.	3.10	\$604.50
10/11/19	JHC	Meeting with G. Miller regarding agenda for conference call with FTC and to review case status and progress. Provided financial information to G. Miller for call with FTC. Prepared revenue summary for the years 2012 to 2019, by account, type of revenue and company. Reviewed accounts payable request and obtained Monitor approval. Call with D. Easter regarding accounts payable. Call with FTC, Monitor, Monitor's counsel and R. Wing.	6.10	\$1,586.00
	GAM	Update call with regulators and Monitor. Correspondence with CFO regarding financial disclosures. Review daily financial summary report. Review sales by revenue type exhibit prepared by staff. Meet with staff to prepare agenda for today's update call.	2.50	\$912.50
	KD	Prepared cash activity report. Discussed weekly accounts payable disbursements approval process with J. Curtis. Discussed bank login issues with monitor. Reconciled bank statement balances and activity. Discussed balancing issue on report with J. Curtis and updated report.	2.70	\$526.50
10/14/19	JHC	Call with M. Magistro regarding review of refunds. Reviewed email correspondence and refund request file.	0.50	\$130.00
	GAM	Email with Monitor regarding email discovery.	0.10	\$36.50
	KD	Prepared cash activity report.	0.90	\$175.50
10/15/19	JHC	Met with and directed K. Dowdle in daily financial monitoring and preparing graphic of cash balance trends. Correspondence with M. Magistro regarding refunds. Reviewed refunds and customer data in customer relationship management database, updated Monitor on refunds and related issues. Meeting with G. Miller regarding monitoring of financial information. Reviewed Puerto Rico payroll and updated D. Broadbent. Searched for and provided financial information to D. Broadbent.	4.40	\$1,144.00
	KD	Prepared cash activity report. Discussed activity with J. Curtis and G. Miller. Prepared graph to forecast bank account balances. Discussed graph with J. Curtis.	1.30	\$253.50
	GAM	Review cash position with staff. Call with Monitor regarding cash position and AMEX card use. Emails and calls with CFO. Call from J. Carlson to discuss current strategy. Call with Monitor regarding payroll. Discussions with staff and Monitor regarding tomorrow's meeting with CFO and J. Carlson. Call with R. Wing regarding cash situation at Zurixx.	0.80	\$292.00

Mr. David Broadbent, Monitor

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
10/16/19	GAM	Call with R. Wing regarding cash position. Meet with staff regarding downsizing efforts. Review daily financial report.	0.30	\$109.50
	JHC	Prepared for Zurixx meeting on financial issues. Meeting with J. Carlson, M. Magistro, D. Broadbent and counsel regarding cost reductions, American Express approval process, current operational changes and issues. Prepared payroll data for development of database to enable reports and summaries. Prepared and submitted daily financial summary report.	4.80	\$1,248.00
	KD	Prepared cash activity report.	0.60	\$117.00
10/17/19	JHC	Directed K. Dowdle in daily financial analysis and monitoring. Reviewed daily monitoring report and circulated. Reviewed payroll files and assisted Monitor with approval process.	2.60	\$676.00
	KD	Prepared cash activity report.	1.10	\$214.50
10/18/19	KD	Prepared cash activity report.	0.60	\$117.00
	GAM	Conference call with FTC regarding case status. Review 2012 - 2019 payroll summary.	1.50	\$547.50
10/21/19	JHC	Drafted revisions and additions to outline of accounting report and exhibits to be prepared. Reviewed and prepared daily monitoring report for distribution to Monitor and counsel. Reviewed accounts payable and supporting invoices, discussed with monitor and assisted with approval. Reviewed refund request, discussed with monitor and provided additional support for monitor review. Reviewed individual financial disclosures regarding assets and liabilities of owners.	4.40	\$1,144.00
	KD	Prepared cash activity report.	0.90	\$175.50
	GAM	Correspondence with staff regarding outline for RMA portion of Monitor status report. Work on draft outline for accounting report. Call with R. Wing regarding financial disclosures. Review financial disclosures of principals. Work on payroll related issues. Discuss fluctuations in income with staff. Review daily financial report and send to R. Wing.	2.50	\$912.50
10/22/19	KD	Prepared cash activity report. Prepared report of legal and accounting vendors for monitor. Discussed report with G. Miller. Analyzed database for journal entries corresponding to bank statement transactions.	3.50	\$682.50
	GAM	Prepare for and attend FTC status call. Review PR payroll and send approved recommendation to Monitor. Work on professional fee payment summary for Monitor. Correspondence and call with C. Brown at FTC regarding email files.	2.90	\$1,058.50
10/23/19	JHC	Email correspondence with Monitor and counsel regarding various issues. Reached out to M. Magistro regarding questions on issues. Reviewed general ledger data for information on Foundation Funding referral fees. Reviewed and submitted daily financial monitoring report. Reviewed refund requests.	2.20	\$572.00
	KD	Prepared cash activity report.	0.60	\$117.00
	GAM	Correspondence with FTC regarding download of pst files. Correspondence with Monitor regarding Zurixx entities contained on financial disclosure. Meet with staff to discuss drafting of accounting	4.50	\$1,642.50

Mr. David Broadbent, Monitor

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
		sections of status report. Work on organizing notes and begin to draft accounting section of status report. Call with Monitor regarding viability issues. Review daily financial report.		
10/24/19	JHC	Review of all requested refund transactions and supporting information in the customer relationship manager software and responded to monitor regarding the same. Contacted E. Greenwell regarding refunds. Reviewed daily financial report and distributed to Monitor and parties.	2.10	\$546.00
	KD	Adjusted report per G. Miller. Prepared cash activity report.	1.10	\$214.50
	GAM	Work on accounting section of Monitor status report. Meet with Monitor to conduct conference call with counsel for Zurixx and J. Carlson to discuss company viability and other monitoring issues. Review and recommend approval of payroll. Discuss changes to Daily Financial Summary Report with staff.	2.80	\$1,022.00
10/25/19	JHC	Analyzed income statements to breakdown components of income. Email correspondence with G. Miller on income statement for report.	0.90	\$234.00
	KD	Prepared cash activity report. Examined prior activity on bank accounts to determine the reason for changing prior balances.	2.90	\$565.50
	GAM	Work on accounting report for Monitor status report, including calls with Zurixx and research of financial details and analyses. Call with R. Wing regarding daily financial report. Call with Monitor regarding financial report.	3.40	\$1,241.00
10/28/19	JHC	Reviewed daily financial report and trends. Discussed case issues with G. Miller. Reviewed accounts payable request for payment, reviewed supporting documentation and information and followed up with D. Easter. Submitted accounts payable to Monitor for approval.	2.80	\$728.00
	KD	Prepared cash report. Organized general ledger data received to be entered into database.	1.30	\$253.50
10/29/19	JHC	Drafted monitor report on accounting issues and reporting of financial information. Prepared exhibits to report. Directed K. Dowdle in analysis of completeness of financial information produced by defendants. Call with M. Magistro regarding American Express budget and payment approval process. Analyzing revenue from Seed Consulting, LLC and provided information to D. Byers as requested. Analyzed financial statements and drafted sections of monitor report on the same.	5.60	\$1,456.00
	KD	Prepared cash report. Analyzed information received to verify that the defendants have produced the information required by court order. Catalogued information produced by defendants. Organized tax returns received from defendants. Reviewed J. Carlson's attachments for supplementary work sheet. Forwarded catalogue of information received for counsel.	6.60	\$1,287.00
	GAM	Work on completing first draft of accounting section of status report. Calls with Monitor and R. Wing.	4.90	\$1,788.50
10/30/19	JHC	Call with G. Miller regarding potential receivership stipulation and related issues. Requested additional financial information from M. Magistro. Drafted accounting report and prepared exhibits. Met with	5.80	\$1,508.00

Mr. David Broadbent, Monitor

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
		G. Miller to review and revise accounting report, prepare exhibits. Calls with G. Miller and counsel regarding various financial issues. Call with M. Magistro and G. Miller to obtain information for accounting report.		
10/30/19	KD	Prepared cash report. Analyzed transactions database for 2012 to 2013 dividend information. Analyzed additional accounts that could contain dividend transactions.	3.50	\$682.50
	GAM	Correspondence with Monitor and staff regarding benefits and insurance at Zurixx. Call with Monitor regarding various operational issues and transition to receivership. Work with staff to complete accounting report and its exhibits.	3.80	\$1,387.00
10/31/19	KD	Prepared cash activity report. Prepared report of transactions of account 4681 from 10/7/2019 to 10/30/2019. Identified payees of transaction on report. Determined approval periods for transactions on report.	2.80	\$546.00
	JHC	Communications with M. Magistro to obtain information for accounting report. Drafted accounting report and exhibits. Call with G. Miller and K. Dowdle regarding accounting for funds in First Bank Puerto Rico accounts.	1.10	\$286.00
	GAM	Complete tax section of accounting report. Investigate Dorado cash expenditures October 7 - 30 and report to Monitor and FTC. Review final payroll. Correspondence and calls with monitor's office regarding insurance, FF&E, leases, and receivership order.	4.20	\$1,533.00
Total for professional services rendered			186.30	\$53,558.00

Expenses

<u>Date</u>	<u>Init.</u>	<u>Description</u>	
10/02/19	GAM	Travel to Zurixx facility for Day 1 activities	\$18.56
10/03/19	GAM	Travel to Zurixx facility for Day 2, interviews of personnel.	\$18.56
10/04/19	GAM	Travel to Zurixx for interviews and accounting issues.	\$18.56
10/07/19	GAM	Travel to facility to meet with CFO and counsel.	\$18.56
10/09/19	GAM	Travel to facility to meet with counsel	\$18.56
Total expenses			\$92.80
Total new charges			\$53,650.80
Balance due			\$53,650.80

EXHIBIT ‘D’



IRS EMPLOYER NO. 84-0382505
PLEASE REMIT TO:
P.O. BOX 17283
DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1778166 3230093 107333 DKBroadbent
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Regarding: Matter No. 0001 - Receiver Services

Invoice Summary

Current fees	\$31,590.50
Current charges this invoice	\$31,590.50

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778166 3230093
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For professional services rendered through November 30, 2019

Itemized Fees

Description of Work	Date	Tkpr	Hours
Conferences with Amanda Grier, Robert Wing, CATalbot, DSByers; travel to Zurixx offices and meet with Denise Easter, Matt Magistro, Drew Way, and building managers; open accounts for receivership funds; conferences with Gil Miller; conference with Robert Wing; discuss employment issues and banking issues; review and respond to emails regarding sale of property in New York; contact New York attorney to arrange for transfer of funds through receivership;	11/01/19	DKB	4.20
Meet with Gil Miller and DSByers, conference with Olson auctioneers; conference with Zurixx employees to terminate business operations, conference with Bank of America and Chase Bank regarding funds transfers; conference with Andrew Wey, and customer service staff, analyze operation issues;	11/04/19	DKB	7.30
Conferences with Zurixx accounting, Gil Miller, Ranni Erikson, conferences with claimants and their attorneys; review and evaluate email correspondence, Bank of America and Chase Bank regarding accounts and transfer of funds; conferences with FTC attorneys and Robert Wing; conferences with DSByers and CATalbot; review preliminary injunction order regarding claims and payables;	11/05/19	DKB	6.40
Telephone conference with Andrew Deiss and Matt Kaufmann regarding Jeanine Keller litigation; telephone conference with Terry Dixon of Bank of America regarding the transfer of Bank of America funds and requirement of process service on CT Corporation; arrange for service of process; telephone conference with Alexandra Delarossa of Chase Bank regarding transfer of funds to receiver account and processing the necessary paperwork; conference with Jerman Selton, claimant, regarding process for receivership; conference with additional claimants regarding the receivership process, refund, and history of relationships with Zurixx and its affiliates; conference with Amanda Greer, Josh Doan, Robert Wing and Tom Melton of the FTC	11/06/19	DKB	5.30

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1778166
	H&H Ref. No.	3230093

and State of Utah, Division of Consumer Protection, regarding ongoing issues such as fulfillment, coaches continuing to propose work, credit card chargeback possibilities, changes to the website and providing general guidance on claims; conference with DSByers and CATalbot regarding Puerto Rico employee situation and transfer of computer equipment; review emails from claimants regarding refund requests as well as their dealings with Zurixx; review and respond to emails regarding web page, URL names and other issues; contemplate and assess claims and appropriate response to those who continue to use Zurixx materials, including former coaches; conference with additional claimants regarding the claims process; conference with TMJimenez regarding employee issues such as payment of health benefits, final payrolls, treatment of commissioned sales people and COBRA; arrange for opening of account with the receivership bank, including completion of paperwork; arrange for transfer of Chase funds to receiver account;

Telephone conferences with and respond to emails from claimants; conference with vendors and their attorneys; conferences with CATalbot and DSByers; review cases on merchant banker reserve accounts;	11/07/19	DKB	2.60
Conferences with claimants; conference with CATalbot and DSByers; conference with Robert Wing and Josh Doan;	11/08/19	DKB	3.50
Review and edit proposed motion; conference with DSByers; conferences with Debra Peterson regarding Zurixx customer calls; conferences with John Curtis;	11/11/19	DKB	1.60
Conference with Robert Wing; conference with Saralynn Broadbent of RMA regarding checks and wire transfers; conference with DSByers; conference with claimants;	11/12/19	DKB	0.60
Conference with DSByers and CATalbot to coordinate next steps and responses; conference with Mark Durrant regarding lease issues; conference with claimants, conference with Gil Miller; review lease regarding exposure and deposit issues; review two California complaints against Zurixx, including class action complaint;	11/13/19	DKB	3.10
Conferences with with Robert Wing; conference with CATalbot and RWin; review lease, conference with Scott Swallow, attorney for landlord; conferences with claimants;	11/14/19	DKB	3.30

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Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778166 3230093
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develop written response to claimants; review and evaluate email correspondence;

Conference with FTC attorneys; conferences with DSByers and CATalbot; conferences with claimants; conference with David Olson regarding auction; conferences with Bank of America personnel regarding release of funds and treatment of charge backs,	11/15/19	DKB	3.10
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Conference with Gil Miller, conference with CATalbot and DSByers regarding asset recovery, Puerto Rico office, account transfers, receiver reports and other matters; review and evaluate email correspondence; conference with Matt Howell regarding Chris Cannon's alimony and support payments and Preliminary Injunction order; email to FTC and State of Utah attorneys; conference with claimants;	11/18/19	DKB	2.80
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Review and evaluate email correspondence ; conference with Collot Guerard; provide materials to Bank of America;	11/19/19	DKB	0.80
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Review and evaluate email correspondence; conferences with claimants; conference with Robert Olson regarding sale; conferences with DSByers regarding sale order; conference with landlord regarding lease and equipment; conference with Robert Wing; follow up on FTC requests; conference with Bank of America;	11/20/19	DKB	4.40
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Conferences with DSByers, negotiate lease and equipment issues, review and evaluate email correspondence; respond to complaints, conference with Gil Miller regarding auction; review sale requirements; conference with Robert Olson; review pending litigation, conference with CATalbot;	11/21/19	DKB	2.70
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Conferences with CATalbot and DSByers; review and respond to counteroffer on termination of lease and release of liability; conferences with customers; review and evaluate email correspondence and respond;	11/22/19	DKB	0.80
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Meeting with CATalbot and DSByers regarding outstanding issues; conferences with customer claimants and vendor claimants; respond to emails; conference with counsel for Bank of America regarding frozen funds; review and respond to email regarding proof of authorization to Ryan Wilson; emails to Denise Easter and Gil Miller; review insurance policies; conference with JARamirez regarding insurance coverage opportunities;	11/25/19	DKB	2.90
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IRS EMPLOYER NO. 84-0382505

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778166 3230093
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Conferences with claimants;conferences with Gil Miller; conference with DSByers and CATalbot; conference with Timothy Dance regarding ACH issues; conference with JDKearl regarding ACH rules and return of funds; review NACHA rules and guidelines; conference with Robert Wing; conference with Josh Doan and Amanda Grier;	11/26/19	DKB	4.60
Conferences with CATalbot and DSByers; conference with Robert Wing; review and respond to emails; conferences with Rocky Mountain Advisory regarding checks and payment of receivership expenses;	11/27/19	DKB	2.50

Total Current Fees: \$31,590.50

Timekeeper Summary

Timekeeper	Tkpr ID	Rate	Hours	Amount
DKBroadbent	5140	505.45	62.50	31,590.50
			62.50	\$31,590.50



IRS EMPLOYER NO. 84-0382505
 PLEASE REMIT TO:
 P.O. BOX 17283
 DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1778166 3230093 107333 DKBroadbent
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Regarding: Matter No. 0001 - Receiver Services

Invoice Summary

Current fees	\$31,590.50
Current charges this invoice	\$31,590.50

Thank you for your prompt payment. Questions regarding this invoice should be directed to the attorney responsible for your account, or Carla Norton, Billing Specialist in our Salt Lake City office, at (801) 799-5815 or cnorton@hollandhart.com.

Due On Receipt

Please return this page with your remittance.

EXHIBIT ‘E’



IRS EMPLOYER NO. 84-0382505
 PLEASE REMIT TO:
 P.O. BOX 17283
 DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1778167 3230128 107333 DKBroadbent
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Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys

Invoice Summary

Current fees	\$90,128.50
Current disbursements	\$32.51
Current charges this invoice	\$90,161.01

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778167 3230128
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For professional services rendered through November 30, 2019

Itemized Fees

Description of Work	Date	Tkpr	Hours
Review and analyze receivership order; coordinate with counsel in Puerto Rico regarding securing property; telephone conference with DKBroadbent regarding initial receivership steps; review memorandum regarding next actions for receivership; review contracts;	11/01/19	CAT	6.30
Review and analyze PI order entered by the Court; conferences with client regarding the same; correspondence with various merchant account providers regarding PI order; arrange to secure Zurixx's offices and conduct meetings with employees, secure premises; conference with DKBroadbent and employees; work with building management to limit access to space and provide access to Receiver's team; analyze issues regarding ongoing events scheduled for weekend, and conference with Mr. Way regarding the same; work on limiting websites and registration for events and work with Zurixx personnel regarding the same;	11/01/19	DSB	7.20
Conferences with DSByers regarding data received from BBBNP; address additional documents received from Kirton McConkie;	11/01/19	BBL	0.30
Telephone conference with Puerto Rico counsel regarding securing property; review and analyze documents regarding same;	11/02/19	CAT	1.30
Telephone conference with Puerto Rico counsel regarding securing property and assets; telephone conference with Mr. Rivera regarding same and regarding employees; coordinate filing in Puerto Rico; analysis of deadlines and responsibilities under preliminary injunction to address questions regarding access to Puerto Rico property;	11/04/19	CAT	3.80
Participate in meetings with employees and Receiver on site at Zurixx and work on logistics of securing property, preparing for liquidation, messaging to consumers, etc.; begin working on motion to approve expenditures;	11/04/19	DSB	9.00

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778167 3230128
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Conferences with CATalbot regarding Puerto Rico lease; conferences with BNoble and DPeterson regarding receivership documents;	11/04/19	BBL	0.30
Email with counsel in Puerto Rico regarding filing; conference with DSByers regarding fulfillment issues; conference with DKBroadbent and DSByers regarding status and next steps; email with Mr. Wing regarding customer inquiries; email with DSByers and DKBroadbent regarding same; prepare report;	11/05/19	CAT	3.40
Work on arranging for auction and compiling of personal property, and correspondence with Messrs. Greenland and Olson regarding the same; correspondence and conference with counsel for Zurixx principals regarding decision to terminate fulfillment; work on establishing communication routes for claimants, including website, telephone, and email; work on motion to approve payment of employee-related expenses and benefits and seek copies of employment agreements; work with CATalbot on related issues for Puerto Rico employees; correspondence regarding potential interest in purchasing domains; correspondence with Ms. Robison and Messrs. Magistro and Cantarero regarding winding up tasks; conferences with client regarding status and strategy of case;	11/05/19	DSB	7.60
Meeting with DKBroadbent on wage and employment compliance issues; direct associate research;	11/05/19	MJ	0.60
Meet with DKBroadbent to develop action items for terminated employees;	11/05/19	MJ	0.20
Conference with TMJimenez regarding legal issues related to terminated employees; conduct research regarding same; draft findings and email to TMJimenez;	11/05/19	KS	5.70
Conferences with DSByers regarding Zurixx websites; communications with PHOpland and CEJanes regarding access to Zurixx website accounts and content; conferences with DSByers and KSessions regarding set up of dedicated phone number and email for Zurixx Receivership;	11/05/19	BBL	1.60
Telephone conference with receivership team, FTC personnel, and personnel from the Utah Division of Consumer Protection; review correspondence regarding refund requests; prepare report for court regarding status; telephone conference with Puerto Rico employees regarding	11/06/19	CAT	5.20

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1778167
	H&H Ref. No.	3230128

access; telephone conference with Puerto Rico counsel regarding same; email with Puerto Rico counsel and employees regarding same;

Work on gathering and securing assets, including physical and intellectual property; conferences with various employees based out of Puerto Rico regarding status and assistance in winding down operations; analyze issues for motion to approve payment of expenses and work on the same; conferences with client, Mr. Magistro, and Mr. Miller regarding the same; conference with Mr. Cantanero regarding securing of server and researching various issues that have arisen with respect to communications to consumers; work on updating information on Zurixx website and obtaining control of the same;	11/06/19	DSB	7.40
Review research; call with DKBroadbent discussing pay issues and obligations;	11/06/19	MJ	0.30
Review research from associate and provide follow up guidance to DKBroadbent;	11/06/19	MJ	0.10
Conferences with DSByers, KSessions and AHurst regarding dedicated email/phone number for Zurixx receivership; conferences with DSByers, LSKelly and CEJanes regarding Zurixx website accounts; set up ShareFile for Matt Magistro per DSByers request;	11/06/19	BBL	1.60
Analyze accounting information, and conferences and correspondence with Ms. Easter regarding the same; work on motion to approve expenditures; conference with auctioneer regarding preparation for auction and whether to include various items; analyze need for retention of various IT services, and conferences and correspondence with Mr. Cantarero and receivership team regarding the same; review draft letter to coaches regarding post-employment conduct; correspondence from consumers regarding case; conferences with client regarding various tasks and status and strategy of case;	11/07/19	DSB	7.00
Prepare cease-and-desist letter to Mr. Ehlers; telephone conference with Anderson & Karenberg attorneys regarding outstanding litigation; email with Puerto Rico counsel and Mr. Prado regarding cancellation efforts; telephone conference with DKBroadbent regarding litigation issues; email with team regarding same;	11/07/19	CAT	5.90

IRS EMPLOYER NO. 84-0382505

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Conferences with KSessions regarding dedicated phone line and email for Zurixx Receivership and support to monitor and log emails/phone calls; conferences with DSByers and LSKelly regarding Zurixx websites and access and revisions to same;	11/07/19	BBL	1.40
Prepare report of findings, including review of documents and notes; telephone conference with Mr. Horvat regarding ongoing litigation; email with Mr. Magistro regarding same; conference with CJDavis regarding refund requests; conference with DKBroadbent and DSByers regarding employee issues; email with Puerto Rico counsel regarding filings and employment issues; review documents produced by defendants; email with counsel regarding same;	11/08/19	CAT	5.90
Analyze issues regarding merchant accounts, and conferences and correspondence with client and various merchant banks regarding the same; work on various accounting issues, and correspondence with Mr. Curtis and Ms. Easter regarding the same; work on motion for approval of various expenditures, and conferences with client regarding the same; conference with court regarding procedures for filing expedited motion; conferences with insurance carriers and Mr. Rivera regarding premiums due; attention to issues for maintaining receivership website, telephone line, and email address;	11/08/19	DSB	7.60
Discuss strategy to organize and respond to emails from consumers with CATalbot and BBLarsen;	11/08/19	CJD	0.50
Conferences with DSByers and CJDavis regarding communications from Zurixx customers/vendors; continue coordination of email and phone number dedicated for Zurixx Receivership; address documents received from Kirton McConkie; address reimbursement files per DSByers request;	11/08/19	BBL	1.30
Telephone conference with Ms. Prado regarding cancellation issues; email with Ms. Prado regarding same; prepare report;	11/09/19	CAT	1.40
Work with Mr. Cantanero to restore access for employee to cancel events, and conferences with CATalbot regarding the same;	11/09/19	DSB	0.30
Address financial documents received from Kirton McConkie; conferences with CATalbot regarding Zurixx	11/09/19	BBL	0.40

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778167 3230128
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financial documents;

Telephone conference with Ms. Prado regarding cancellation issues;	11/10/19	CAT	0.20
Draft standard email for responding to emails to receiver;	11/10/19	CJD	0.20
Work on motion to approve various expenditures, and conferences with DKBroadbent regarding modifications and whether to include various expenses; finalize and file motion with attachments; analyze responses received from venues regarding cancellation of events and whether deposits are recoverable; correspondence with Receiver's accountants regarding payment of retained employees; work on drafting language for website and responsive emails to consumers and vendors; correspondence with Ms. Veillette regarding contact information for receivership to pass on to consumers; correspondence with storage facility and with accountants to arrange payment; correspondence with Mr. Greenland regarding various tasks;	11/11/19	DSB	6.60
Telephone conference with Mr. Kaufman regarding dismissal of litigation matters; email with Mr. Kaufman regarding same, including review of proposed stipulation regarding same; email with multiple vendors regarding cancellation and refund issues; revise and edit draft report; email with multiple customers and counsel regarding refund requests; conference with DSByers regarding same; conference with BBLarsen regarding tracking vendors and customers;	11/11/19	CAT	3.60
Edit and finalize standard email for responding to emails to receiver; research active litigation involving Zurixx; discuss the same with DSByers and CATalbot;	11/11/19	CJD	1.30
Conferences with DSByers and CATalbot regarding voice mail and automated responses to incoming email and calls to the Zurixx Receivership dedicated email and phone number; update voice mail message and automated email response; address emails related to event cancellations;	11/11/19	BBL	0.80
Email with DKBroadbent and DSByers regarding deposits with venues; review and analyze case law regarding same; email with DKBroadbent and DSByers regarding same; prepare report; email with team regarding pending litigation; review dockets regarding outstanding litigation; conference	11/12/19	CAT	3.10

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778167 3230128
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with DSByers regarding deposits with venues;

Correspondence with Mr. Rivera regarding health insurance premium; work on material for website, including FAQ sections; analyze responses from venues and possible demand for refund of deposits, and correspondence with DKBroadbent and CATalbot regarding the same; conference with Ms. Easter regarding modified motion that was filed, and correspondence with employees and independent contractors regarding expectations; conference with court clerk regarding proposed order for motion to approve various expenses; draft and forward proposed order to court; review executed order and correspondence with accounting team to arrange for payment of approved items;	11/12/19	DSB	6.80
Begin logging emails related to cancellation of events; conferences with VLRobinson regarding email review and logging; review log entries created by VLRobinson; conferences with DSByers and CATalbot regarding automated response to incoming emails; set of automated response to emails incoming to Zurixx Receivership mailbox;	11/12/19	BBL	2.00
Conference with DKBroadbent and CATalbot regarding status and strategy of various tasks and receivership; correspondence from landlord regarding potential resolution of dispute, and conference with DKBroadbent regarding the same; conferences with insurance company for Puerto Rico benefits and Mr. Curtis to arrange for payment of premium; analyze status of recovery of assets and strategy for liquidation, and conference with Mr. Cantarero regarding various electronic hardware assets; analyze legal issues regarding employee benefits and pay;	11/13/19	DSB	6.80
Conference with DSByers and DKBroadbent regarding status and strategy; email with counsel regarding pending litigation; telephone conference with counsel regarding ongoing litigation matters; coordinate with vendors regarding payment issues;	11/13/19	CAT	2.60
Prepare memo to DKBroadbent on payment of wages and COBRA notification obligations;	11/13/19	MJ	1.40
Run Utah UCC searches (debtor and secured party) on variations of the name Zurixx;	11/13/19	DM	0.30

IRS EMPLOYER NO. 84-0382505

Holland & Hart LLP

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1778167 3230128
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Conferences with VLRobinson regarding communication logs; address additional consumer emails received from the AG's office;	11/13/19	BBL	0.40
Conference and correspondence with office manager of office in Puerto Rico regarding various issues, including continuation of insurance coverage; conference with Mr. Cantarero regarding requests by defendants for access to computers and network; conference with Mr. Miller regarding payment of employees for approved amounts; analyze messaging to consumers and creditors. and correspondence with DKBroadbent and CATalbot regarding the same; analyze status of recovery of various assets located with storage facilities or contractors;	11/14/19	DSB	6.50
Telephone conferences (multiple) with Mr. Behle regarding California litigation issues; telephone conference with DKBroadbent and counsel for co-defendants in California litigation regarding stay of proceedings; email with counsel regarding same; respond to vendor and customer inquiries; prepare report;	11/14/19	CAT	2.20
Update automated email response to Zurixx Receivership email; conference with CATalbot regarding same;	11/14/19	BBL	0.20
Telephone conference with DKBroadbent and FTC personnel; coordinate with California counsel regarding notice of stay, including multiple telephone conferences; prepare report for Court;	11/15/19	CAT	2.10
Work with remaining staff to identify and locate additional assets; conference with Ms. Padro regarding needed information for venues; analyze strategy for potentially recouping deposits with venues; correspondence from venues regarding the same; conference with Mr. Miller regarding payment of approved expenses; correspondence with merchant bankers regarding status of case and reserve accounts; analyze strategy with respect to the same;	11/15/19	DSB	4.00
Conferences with VLRobinson regarding logging of emails; create log for vendors;	11/15/19	BBL	0.40
Conference with DKBroadbent and DSByers regarding status and next steps; email with vendors regarding deposit and cancellation issues; address email and voicemail messages regarding receivership; address Puerto Rico property issues;	11/18/19	CAT	4.30

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Conference with DKBroadbent and CATalbot regarding status and strategy of case and various related tasks; research issues regarding potential claims for recovery of estate property, and conference with CJDavis regarding needed research regarding the same; conference with consumers regarding status of case and potential claims procedures;	11/18/19	DSB	3.80
Return call to custom regarding refund procedure;	11/18/19	CJD	0.40
Conferences with VLRobinson regarding communication tracking logs; provide direction related to certain emails; update email automated response and voice mail message; log consumer correspondence received from AGs office;	11/18/19	BBL	1.20
Conference with DKBroadbent regarding efforts to stay Zurixx litigation; prepare report; conference with CJDavis regarding Puerto Rico property issues; follow-up regarding vendor and customer payment issues; review filings;	11/19/19	CAT	2.80
Review and analyze information regarding various venues and possible deposits, and work on draft demand regarding the same; correspondence with various venues; analyze strategy for recovery of additional assets, and correspondence with employees regarding the same; correspondence and conference with Messrs. Richardson and Rosholt regarding recovery of assets associated with real estate expos; correspondence with Mr. Cantarero regarding collection attempts by CenturyLink; work on fee requests;	11/19/19	DSB	5.20
Contact the office manager in Puerto Rico regarding office inventory; discuss the same with CATalbot;	11/19/19	CJD	1.40
Conferences with VLRobinson regarding email/voice mail logging; update voice mail message to receivership dedicated phone line; conferences with CATalbot and DSByers regarding emails from independent contractors;	11/19/19	BBL	0.40
Telephone conference with Washington counsel regarding Zurixx litigation matters; email with Washington counsel regarding same; conference with DKBroadbent regarding same; address Canadian litigation matters; conference with EJTejada regarding same; analysis of financial report; prepare report;	11/20/19	CAT	4.00

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Conferences with Mr. Cantarero regarding status of various computers and IT-related assets to determine best strategy for preservation of information and liquidation of assets; conferences with client regarding lease and negotiations with counsel for landlord regarding the same; work with Mr. Curtis on recovery of funds with service providers; correspondence regarding providing access to CRM for FTC personnel, and conference with Mr. Cantarero regarding the same; correspondence with Bailey's Moving and Storage and Mr. Olson regarding recovery of property located in warehouse and various legal issues; analyze need for motion to approve sale, and conferences with DKBroadbent regarding the same; begin working on motion to approve sale of personal property; correspondence with employees and contractors regarding payment of amounts they claim are due and likely claims process; conference with Ms. Easter regarding various claims by employees and contractors; attention to fee applications;	11/20/19	DSB	7.60
Review and discuss communications with consumers with DKBroadbent;	11/20/19	CJD	0.50
Meet with CATalbot regarding research assignment;	11/20/19	EJT	0.50
Conferences with CATalbot and DSByers regarding emails related to payroll/1099 issues;	11/20/19	BBL	0.30
Review email regarding customer refunds; email with Washington counsel regarding notice of stay and representation; address Puerto Rico property issues;	11/21/19	CAT	1.30
Work on draft demand to venues for returns of deposits, and conference with DKBroadbent regarding the same; analyze venues to receive demand; negotiations with landlord's counsel regarding lease, and conferences with DKBroadbent regarding the same; work on securing assets of receivership in locations other than main office; correspondence with FTC regarding providing access to CRM system; work on motion to approve public sale of property; work on fee applications;	11/21/19	DSB	7.00
Correspond with the Zurixx Utah office regarding the inventory list for Puerto Rico; review the inventory list and discuss with DSByers and CATalbot; discuss contacting the landlord for the Puerto Rico office with CATalbot;	11/21/19	CJD	1.00

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Meet with CATalbot regarding Canadian lawsuit;	11/21/19	EJT	0.20
Review and analyze filings and ruling in California litigation; email with counsel regarding same; email with counsel regarding Washington litigation; telephone conference with DKBroadbent regarding dismissal of litigation; email with counsel regarding stipulated dismissal; prepare report, including review of documents from Rocky Mountain Advisors; telephone conference with counsel regarding Puerto Rico property issues; email with local counsel regarding same;	11/22/19	CAT	3.50
Negotiations with landlord regarding lease, and conferences with DKBroadbent regarding the same; work on various motions, including motion to approve sale of personal property, motion to approve settlement with landlord, and fee application, and gather needed information for each; analyze and work on gathering assets of receivership;	11/22/19	DSB	6.80
Contact the landlord for the Puerto Rico office; discuss the same with CATalbot and DSByers; contact local counsel in Puerto Rico regarding the office property;	11/22/19	CJD	0.30
Conference with CATalbot regarding email responses; communications with IT regarding changes to email automated response;	11/22/19	BBL	0.30
Email with counsel regarding dismissal of Windham litigation; email with counsel regarding Puerto Rico property issues; email with Mr. Canterero regarding vendor hard drive; email with defendants' counsel regarding access and personal property issues; prepare report, including review and analysis of documents and report of Rocky Mountain Advisory; email with Mr. Ehlers regarding injunction;	11/23/19	CAT	3.20
Conferences with CATalbot; update Zurixx Receivership voice mail message; review certain emails regarding payroll/1099 issues and forward same to CATalbot and DSByers for guidance;	11/23/19	BBL	1.10
Prepare report, including review of financial documents; conference with DKBroadbent and DSByers regarding status and strategy; email with counsel regarding litigation issues in California; email with Mr. Magistro and Ms. Easter regarding site issues and employee information;	11/25/19	CAT	4.10

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telephone conference with Mr. Magistro regarding same;

Teleconference with DKBroadbent regarding claims and potential for insurance coverage; review and annotate primary and excess liability policies; draft recommendations to DKBroadbent;	11/25/19	JAR	1.30
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Conference with DKBroadbent and CATalbot regarding status and strategy for various tasks; analyze strategy for liquidating personal property and work on motion to approve the same; conferences and correspondence with auctioneer regarding the same; analyze payment to employees and contractors that worked events approved by Receiver shortly after appointment, and conference and correspondence with Ms. Easter regarding the same; review draft report to court regarding monitor's activities, and conference with CATalbot regarding the same; correspondence with Mr. Cantarero regarding issues related to electronics and potential sell of the same;	11/25/19	DSB	7.20
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Monitor email; conference with CATalbot; research contact information for Tim Bell; forward findings to same;	11/25/19	BBL	0.50
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Email with California counsel regarding stay issues and insurance; conference with BBLarsen regarding insurance issues; email with FTC and Division of Consumer Protection regarding computers and copies of materials; conference with CJDavis regarding research; email with Mr. Parry regarding organizational documents; revise and edit draft report; correspondence regarding customer complaints;	11/26/19	CAT	2.90
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Review NACHA Rules to address question from DKBroadbent regarding application to certain transactions; prepare and provide relevant rules and guidance and discuss the same with DKBroadbent;	11/26/19	JDK	2.10
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Work on motion to approve sale of personal property, and conferences with client and auctioneer regarding the same; forward draft for client review; correspondence with Mr. Martinez regarding settlement agreement with landlord, review and analyze draft settlement agreement, and conference with client regarding the same; work on motion to approve settlement agreement; correspondence with client and professionals regarding fee application and work on the same; correspondence with Ms. Padro and Mr. Curtis regarding payment of invoices; correspondence with	11/26/19	DSB	7.60
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auctioneer and principals of Bailey's Moving and Storage regarding recovery of receivership property; correspondence with client and auctioneer regarding insurance coverage for personal property, including vehicle; analyze strategy to recover laptop computers from various contractors/employees, and correspondence with Mr. Cantarero and Ms. Easter regarding the same; conference with CATalbot regarding need for input for parties to case regarding wiping of computers;

Research regarding enforceability of stay in injunction in Canada;	11/26/19	EJT	2.30
Monitor emails; conferences with CATalbot; research lawsuit in New Jersey State Court;	11/26/19	BBL	0.40
Conference with DKBroadbent regarding quiet title action; review materials regarding same;	11/27/19	CAT	0.30
Conference with client regarding draft motion to approve sale of personal property; finalize and arrange for filing of the same; analyze strategy and needed action to recover various personal property items; conferences and correspondence with counsel for Bailey's Moving and Storage regarding the same; revise and edit draft settlement agreement with landlord, and conference with client regarding the same; correspondence with counsel for landlord regarding edits to agreement; work on motion to approve settlement agreement; correspondence with Mr. Cantarero regarding strategy for removal of computers from premises; work with Mr. Cantarero and Ms. Shiller of the FTC to provide access to CRM program;	11/27/19	DSB	7.80
Review and annotate Hamilton complaint; review general liability policy; draft recommendations regarding insurance coverage for Hamilton allegations;	11/27/19	JAR	1.00
Email with counsel regarding California litigation issues; email with defendant's counsel regarding hard drive; prepare letter to sales personnel regarding customer outreach;	11/27/19	CAT	1.30
Contact David Efron's office via telephone; draft email to Mr. Efron regarding discussing the property in Puerto Rico; review correspondence from attorneys in Puerto Rico; discuss the same with CATalbot and EJTejeda;	11/27/19	CJD	0.90
Continue researching enforcement of injunction in Canada;	11/27/19	EJT	1.50

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call Canadian counsel (Ms. Rudzitis) regarding same; call
with CATalbot regarding retention of Canadian counsel;

Review emails and assign for logging; 11/27/19 BBL 0.40

Total Current Fees: \$90,128.50

Timekeeper Summary

Timekeeper	Tkpr ID	Rate	Hours	Amount
BBLarsen	2172	252.55	15.30	3,864.00
DMMcDermaid	2782	180.00	0.30	54.00
JARamirez	5195	391.50	2.30	900.45
JDKearl	5571	355.50	2.10	746.55
DSByers	5654	385.62	129.80	50,053.00
CATalbot	5657	391.08	74.70	29,214.00
EJTejeda	5852	274.50	4.50	1,235.25
CJDavis	5960	228.04	6.50	1,482.25
KSSargsian	5974	270.00	5.70	1,539.00
MJJimenez	6217	400.00	2.60	1,040.00
			243.80	\$90,128.50

Disbursements

Description of Disbursements	Date	Amount
United Parcel Service: COM. NEXT DAY AIR, Fernando Van Derdys, Reichard & Escalera LLC, San Juan, PR, 1Z59E98W2499427649	11/05/19	32.51
	Total Current Disbursements:	\$32.51



IRS EMPLOYER NO. 84-0382505
PLEASE REMIT TO:
P.O. BOX 17283
DENVER, CO 80217-0283

December 16, 2019

Broadbent, David, as Receiver for Zurixx, LLC David K. Broadbent 222 S. Main Street, Suite 2200 Salt Lake City, UT 84101	Invoice No. H&H Ref. No. Client No. Attorney:	1778167 3230128 107333 DKBroadbent
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Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys

Invoice Summary

Current fees	\$90,128.50
Current disbursements	\$32.51
Current charges this invoice	\$90,161.01

Thank you for your prompt payment. Questions regarding this invoice should be directed to the attorney responsible for your account, or Carla Norton, Billing Specialist in our Salt Lake City office, at (801) 799-5815 or cnorton@hollandhart.com.

Due On Receipt

Please return this page with your remittance.

EXHIBIT “F”

Rocky Mountain RMA ADVISORY

215 South State Street
Suite 550
Salt Lake City, UT 84111
801.428.1600

Mr. David Broadbent, Receiver
Holland & Hart
222 South Main Street, Suite 220
Salt Lake City, UT 84101

December 2, 2019
Invoice # 14269

Billing for: 11/01/19 to 11/30/19

RE: Federal Trade Commission v ZURIXX

Previous balance \$53,650.80

Professional Services Summary

Name	Hours	Rate	
Gil A. Miller	21.90	365.00	\$7,993.50
John H. Curtis	21.20	260.00	\$5,512.00
Jordan Colohan	0.40	195.00	\$78.00
Kyle Dowdle	5.20	195.00	\$1,014.00
Raani Ereksen	3.90	70.00	\$273.00

Professional Services Detail

Date	Init.	Description	Hours	
11/01/19	GAM	Work on and deliver memo regarding operational issues for new receiver. Correspondence regarding receivership with receiver. Review receivership order at Zurixx. Work with receiver to temporarily shut down business. Meetings with finance staff regarding cash deposits at banks, payroll issues, accounts payable issues. Visit Chase and Bank of America branches with CFO to secure cash assets. Call with receiver regarding results of bank visits.	7.70	\$2,810.50
	JHC	Meeting with G. Miller regarding Receivership issues. Reviewed accounts payable communications from J. Carlson. Reviewed Receivership order. Reviewed Miller memorandum on Receivership actions and provided comments.	2.10	\$546.00
	KD	Prepared cash activity report. Prepared report of current cash balances.	1.70	\$331.50
11/04/19	GAM	Prepare memos for receiver regarding status of all bank account balances. At Zurixx assist receiver with issues relating to business shut down, cash management, records retention, asset sales, and temporary work staff. Call with FTC regarding status of receivership. Prepare memo regarding possible emergency motion to fund payroll	8.00	\$2,920.00

Mr. David Broadbent, Receiver

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
		and benefits. Calls with financial institutions regarding frozen accounts. Work with Erklens and Olsen to determine auctionable items and auction date.		
11/04/19	JC	Prepare deposits in Stretto banking system and present for delivery.	0.40	\$78.00
	KD	Prepared cash report.	0.80	\$156.00
11/05/19	JHC	Reviewed communications from G. Miller regarding various Receivership banking issues. Compiled and provided tax returns to J. Gifford with information regarding preparation of 2019 tax returns. Responded to email correspondence on Receivership issues.	1.10	\$286.00
	KD	Discussed case with G. Miller. Prepared report of cash balances since bank accounts were frozen.	1.20	\$234.00
	GAM	Work on final daily financial report for receiver. Correspondence with receiver and staff regarding frozen accounts. Handle last week's payroll being unfunded by Bank of America. Handle retrieval of assets at PECZUH. Call with payroll company and receiver.	1.90	\$693.50
11/08/19	JHC	Prepared summary of available cash balance for motion to pay certain expenses and provided to D. Byers. Call with D. Byers and provided information on reimbursements. Reviewed employee reimbursement documentation and gathered additional payroll information.	1.90	\$494.00
11/11/19	JHC	Compiled post-receivership invoices and directed R. Ereksion in payment of the same. Calls and communications with Receiver and counsel regarding accounts, invoices and related issues. Reviewed account balances to determine status of funds turnover. Communications with D. Easter and M. Magistro.	1.70	\$442.00
	GAM	Reviewed unpaid invoices to staff. Assist with payments of court ordered pre-receivership obligations. Emails with D. Easter regarding booking of NSF checks.	0.40	\$146.00
11/12/19	JHC	Directed R. Ereksion in payment of Receivership expenses. Requested information from counsel for payments and compiled support. Reviewed communications from counsel and responded to the same.	0.80	\$208.00
	GAM	Respond to emails regarding necessary Accounting work for D. Easter and M. Magistro to perform.	0.20	\$73.00
11/13/19	JHC	Reviewed motion to pay payroll expenses and reimbursements and directed K. Dowdle in carrying out the same. Call with Puerto Rico insurance carrier regarding payment of health insurance for employees. Reviewed Health Equity outstanding balance and setup payment. Reviewed reimbursement checks and other checks approved by Receiver and Court.	2.40	\$624.00
	RE	Generate payments per order and update accounting documentation.	2.10	\$147.00
	KD	Reviewed motion to determine who to pay in pre-petition disbursement. Reviewed banking software.	0.90	\$175.50
	GAM	Call with receiver regarding auction issue. Work on payment of various approved payables.	0.30	\$109.50
11/14/19	RE	Completed generating payments per order and updating accounting documentation.	1.80	\$126.00
	KD	Reviewed checks to be printed per motion. Printed checks.	0.60	\$117.00
	GAM	Review recent order regarding payment of pre-receivership obligations; call with counsel regarding same. Respond to emails from payroll company and D. Easter.	0.40	\$146.00

Mr. David Broadbent, Receiver

December 2, 2019

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
11/15/19	JHC	Call with M. Magistro regarding accounting work and needed information and analysis. Call with C. Talbot regarding account balances for filing. Call with D. Byers regarding event deposit information and determining deposits for recovery from vendors.	1.20	\$312.00
	GAM	Email to receiver regarding funds still frozen at Bank of American and First Bank. Respond to auctioneer's email regarding computers.	0.20	\$73.00
11/18/19	JHC	Worked with M. Magistro on data downloads of cash receipts and disbursements and payroll data. Reviewed data and discussed with M. Magistro.	0.90	\$234.00
	GAM	Call with receiver regarding calculation of un-reimbursed consumer injury; discuss same with staff. Respond to employee emails. Research prepaid asset issues.	0.70	\$255.50
11/19/19	JHC	Communications with D. Easter on various payroll and claims issues. Followed up on Health Equity payment issue. Prepared calculation of un-reimbursed consumer injury and provided to D. Broadbent.	1.60	\$416.00
	GAM	Correspondence with Receiver and staff regarding Un-reimbursed Consumer Injury Calculation.	0.20	\$73.00
11/20/19	JHC	Call with M. Magistro regarding accounting work and closing of October. Calls with Puerto Rico employees regarding paychecks. Communications with D. Byers on collections issues.	0.80	\$208.00
11/21/19	JHC	Prepared email to Comcast requesting refund check and providing Receivership order and instructions. Communications with Receiver and counsel on various Receivership issues.	0.60	\$156.00
	GAM	Review and respond to correspondence from Zurixx former employees and receiver's office.	0.20	\$73.00
11/22/19	JHC	Analyzed consumer injury calculation to separate out amounts for real estate deposits. Calls with M. Magistro regarding methodology and process for separating out real estate deposits. Reviewed data provided by M. Magistro and prepared for summary to FTC regarding consumer injury.	1.60	\$416.00
	GAM	Respond to Receiver's email regarding potential deal with landlord regarding personal property.	0.10	\$36.50
11/25/19	JHC	Prepared summary calculation of un-reimbursed consumer injury from real estate sales, reviewed and revised and provided to Receiver.	1.80	\$468.00
	GAM	Respond to various emails and calls from Receiver's office and Zurixx personnel. Correspondence regarding benefit cancellation and bank authorizations for ACH transactions.	0.50	\$182.50
11/26/19	JHC	Prepared summary of account balances for Bank of America and First Bank of Puerto Rico and provided to G. Miller and Receiver. Call with T. Dance regarding Chase Bank chargebacks, ACH transfer issues and needed documentation. Communications with Receiver on account issues. Communications with D. Easter on contract work and documentation for Chase Bank.	2.70	\$702.00
	GAM	Follow-up with Receiver on frozen bank funds, ACH demand issues, insurance policies and continuing work with former employees.	0.70	\$255.50
11/27/19	GAM	Review email chain regarding ACH dispute. Research valid reasons for ACH refunds and correspond with receiver regarding same.	0.40	\$146.00

Mr. David Broadbent, Receiver

December 2, 2019

Total for professional services rendered	<u>Hours</u> 52.60	\$14,870.50
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Expenses

<u>Date</u>	<u>Init.</u>	<u>Description</u>	
11/01/19	GAM	Mileage	\$18.56
11/04/19	GAM	Mileage to client site	\$18.56
11/12/19	JHC	Storage Expense	\$195.00
11/30/19	RE	Copying cost (80 copies at \$.15 per copy)	\$12.00
	RE	Postage	\$55.00
	RE	Courier Service	\$45.00
Total expenses			<u>\$344.12</u>
Total new charges			<u>\$15,214.62</u>
Balance due			<u><u>\$68,865.42</u></u>