

HOLLAND & HART LLP  
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222 S. Main Street, Suite 2200  
Salt Lake City, Utah 84101  
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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

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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.

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**RECEIVER'S SECOND APPLICATION  
FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR  
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 Second Application for Compensation and

Reimbursement of Expenses for the Receiver and Retained Professionals (the “Second Application”). The Receiver requests an Order approving payment of fees and expenses incurred in the months of December 2019, and January through February 2020 (the “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 Second Application.

**APPLICATION FOR RECEIVER AND RETAINED PROFESSIONALS**

1. 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).

2. 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).

3. 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 Second Application.

4. 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.

5. During the Application Period, the Receiver and his professionals worked to, *inter alia*, accomplish the following: secure Zurixx’s office space in Puerto Rico and Utah; continue to secure the assets of the Receivership Entities, including bank accounts and reserves held with merchant bankers; work on the liquidation of personal property and related motion; negotiate with landlords regarding possible settlements of claims; communicate with consumers, vendors, and creditors regarding the status of a potential claims process; analyze potential claims against third parties that may be brought by the Receiver; respond to threatened and filed litigation and claims to stay such claims in light of the Court’s orders; work to provide tax documentation to employees and independent contractors; conference with the FTC and the Utah Division of Consumer Protection regarding various issues, potential claims against third parties and additional defendants, and the status of the case; and work with the FTC and the Utah Division of Consumer Protection in gathering information from Zurixx records.

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

	<b><u>Fees Requested</u></b>	<b><u>Expense Reimbursement Requested</u></b>	<b><u>Total</u></b>
Receiver	\$37,569.90	\$6.00	\$37,575.90
H&H	\$158,838.55	\$180.00	\$159,018.55

	<u>Fees Requested</u>	<u>Expense Reimbursement Requested</u>	<u>Total</u>
RMA	\$7,995.50	\$7,297.47	\$15,292.97
<b>Total</b>	<b>\$204,403.95</b>	<b>\$7,483.47</b>	<b>\$211,887.42</b>

7. Invoices detailing the work performed by the Receiver, H&H, and RMA during the 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 Application Period is reasonable compensation for the services performed, which services have been actually and necessarily rendered in this case.

9. 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 Receiver's Fees and Expenses as reasonable compensation and authorizing the Receiver to make payments in such amounts.

RESPECTFULLY SUBMITTED this 7th day of April, 2020.

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 - Receiver Invoices.
- B - H&H Invoices.
- C - RMA Invoices.

14192749\_v2

# **EXHIBIT “A”**



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

**January 27, 2020**

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:	1786968 3248160 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$12,017.50</b>
<b>Current disbursements</b>	<b>\$6.00</b>
<b>Current charges this invoice</b>	<b>\$12,023.50</b>



IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786968 3248160
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For professional services rendered through December 31, 2019

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Conferences with DSByers and CATalbot; review check requests; review and respond to emails;	12/02/19	DKB	1.80
Conference with Mr. Wing and DSByers regarding FTC and State of Utah issues and matters to investigate; conference with attorneys for Bank of America regarding freezing and transfer of funds;	12/03/19	DKB	0.90
Conference with FTC attorneys and Mr. Wing; conference with DSByers and CATalbot regarding receivership timing and possible causes of action; review and respond to contacts from claimants;	12/04/19	DKB	2.80
Review and respond to emails; conference with DSByers;	12/05/19	DKB	0.40
Conference with DSByers review lease issues and settlement negotiations; review and evaluate email correspondence;	12/06/19	DKB	0.40
Conference with Mr. Miller; conferences with CATalbot; conference with DSByers; review and edit monitor and receiver reports; review complaint/claim from Utah customer;	12/09/19	DKB	1.60
Conferences with Mr. Wing; review ACH issues; conferences with Mr. Dance, attorney for JP Morgan/Chase Bank; review and edit report; conference with CATalbot; review and evaluate email correspondence regarding ACH issues and authorization;	12/10/19	DKB	3.60
Conference with Mr. Curtis; conference with Zurixx customer; review ACH issues; review and execute settlement agreement with landlord;	12/11/19	DKB	1.00
Conference with DSByers; review and evaluate email correspondence;	12/12/19	DKB	0.30
Conference with Mr. Hathaway; review and evaluate email correspondence; conference with CATalbot; respond to former customers;	12/13/19	DKB	1.20

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786968 3248160	
Conference with DSByers and CATalbot; review and evaluate email correspondence;	12/16/19	DKB	0.50
Conference with DSByers regarding lease settlement and merchant banker issues; conference with Ms. Rodriguez of McQuire Woods regarding NACHA issues; transfer of accounts;	12/17/19	DKB	0.40
Conference with DSByers regarding merchant account reserve and chargeback issues; conference with DSByers , Mr. Schurback and Ms. Feeney of Paysafe regarding closing merchant bank accounts and reserve issues; review state's response to defendant's motion to dismiss; review motion for approval of settlement with landlord and provide comments to DSByers; conference with DSByers, CATalbot, CDavis and ETejada regarding elements of third party claims;	12/18/19	DKB	2.70
Telephone conference with Mr. Vance regarding ACH and charge-back issues; respond to customer claimants; telephone conference with DSByers regarding furniture; conference with Mr. Shetler regarding possible sale of furniture;	12/19/19	DKB	0.80
Review and respond to emails regarding furniture sales; customer complaints, and continued tax services;	12/20/19	DKB	0.90
Conference with TCrisp regarding Credit Card merchant chargebacks and reserves; review FTC cases on merchant bank reserves; conference with Ms. Buford of Your Entity Solution regarding their work on limited liability companies for Zurixx customers; conference with Mr. Wing regarding Your Entity Solution charges and continued services; conference with Ms. Easter regarding Bank of America ACH issues and proof of authorization; review and evaluate email correspondence from Ms. Rodriguez and respond;	12/23/19	DKB	2.60
Review letter from Mr. Ronas, attorney for Ms. Calixte, regarding claims; review merchant account agreements and cases regarding treatment of chargebacks and reserve accounts; review RMA financial report; email to Mr. Wing and FTC attorneys;	12/26/19	DKB	2.30
Conference with Mr. Wing; review cases on standing; review and evaluate email correspondence Mr. Olson regarding auction;	12/27/19	DKB	0.70

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786968 3248160
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Review information including Merchant Bank applications regarding Chuckanut; review and respond to information regarding auction; 12/30/19 DKB 0.40

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**Total Current Fees: \$12,017.50**

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
DKBroadbent	5140	475.00	25.30	12,017.50
			<b>25.30</b>	<b>\$12,017.50</b>

**Disbursements**

<b>Description of Disbursements</b>	<b>Date</b>	<b>Amount</b>
Walking Messenger		6.00
	<b>Total Current Disbursements:</b>	<b>\$6.00</b>



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

**January 27, 2020**

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:	1786968 3248160 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$12,017.50</b>
<b>Current disbursements</b>	<b>\$6.00</b>
<b>Current charges this invoice</b>	<b>\$12,023.50</b>

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](mailto:cnorton@hollandhart.com).

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

**February 20, 2020**

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:	1803702 3307251 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$13,027.70</b>
<b>Current charges this invoice</b>	<b>\$13,027.70</b>

*This invoice may reflect changes to our billing rates that took effect on January 1, 2020.*

**ACH / Wire Instructions – Please Remit in US Dollars**

UMB Bank, N.A.  
 1670 Broadway, Denver, CO 80202  
 ABA# 101000695  
 Holland & Hart Operating Account  
 Acct # 6971172602  
 Swift Code UMKCUS44  
 Please include invoice #1803702 on payment.

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803702 3307251
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For professional services rendered through January 31, 2020

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Telephone conference with Mr. Wing; review and respond to consumer correspondence; review possible actions against participants; review order issued in the Nudge case with regard to defenses;	01/03/20	DKB	0.90
Conference with Mr. Guerard, FTC; conference with CATalbot and DSByers regarding recovery or equipment, including "road equipment" and computers in Puerto Rico, conference with EJTajada and CJDavis regarding evaluation of possible third party actions; conference with Mr. Herhandez regarding credit card chargeback claims and response; review cases regarding attorney exposure to voidable transfer claims; review Mr. Evans cases regarding claims against employee participants; return calls to Ms. Cunningham and Ms. Stevenson explain status; conference with Ms. Stoner, claimant; review and evaluate email correspondence regarding possibly stolen equipment;	01/06/20	DKB	4.20
Telephone conference with Mr. Wilson; telephone conferences with Ms. Easter regarding ACH proof of authorization issues; telephone conference with Mr. Wing; conference with CJDavis of CJDavis; review cases regarding third-party claims;	01/07/20	DKB	2.30
Telephone conference with claimants; review third-party claim issues; review and respond to emails;	01/08/20	DKB	0.50
Prepare for and meet with FTC and State of Utah attorneys; obtain and review merchant banking agreements; review third-party claims with EJTejeda, DSByers and CATalbot;	01/09/20	DKB	5.90
Conferences with Mr. Wing; review merchant agreements; review donation history; conference with Mr. Curtis; review third-party claim causes of action; conference with Ms. Greer of FTC, CATalbot and DSByers regarding telesales issues;	01/10/20	DKB	1.60
Conferences with CATalbot and DSByers; conference with claimants; review ACH issues and card chargeback issues;	01/13/20	DKB	1.20

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803702 3307251
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Conference with Zurixx customers;	01/14/20	DKB	0.20
Conference with Mr. Curtis; review and respond to emails; review disclosure materials provided by American Express;	01/21/20	DKB	0.20
Review memorandum and possible third-party claims with CATalbot, DSByers; ETejada,	01/22/20	DKB	2.80
Review memorandum and cases regarding potential claims and case evaluations; conference with Mr. Wing; review and evaluate email correspondence regarding additional equipment;	01/23/20	DKB	2.40
Research regarding third-party claims; coordinate responses to claimants;	01/24/20	DKB	0.30
Telephone conference with Mr. Rones; review and respond to emails; approve and execute payments; conference with CATalbot and DSByers regarding claims, recovery of equipment and Puerto Rico lease issues; review cases regarding merchant bank reserve accounts; conference with Mr. Vance regarding ACH payments and chargebacks;	01/28/20	DKB	1.90
Conference with Mr. Newcastle and Ms. Newcastle regarding claims; review and evaluate email correspondence;	01/29/20	DKB	0.20
Investigate ACH charge, notify Stretto bank to reject charge; respond to email from Ms. Melendez regarding tax information; email to Mr. Curtis;	01/30/20	DKB	1.30
<b>Total Current Fees:</b>			<b>\$13,027.70</b>

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
DKBroadbent	5140	503.00	25.90	13,027.70
			<b>25.90</b>	<b>\$13,027.70</b>



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

**February 20, 2020**

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:	1803702 3307251 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$13,027.70</b>
<b>Current charges this invoice</b>	<b>\$13,027.70</b>

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**March 17, 2020**

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:	1803703 3307252 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$12,524.70</b>
<b>Current charges this invoice</b>	<b>\$12,524.70</b>

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**ACH / Wire Instructions – Please Remit in US Dollars**

UMB Bank, N.A.  
 1670 Broadway, Denver, CO 80202  
 ABA# 101000695  
 Holland & Hart Operating Account  
 Acct # 6971172602  
 Swift Code UMKCUS44  
 Please include invoice #1803703 on payment.

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803703 3307252
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For professional services rendered through February 29, 2020

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Conference with Mr. Wing; conference with Mr. Miller regarding possible third party claims; review possible claims; respond to investors;	02/04/20	DKB	2.90
Review materials regarding Puerto Rico lease; conference with claimant regarding claims process; conference with Mr. Morgan; conference with CATalbot; review research regarding fraudulent claims including fraudulent transfer and other causes of action;	02/05/20	DKB	2.60
Research regarding third-party claims; conference with CATalbot; conference with Mr. Macnamara and Mr. Smith regarding causes of action against third parties in FTC cases; review updated materials on fraudulent transfer and unjust enrichment claims;	02/06/20	DKB	3.60
Prepare for and meet with Mr. Wing and Ms. Veillette; research and claim analysis; conference with CATalbot;	02/07/20	DKB	4.10
Review First Bank accounts; conferences with First Bank, Puerto Rico; letter to First Bank regarding transfer of funds; conference with Ms. Rodriguez, Mr. Woods regarding Bank of America claims and transfer of accounts; letter to Bank of America; review Bank of America accounts; conference with Mr. Wing; Division of Consumer protection; conference with CATalbot and DSByers regarding assignments and next steps; review Wulf case provided by Mr. Wing regarding equity claims and fraudulent transfer;	02/10/20	DKB	4.20
email to Ms. Rodriguez, attorney for Bank of America; review and evaluate email correspondence and respond to Ms. Rodriguez;	02/11/20	DKB	0.20
Review and evaluate email correspondence and contact First Bank Puerto Rico regarding Carlson Development account and transfer; review RoboBank bank statements; conference with Mr. Doan regarding merchant bank guaranties, email to DSByers and CATalbot regarding merchant bank issues; review FTC correspondence regarding Carlson Development account;	02/12/20	DKB	3.60

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803703 3307252
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Review and evaluate email correspondence regarding merchant bank chargebacks and respond; conference with DSByers;	02/13/20	DKB	0.30
Review and evaluate email correspondence and respond regarding Puerto Rico lease issues; conference with counsel for Bank of America regarding account transfer; conference with claimant regarding process on claims; review materials sent by FTC regarding Puerto Rico accounts;	02/14/20	DKB	1.60
Review and evaluate email correspondence and respond regarding Bank of America funds; conference with DPeterson regarding claimant contact;	02/19/20	DKB	0.10
Conference with Mr. Wing, CATalbot, DSByers; conference with Mr. Pahnke regarding tax information;	02/24/20	DKB	0.90
Conference with Mr. George; review letter from Bank of America and arrange for deposit of checks received from them;	02/25/20	DKB	0.10
Email regarding Puerto Rico issues; review court order regarding motion to dismiss;	02/26/20	DKB	0.70
<b>Total Current Fees:</b>			<b>\$12,524.70</b>

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
DKBroadbent	5140	503.00	24.90	12,524.70
			<b>24.90</b>	<b>\$12,524.70</b>



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

**March 17, 2020**

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:	1803703 3307252 107333 DKBroadbent
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**Regarding: Matter No. 0001 - Receiver Services**

**Invoice Summary**

<b>Current fees</b>	<b>\$12,524.70</b>
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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.

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# **EXHIBIT “B”**



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

**January 27, 2020**

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:	1786969 3248190 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$62,728.75</b>
<b>Current disbursements</b>	<b>\$36.00</b>
<b>Current charges this invoice</b>	<b>\$62,764.75</b>

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786969 3248190
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For professional services rendered through December 31, 2019

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Research and analyze case law interpreting the scope of a federal receiver's legal duties;	12/01/19	CJD	1.50
Work on amendment to motion to approve sale and proposed order; conference with client and CATalbot regarding various tasks and strategy for receivership; analyze strategy with respect to vacating office space and dealing with computers, and conferences with Mr. Miller and Mr. Cantarero regarding the same; correspondence regarding value of various items and whether they can be sold; finalize cease-and-desist letter to coach and review response; correspondence with Mr. Hirschi regarding items stored at Bailey's and negotiations regarding the same;	12/02/19	DSB	5.40
Telephone conference with DKBroadbent and DSByers regarding status and strategy; revise and edit draft report; email with California counsel regarding litigation status; telephone conference with Canadian counsel regarding litigation issues; telephone conference with Mr. Horvat regarding representation and fees; prepare motion to add receivership entity; email with counsel regarding same;	12/02/19	CAT	3.00
Contact Mr. Efron and coordinate a telephone conference to discuss the property in Puerto Rico;	12/02/19	CJD	0.40
Follow-up with Canadian counsel regarding stay of litigation; Call with Ms. Rudzitis and CATalbot regarding response to Poll lawsuit; Review Paseo del Plata Lease;	12/02/19	EJT	1.50
Telephone conference with office of landlord (Puerto Rico); telephone conferences (multiple) with Mr. Wing regarding strategy and claims; email with California counsel regarding stay; email with customer regarding claims questions; telephone conference with customer regarding same; prepare motion to add receivership entity; email with counsel regarding same; telephone conference with DKBroadbent regarding call with FTC and Division of Consumer Protection; email with Canadian counsel regarding litigation stay; conference with EJTejeda	12/03/19	CAT	4.50

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1786969
	H&H Ref. No.	3248190

regarding same;

Work on amendment to motion to approve sale, and conference with client regarding the same; finalize and file amendment and submit proposed order; correspondence with landlord's counsel regarding settlement, and correspondence with client regarding strategy with respect to the same; work on motion to approve settlement; review invoices from RMA and work on fee application; correspondence with auctioneer regarding assistance in Puerto Rico and regarding personal property gathered thus far; conference with CATalbot regarding the same; correspondence with Mr. Curtis regarding payment of vendor to preserve websites and domains; correspondence with Tanner Company regarding retrieval of hardware, and conference with client regarding the same; correspondence with Mr. Hirschi regarding personal property held at Bailey's, and correspondence with client regarding the same;	12/03/19	DSB	6.30
Review multiple correspondence regarding Puerto Rico property, closing rental property, and retrieval of servers; exchange emails with Canadian counsel in Poll matter;	12/03/19	EJT	2.10
Prepare report, including review of notes and documents; prepare draft stipulated motion regarding addition of Real Estate Elevated; email with counsel; review and analyze case law regarding aiding and abetting claims; respond to customer inquiries; telephone conference with California counsel regarding litigation stay; email with RMA personnel regarding accounting issues; telephone conference with team, FTC, and Division of Consumer Protection regarding third-party claims, documents, and related materials;	12/04/19	CAT	5.80
Correspondence with Mr. Cantarero and FTC personnel regarding access to CRM; correspondence with employees regarding vacating offices and needs for employees to continue work; analyze information to include on website, and correspondence with CATalbot and BBLarsen regarding the same; correspondence with Mr. Curtis and LKelly regarding preservation of websites and web domains; correspondence regarding list of assets;	12/04/19	DSB	4.40
Address updates to email auto response;	12/04/19	BBL	0.30



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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786969 3248190
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Locate and retrieve court order for CATalbot;	12/04/19	RGN	0.20
Finalize and file stipulated motion to add receivership entity; prepare report, including email with Mr. Miller and review of defendants' documents; email with counsel regarding New Jersey litigation;	12/05/19	CAT	1.80
Work on fee applications; conference with client regarding status of various tasks; conferences with Mr. Curtis and LKelly regarding preservation of websites and domain names; correspondence with Mr. Cantarero and DKBroadbent regarding return of equipment to third party vendor; correspondence with employees regarding strategy for continued work following vacation of premises;	12/05/19	DSB	4.40
Research and analyze case law providing scope of a federal receiver's legal authority; discuss the same with CATalbot and brief on case law;	12/05/19	CJD	1.30
Prepare report, including review of Zurixx documents; analyze research regarding receiver addressing motion to dismiss; address ruling regarding Real Estate Elevated with California counsel;	12/06/19	CAT	4.00
Work on and finalize draft of fee application and exhibits, and correspondence with DKBroadbent regarding the same; correspondence and conference with counsel for landlord regarding settlement negotiations; review and edit draft report from Monitor, and correspondence with CATalbot regarding the same; correspondence with Mr. Cantarero and FTC personnel regarding access to CRM; correspondence with Mr. Curtis regarding payment for preservation of websites;	12/06/19	DSB	4.20
Conferences with VLRobinson regarding communication logging status; update voice mail response to Receivership dedicated phone line; review Zurixx Receivership emails;	12/06/19	BBL	0.50
Made changes to graphics based on email; sent changes by email;	12/06/19	DEC	0.40
Conference with DKBroadbent and DSByers regarding status and strategy issues; telephone conference with counsel for Ms. Keller regarding potential resolution; prepare motion to approve dismissal of litigation; address issues regarding California and Canada litigation; address Puerto Rico office issues;	12/09/19	CAT	3.10

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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786969 3248190
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Correspondence with Messrs. Cantarero and Miller regarding strategy with respect to personal property in main office; office conference with DKBroadbent and CATalbot regarding status and strategy for various tasks; analyze ability to access various types of information from CRM system; correspondence with counsel for landlord regarding settlement negotiations, and review and analyze draft settlement agreement;	12/09/19	DSB	4.30
Update Consumer Communications log; conferences with IT regarding Receiver email box; conferences with CATalbot and DSByers regarding certain emails; begin sending responses to consumers who reached out to the AG's office;	12/09/19	BBL	3.10
Conference with DKBroadbent regarding report issues; revise and edit draft report; conference with DSByers, EJTejada, and CJDavis regarding third-party claims and related research;	12/10/19	CAT	1.90
Negotiations with landlord regarding settlement agreement; conferences with Mr. Cantarero regarding equipment and other assets, as well as winding down services; conferences with DKBroadbent regarding various tasks; analyze possible third party claims, and conference with CATalbot, EJTejada, and CJDavis regarding needed research and analysis;	12/10/19	DSB	5.00
Conference with CATalbot, DSByers, and EJTejada regarding a receiver's authority to bring third party claims;	12/10/19	CJD	0.70
Meet with CATalbot, DSByers, CJDavis regarding third party claims and begin researching standing to file third-party claims;	12/10/19	EJT	4.60
Continue updating tracking logs; send additional emails in response to AG office inquiries;	12/10/19	BBL	1.40
Email with vendor regarding receivership; revise and edit draft report, including review of documents;	12/11/19	CAT	1.30
Telephone conference with DKBroadbent regarding ACH return issue; legal research regarding same;	12/11/19	TSC	1.50
Correspondence with merchant bankers; correspondence and conference with counsel for landlord regarding settlement agreement and arrange for signatures of the	12/11/19	DSB	3.50

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1786969 3248190
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same; work on fee application and motion to approve settlement; work with Ms. Easter and Mr. Greenland to locate proof of authorization for charges to consumer card; correspondence with Mr. Cantarero regarding CRM and access to various types of information;

Log additional responses sent on behalf of Receiver to AG inquiries; conference with VLRobinson regarding log updates and new emails for logging;	12/11/19	BBL	0.60
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Address investor and vendor questions; conference with DSByers regarding report; email with California counsel regarding litigation stay; prepare report, including review of documents;	12/12/19	CAT	1.50
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Work on various motions; conference with client regarding various tasks and response to merchant bankers; correspondence with merchant banker regarding reserve accounts; conference with CATalbot regarding Monitor report; correspondence with auctioneer regarding potential auction, and with Mr. Greenland, regarding additional assets to include;	12/12/19	DSB	3.20
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Research and analyze secondary materials interpreting the scope of a receiver's authority to bring third party claims; discuss the same with BJMerril;	12/12/19	CJD	3.50
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Conference with CATalbot; forward completed FTC database form to CATalbot; conferences with VLRobinson regarding additional emails received from AG's office for logging;	12/12/19	BBL	0.30
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Correspondence with merchant bank regarding production of information; correspondence with Bailey's and Mr. Curtis regarding payment of invoice;	12/13/19	DSB	0.40
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Revise, edit, finalize, and file status report; email with California counsel regarding stay issues; telephone conference with DKBroadbent regarding document disclosure;	12/13/19	CAT	4.30
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Conferences with VLRobinson regarding Receivership emails and voice mails;	12/13/19	BBL	0.20
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Make changes to graphic per phone call;	12/13/19	DEC	0.20
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Prepare for, and participate in, meeting with DKBroadbent and DSByers regarding status and pending issues; email	12/16/19	CAT	2.10
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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1786969
	H&H Ref. No.	3248190

with EJTejeda regarding Puerto Rico asset issues; prepare report of receiver;

Conference with client and CATalbot regarding status of various tasks and strategy moving forward; work on fee application, conference with client regarding the same, and correspondence with FTC and Utah Division of Consumer Protection regarding the same; work on motion to approve settlement with landlord; work on vacating premises, and conferences with auctioneer and Mr. Cantarero regarding the same, as well as various other issues regarding personal property and IT related issues; conference with Mr. Andrus regarding proposed cooperation to assist merchant bankers in mitigating against chargebacks, and analyze issues related to the same; analyze information to include on website; analyze issues related to merchant bank reserve accounts, and correspondence with colleagues regarding the same;	12/16/19	DSB	6.70
Analyze secondary authority describing the scope of an equity receiver's authority to bring third party claims, including conversion and tort claims;	12/16/19	CJD	2.00
Prepare motion to approve dismissal of litigation; review and analyze filings; telephone conference with customers regarding questions about receivership;	12/17/19	CAT	2.30
Conference with client regarding strategy with respect to various tasks; finalize draft of motion to approve settlement and forward to client for review; analyze issues regarding merchant bank reserves, and conference with TSCrisp regarding the same; correspondence with merchant bankers to schedule conference call; review and analyze various agreements with merchant processors; work with Mr. Cantarero regarding vacating office space and relocating hard drives and computers; conference with Mr. Biglin at Paysafe regarding cooperation in verifying chargeback requests, and work with Mr. Cantarero to provide limited access; follow-up with Mr. Doan regarding review of fee application;	12/17/19	DSB	6.80
Research and analyze legal authority governing claims by an employer against an employee; discuss the same with BJMerrill;	12/17/19	CJD	0.60
Review and submit document management software form;	12/17/19	EJT	0.20

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Address physical computers received by DSByers;	12/17/19	BBL	0.20
Telephone conference with Mr. Wing regarding status and strategy; prepare motion to approve dismissal of litigation; email with Mr. Horvath regarding same; conference with DKBroadbent, DSByers, EJTejeda, and CJDavis regarding third-party claims;	12/18/19	CAT	2.60
Work on various filings; conference with Mr. Doan of FTC regarding invoices and fee application; conference with client, Mr. Schnurbach, and Ms. Feeney regarding Paysafe's accounts and subsequent correspondence regarding the same; analyze issues regarding merchant reserves and accounts, and correspondence with TSCrisp regarding the same; conference with CATalbot, EJTejeda, CJDavis, and client regarding analysis and strategy with respect to potential third-party claims; correspondence with Mr. Martinez regarding status of motion on landlord settlement agreement;	12/18/19	DSB	6.30
Telephone conference and email correspondence with DSByers regarding credit card chargeback issues;	12/18/19	TSC	0.60
Research and analyze case law and secondary authority describing potential claims against third parties in a receivership; conference with EJTejeda, CATalbot, DSByers, and DKBroadbent regarding a receiver's standing to bring third party claims and potential claims;	12/18/19	CJD	3.20
Continue researching claims against third parties; meet with DKBroadbent, CATalbot, DSByers, CJDavis, regarding claims strategy;	12/18/19	EJT	4.90
Conference with DSByers; research Merchant Bank Agreements; gather agreements for attorney review;	12/18/19	BBL	0.60
Email with counsel regarding pending litigation issues;	12/19/19	CAT	0.20
Coordination with Zurixx staff regarding vacating office space and locating and recovering various personal property; conference with landlord for training facility regarding lease and disposition of personal property; correspondence with Mr. Wing regarding the same; finalize and file request to submit on motion to approve sale, motion to approve settlement with landlord, and fee application; review order on motion to approve sale, and conference and	12/19/19	DSB	4.30

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correspondence with auctioneer regarding sale of assets and list of items for auction; correspondence regarding insurance for Zurixx; correspondence with merchant banker regarding merchant accounts;

Call with Mr. Cantarero regarding property at Puerto Rico office; research removal of property from Puerto Rico; 12/19/19 EJT 3.90

Conferences with CATalbot and DSByers regarding documents received from Anderson & Karrenberg; address documents received; review certain communications in Zurixx Receivership email box and forward certain communications with CATalbot and DSByers for further review; conference with TLNeve regarding scanning of binders received from Kirton McConkie; 12/19/19 BBL 0.60

Email with counsel regarding litigation issues; review file regarding same; 12/20/19 CAT 0.50

Correspondence with TSCrisp and client regarding analysis with respect to merchant accounts; review and analyze issues regarding the same and information obtained from merchant banker Paysafe; analyze strategy with respect to sale of personal property and property with diminimus value; 12/20/19 DSB 2.80

Review due diligence documents including merchant agreements; 12/20/19 TSC 3.10

Return call to Mr. Reichard regarding Puerto Rican assets; Call Messrs. Carey and Sallah; research Mr. Sallah's cases to verify viability; continue researching potential third-party claims; 12/20/19 EJT 7.40

Conferences with Ms. Sessions regarding PO Box set up for receivership; 12/20/19 BBL 0.20

Email with FTC personnel regarding document database; email with customers regarding questions; email with team regarding same; conference with EJTejeda regarding Puerto Rico property issues; 12/23/19 CAT 1.40

Review additional due diligence documents; email and telephone conference with DKBroadbent regarding credit card chargebacks; review card network rules; 12/23/19 TSC 3.20

Continue reviewing examples of complaints against third parties; Research regarding potential settlement with Puerto 12/23/19 EJT 8.60

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107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1786969
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Rico Landlord; calls with Messrs. Carey and Reichard (Puerto Rican counsel); call with Mr. Curtis regarding potential claims against third parties, amount paid to celebrity partners; review and analyze Monitor's Report for guidance on business model;

Research PO Box set up and report findings to DSByers; address Merchant Agreements received from PaySafe;	12/23/19	BBL	0.40
Correspondence regarding collection of property from Bailey's Moving and Storage; correspondence with merchant bank regarding requested cooperation in providing information for verifying chargeback requests; correspondence regarding recovery of property from Mr. Shay;	12/24/19	DSB	0.80
Review communications regarding Puerto Rico operations; address Merchant Bank Applications;	12/24/19	BBL	0.60
Correspondence with Mr. Greenland regarding personal property to be auctioned and need for return of property from Mr. Shay;	12/26/19	DSB	0.30
Call with Mr. Carey regarding alternative to auction, cost/benefit of an auction, research regarding same;	12/26/19	EJT	1.80
Conference with DSByers regarding PO Box and possible mail hold;	12/26/19	BBL	0.20
Conference with DSByers regarding PO Box set up;	12/26/19	BBL	0.30
Correspondence with Mr. Greenland and former employee Mr. Shay regarding return of property belonging to receivership estate;	12/27/19	DSB	0.60
Coordination with auctioneers in advance of auction;	12/28/19	DSB	0.30
Follow up on outcome of auction; attention to collection of mail from various sites;	12/30/19	DSB	0.30
Email with EJTejeda regarding research questions;	12/30/19	CAT	0.20
Follow-up with CATalbot regarding privilege, Puerto Rico property;	12/30/19	EJT	0.50
Conference with EJTejeda regarding Puerto Rico property issues and strategy;	12/31/19	CAT	0.30

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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1786969
	H&H Ref. No.	3248190

Meet with CATalbot regarding options on Puerto Rico lease, review amendment to lease regarding deposit;	12/31/19	EJT	2.60
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**Total Current Fees:                   \$62,728.75**

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
DECarter	1871	148.50	0.60	89.10
RGNelson	2022	160.00	0.20	32.00
BBLarsen	2172	252.00	9.50	2,394.00
DSByers	5654	380.00	70.30	26,714.00
CATalbot	5657	385.00	40.80	15,708.00
EJTejeda	5852	274.50	38.10	10,458.45
CJDavis	5960	220.50	13.20	2,910.60
TSCrisp	6117	526.50	8.40	4,422.60
			<b>181.10</b>	<b>\$62,728.75</b>

**Disbursements**

<b>Description of Disbursements</b>	<b>Date</b>	<b>Amount</b>
Walking Messenger		36.00
	<b>Total Current Disbursements:</b>	<b>\$36.00</b>





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

**January 27, 2020**

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:	1786969 3248190 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$62,728.75</b>
<b>Current disbursements</b>	<b>\$36.00</b>
<b>Current charges this invoice</b>	<b>\$62,764.75</b>

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](mailto:cnorton@hollandhart.com).

**Due On Receipt**

Please return this page with your remittance.



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

**February 20, 2020**

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:	1803705 3307254 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$59,674.95</b>
<b>Current charges this invoice</b>	<b>\$59,674.95</b>

*This invoice may reflect changes to our billing rates that took effect on January 1, 2020.*

**ACH / Wire Instructions – Please Remit in US Dollars**

UMB Bank, N.A.  
 1670 Broadway, Denver, CO 80202  
 ABA# 101000695  
 Holland & Hart Operating Account  
 Acct # 6971172602  
 Swift Code UMKCUS44  
 Please include invoice #1803705 on payment.

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254
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For professional services rendered through January 31, 2020

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Address facilities issues, including conference with DKBroadbent and telephone conference with DSByers;	01/02/20	CAT	0.40
Conference with team regarding research issues;	01/03/20	CAT	0.30
Analyze request from Paysafe regarding information related to charge back requests, and conferences with Ms. Easter and Mr. Cantarero regarding the same; analyze potential legal issues related to the same; conference with Mr. Biglin regarding various issues related to Paysafe's requests; analyze property of estate to recover, and conference with Mr. Cantarero regarding the same; correspondence with EJTejeda and CJDavis regarding status of research regarding potential claims for Receiver to bring against third parties; conference with client regarding collection of mail for receivership companies;	01/03/20	DSB	4.30
Review and discuss status of third party claims research with EJTejeda;	01/03/20	CJD	0.20
Research and analyze the Utah LLC Act for potential third party claims;	01/05/20	CJD	3.00
Conference with DKBroadbent, DSByers, CJDavis, and EJTejeda regarding status and strategy; review research regarding potential claims;	01/06/20	CAT	1.50
Correspondence regarding equipment to recover for receivership;	01/06/20	DSB	0.40
Continue to research legal authority providing for third party claims under the Utah LLC Act; conference with DKBroadbent, CATalbot, DSByers, and EJTejeda to discuss and analysis the viability of potential claims;	01/06/20	CJD	1.50
Call with Mr. Curtis regarding potential claims against third party "employees" and "contractors"; meet with DKBroadbent, CATalbot, DSByers, and CJDavis regarding same; continue researching potential claims against third-parties;	01/06/20	EJT	5.20

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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254
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Telephone conference with DKBroadbent regarding CME issues; telephone conference with Mr. Curtis regarding same;	01/07/20	CAT	0.30
Prepare and file requests to submit on pending motions and draft related orders; review orders granting the same;	01/07/20	DSB	0.80
Research and analyze secondary authority governing liability for celebrity endorsements;	01/07/20	CJD	0.30
Call with Mr. Curtis regarding data about highly compensated partners; continue researching FTC receivership cases and claims against third parties;	01/07/20	EJT	5.70
Email with counsel regarding litigation matters; review materials regarding potential claims;	01/08/20	CAT	0.80
Analyze issue regarding storing of PII; correspondence with Mr. Biglin regarding the same; review order of court approving settlement with landlord;	01/08/20	DSB	1.60
Research and analyze the Federal Trade Commission guides establishing endorser liability; research and analyze federal case law establishing endorser liability; research and analyze federal case law interpreting the scope of liability for celebrity endorsements under federal and state law; analyze the Utah Truth In Advertising Act and the Utah Unfair Practices Act for potential third party liability claims; research and analyze Utah case law establishing endorser liability; discuss the same with EJTejeda;	01/08/20	CJD	5.90
Continue researching regarding claims against third parties;	01/08/20	EJT	6.60
Meeting with FTC and Division of Consumer Protection regarding status and next steps in receivership; conference with DKBroadbent and DSByers regarding strategy and legal issues; analysis of potential third-party claims;	01/09/20	CAT	1.70
Analyze various issues regarding cooperation with merchant bankers regarding charge back requests; conference and correspondence with DKBroadbent and CRosston regarding the same; correspondence with merchant banker and Ms. Easter regarding the same; arrange for Mr. Andrus' access to information to be reinstated; conference with Mr. Wing and client regarding various issues related to the receivership; conference with FTC and State of Utah attorneys regarding various issues related to the receivership estate; work on	01/09/20	DSB	5.30

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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254
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draft demand letter to merchants regarding reserve accounts; conferences with client and H&H team regarding analysis of third party claims;

Analyze potential claims against third parties and conferences with CJDavis and EJTejeda regarding the same (.60); work on demand letters for recovery of assets from various categories of third parties (1.2);	01/09/20	DSB	1.80
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Continue to research and analyze secondary authority governing liability for celebrity endorsements; research and analyze Utah law asserting endorser liability under the Utah Truth In Advertising Act; research and analyze potential application of the Utah Unfair Practices Act; discuss the same with EJTejeda;	01/09/20	CJD	5.80
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Analyze applicability of U.S. privacy laws to sharing of personal information with merchant banks to verify credit card refund claims;	01/09/20	CCR	0.30
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Continue researching claims against third parties and discuss same with DKBroadbent, CJDavis; research fraudulent transfer claims, change of law in Utah in 2017, and applicability of same to claims against third parties;	01/09/20	EJT	11.40
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Telephone conference with team regarding telesales issues; conference with EJTejeda regarding research issues; email with counsel regarding insurance issues;	01/10/20	CAT	1.50
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Review and respond to correspondence regarding claim under GL policy;	01/10/20	JAR	0.40
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Analyze right to reserve accounts, and work on correspondence making demand for turn over of the same; correspondence with Ms. Guerard regarding the same; analyze potential third party claims, and correspondence with Ms. Easter regarding various third parties; conference and correspondence with Ms. Grier and Ms. Shiller from the FTC and H&H team regarding sales team and sales procedures for Zurixx; work on demands to venues for return of deposits;	01/10/20	DSB	4.20
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Draft memorandum analyzing endorser liability claims under both federal and state law; continue to research and analyze Utah law asserting endorser liability under the Utah Truth In Advertising Act; edit, finalize, and proof memorandum and send to EJTejeda;	01/10/20	CJD	6.70
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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254	
Research and analyze the Utah Voidable Transfer Act;	01/10/20	CDM	1.40
Continue researching, drafting memorandum regarding standing, and types of claims that the Receiver may assert against third parties;	01/10/20	EJT	14.70
Address files requested by CATalbot;	01/10/20	BBL	0.30
Attention to domain name reviews;	01/10/20	LPA	1.30
Email with counsel regarding insurance issues;	01/11/20	CAT	0.30
Continue researching, drafting, memorandum regarding claims against third parties;	01/11/20	EJT	7.90
Continue researching and drafting memorandum regarding third-party claims; review and analyze dockets from pending actions by receivers against third parties;	01/12/20	EJT	8.20
Conference with DKBroadbent and DSByers regarding status and third-party claims; conference with EJTejeda regarding research of third-party claims;	01/13/20	CAT	0.60
Analyze and research issues regarding merchant account reserves; correspondence with landlord's counsel regarding approval of settlement agreement and payment of settlement amount; analyze potential claims against third-parties;	01/13/20	DSB	1.90
Research and analyze jurisdictional requirements for bringing a claim under the Utah Truth In Advertising Act; discuss the same with EJTejeda; analyze common law elements of an endorser liability claim; edit and finalize analysis for legal memorandum;	01/13/20	CJD	3.20
Continue researching and drafting memorandum regarding claims against third parties;	01/13/20	EJT	9.80
Continue online research;	01/13/20	LPA	5.80
Correspondence with landlord's counsel regarding payment of settlement; review and analyze memorandum regarding potential third-party claims;	01/14/20	DSB	2.20
Continue to research extraterritorial jurisdiction under the Utah Truth In Advertising Act; research and analyze case law evaluating potential limitations on standing in asserting a claim under the Act;	01/14/20	CJD	1.50

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**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254
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Finish draft of memorandum regarding claims against third parties under the UVTA and unjust enrichment; submit same to DKBroadbent, CATalbot, DSByers;	01/14/20	EJT	6.90
Continue online research;	01/14/20	LPA	3.10
Email with FTC personnel merchant agreements; email with team regarding same and regarding meeting; review memorandum regarding potential claims;	01/15/20	CAT	0.30
Correspondence with landlord's counsel regarding payment of settlement; analyze issues regarding claims against third parties; assist in gathering merchant account agreements for FTC attorneys;	01/15/20	DSB	1.60
Correspondence with Mr. Greenland regarding recovery of assets; analyze issues regarding third-party claims and conference with client and H&H team regarding the same;	01/16/20	DSB	2.20
Email with team regarding documents and third-party claim issues; review memorandum regarding same;	01/16/20	CAT	0.40
Edit and finalize detailed memorandum analyzing celebrity endorser liability; discuss the same with EJTejeda and DSByers;	01/16/20	CJD	2.00
Discuss claims against third parties with DSByers and continue researching regarding same;	01/16/20	EJT	3.60
Email with FTC personnel regarding call database; email with customers regarding questions about receivership;	01/17/20	CAT	0.70
Correspondence with counsel for FTC regarding access to recordings and correspondence with Mr. Cantarero regarding the same;	01/17/20	DSB	0.40
Correspondence with Mr. Greenland regarding possible assets for receivership; correspondence with auctioneer regarding sale of possible property;	01/20/20	DSB	0.50
Correspondence with RMA and employees regarding status of domain and websites; correspondence with merchant banker regarding need for reimbursement for Ms. Easter's work on its behalf;	01/21/20	DSB	0.40
Email with counsel regarding documents; email with team regarding same; review memorandum regarding third party claims;	01/22/20	CAT	0.70

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803705 3307254
Request from Mr. Freeland regarding chargeback information and conference with CATalbot regarding the same; analyze issues regarding merchant bank reserves and ownership of the same;	01/22/20	DSB 0.60
Strategy meeting regarding third-party claims with EJTejeda, DKBroadbent, and DSByers; prepare motion to approve dismissal of litigation; email with counsel regarding document production;	01/23/20	CAT 4.10
Analyze additional assets and actions to take for recovery; analyze strategy with respect to third-party claims and conference with client, CATalbot and EJTejeda regarding the same; correspondence with PZ Printing regarding inventory of envelopes;	01/23/20	DSB 3.10
Calls with Puerto Rican counsel and Mr. Rivera regarding lease in El Dorado; discuss Puerto Rican lease with DSByers and CATalbot; prepare for and meet with DKBroadbent, DSByers, and CATalbot regarding claims against third parties, discuss in detail memorandum regarding same and changes to same, Puerto Rican claims;	01/23/20	EJT 5.20
Review Receiver emails potentially requiring attention; forward certain emails to DSByers and CATalbot for direction;	01/23/20	BBL 0.30
Revise and finalize motion to approve settlement and dismissal of litigation; email with counsel regarding merchant account issues; conference with DKBroadbent regarding same; telephone conference with counsel regarding dismissal;	01/24/20	CAT 1.10
Attention to complaint filed against Zurixx and conference with BJMerrill and client regarding the same;	01/24/20	DSB 0.30
Correspondence with Mr. Curtis and LKelly regarding domain names and potential for liquidating the same;	01/25/20	DSB 0.30
Analyze issues regarding ownership of reserve accounts; analyze possibility of liquidating various domain names and correspondence with potential vendors regarding the same; conference with client regarding status of various tasks;	01/27/20	DSB 3.40
Email with counsel regarding dismissal of Keller litigation; analysis of third-party claims;	01/27/20	CAT 1.50
Correspondence with PaySafe regarding reimbursement of	01/28/20	DSB 2.10



IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1803705
	H&H Ref. No.	3307254

costs for research regarding transactions; office conference with client regarding status and strategy of case; conference with TCrisp regarding analysis for turnover of merchant banker reserve accounts; attention to inquiries from claimants regarding status of case; analyze notice to stay court action against Zurixx in Utah state court and conference with BJMerrill regarding the same; attention to preservation of websites, domains, and emails and conference with LKelly and Mr. Cantanero regarding the same; correspondence with Ms. Easter regarding payments made to ERSP;

Email with counsel regarding Keller litigation; conference with DKBroadbent and DSByers regarding status and strategy; review creditors' correspondence and materials; email with team regarding same; analyze potential third-party claims;	01/28/20	CAT	1.90
Follow-up with Puerto Rican counsel regarding retrieval of property; email DSByers and CATalbot regarding meeting with Zurixx's reps regarding third parties; continue researching third-party claims;	01/28/20	EJT	3.40
Review Receivership emails potentially requiring action; communications with DSByers and CATalbot regarding same; prepare emails to certain individuals requesting information related to tax documents;	01/28/20	BBL	1.00
Call with Mr. Efron, Puerto Rican landlord, regarding deposit;	01/29/20	EJT	0.20
Review emails requiring attention; conferences with technical support regarding Zurixx receivership emails;	01/29/20	BBL	0.20
Telephone conference with customer; conference with EJTejeda regarding Puerto Rico lease issues;	01/30/20	CAT	0.70
Attention to recovery of assets and correspondence with client regarding the same; conference with EJTejeda regarding Puerto Rico offices;	01/30/20	DSB	0.60

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**Total Current Fees: \$59,674.95**

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No.	1803705
	H&H Ref. No.	3307254

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
LPArgall	1933	216.00	10.20	2,203.20
BBLarsen	2172	265.50	1.80	477.90
JARamirez	5195	418.50	0.40	167.40
DSByers	5654	402.00	38.00	15,276.00
CATalbot	5657	408.00	18.80	7,670.40
CCRosston	5762	324.00	0.30	97.20
EJTejeda	5852	292.50	88.80	25,974.00
CJDavis	5960	247.50	30.10	7,449.75
CDMack	6060	256.50	1.40	359.10
			<b>189.80</b>	<b>\$59,674.95</b>



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

**February 20, 2020**

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:	1803705 3307254 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$59,674.95</b>
<b>Current charges this invoice</b>	<b>\$59,674.95</b>

*This invoice may reflect changes to our billing rates that took effect on January 1, 2020.*

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**

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

**March 17, 2020**

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:	1803704 3307253 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$36,434.85</b>
<b>Current disbursements</b>	<b>\$144.00</b>
<b>Current charges this invoice</b>	<b>\$36,578.85</b>

*This invoice may reflect changes to our billing rates that took effect on January 1, 2020.*

**ACH / Wire Instructions – Please Remit in US Dollars**

UMB Bank, N.A.  
 1670 Broadway, Denver, CO 80202  
 ABA# 101000695  
 Holland & Hart Operating Account  
 Acct # 6971172602  
 Swift Code UMKCUS44  
 Please include invoice #1803704 on payment.

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253
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For professional services rendered through February 29, 2020

**Itemized Fees**

<b>Description of Work</b>	<b>Date</b>	<b>Tkpr</b>	<b>Hours</b>
Correspondence with Mr. Biglin regarding reimbursement for Ms. Easter's work; correspondence with former employee regarding status of case and anticipated claims process;	02/03/20	DSB	0.40
Correspondence with RMA and client regarding fee application; correspondence with LKelly and Mr. Cantarero regarding website issues and resolution of the same;	02/04/20	DSB	0.60
Telephone conference with DKBroadbent regarding lease issues; telephone conference with Ms. Schilling (FTC) regarding Google drive issues; email with KSSargsian regarding lease issues;	02/04/20	CAT	0.40
Continue drafting Notice of Stay to small claims court regarding Huddleston complaint;	02/04/20	BJM	1.20
Discuss status of Puerto Rico lease with DKBroadbent; email DKBroadbent and Puerto Rico local counsel regarding payment of fees to Puerto Rico local counsel; review emails regarding fees owed; email local counsel regarding servers, computers;	02/04/20	EJT	0.70
Analysis of third-party claims; conference with KSSargsian regarding rent payment issue; conference with EJTejeda regarding third-party claims;	02/05/20	CAT	1.60
Analyze information regarding live events including presentation materials and transcript;	02/05/20	DSB	0.40
Finalize Notice of Stay and send to DSByers for review;	02/05/20	BJM	1.20
Conference with CATalbot regarding recovering money from prepayment towards Ms. DelCanto's lease agreement;	02/05/20	KS	0.30
Research eviction rights under Puerto Rico law; calls with DKBroadbent and CATalbot regarding memorandum on third party claims and additional research regarding same;	02/05/20	EJT	3.80
Address Google drive files located by the FTC (Barbara Live 2019 files);	02/05/20	BBL	0.40

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253
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Analysis of third-party claims, including research and review of documents, conference with DKBroadbent regarding same, and conference with EJTejeda, BJMerrill, and DSByers regarding same;	02/06/20	CAT	6.60
Analyze potential third-party claims and review case law and research memorandum regarding the same; conferences with CATalbot, EJTejeda, and BJMerrill regarding the same; analyze merchant agreements and potential claim for reserve accounts, and research related issues; attention to website issues and correspondence with Mr. Cantarero regarding the same;	02/06/20	DSB	5.20
Revise Notice of Stay and coordinate with assistant to file in small claims court;	02/06/20	BJM	1.80
Research and analyze case law applying fraudulent transfer law to consumer protection actions; meet with CATalbot, DSByers, and EJTejeda to discuss same;	02/06/20	BJM	5.60
Continue researching "good faith" defense to UVTA claims; calls with counsel for receiver in Selling Source matter;	02/06/20	EJT	8.70
Review and analyze research regarding potential third party claims; conference with Holland & Hart team regarding the same; correspondence with claimants regarding status of case and claims procedure;	02/07/20	DSB	2.60
Review and analyze complaint allegations and add factual analysis to memo regarding claims against third parties per CATalbot's requests; discuss same with CATalbot;	02/07/20	EJT	5.80
Review and analyze case law regarding third party claims; conference with client and CATalbot regarding strategy and status of various tasks; review order dismissing Huddleston complaint in light of stay;	02/10/20	DSB	1.40
Attention to service issues for website; analyze strategy for case and correspondence with CATalbot regarding strategy and status for various tasks;	02/11/20	DSB	0.80
Prepare third-party claims, including review of materials regarding same; conference with DSByers regarding document review;	02/11/20	CAT	2.60
Review documents regarding third-party claims;	02/12/20	CAT	0.30
Attention to update of website; work on second fee	02/12/20	DSB	4.80

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253
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application; correspondence from Miden Gross regarding pre receivership invoice and correspondence with client regarding the same; correspondence with merchant banks regarding merchant reserves and clawback requests and issued; conferences with client regarding the same;

Review and analyze Zurixx Google drive files; 02/12/20 BJM 0.50

Review ERSP documents regarding presentations; 02/13/20 CAT 0.20

Correspondence and conferences with merchant banks regarding requested information and correspondence with client and counsel for defendants regarding the same; 02/13/20 DSB 0.60

Review documents produced by ERSP regarding observed events and analyze strategy for review of voluminous information; conference with CATalbot regarding the same; analyze recovery strategy for various assets; correspondence with employees regarding possible transcripts of events and telephone calls; correspondence with Minden Gross law firm regarding invoices and likely claims process; analyze potential claims against third parties and likely targets; correspondence with merchant banks regarding balances and claims for chargebacks; 02/14/20 DSB 4.80

Conference with DSByers regarding third-party claims; review outline regarding same; 02/14/20 CAT 0.40

Telephone conference with USPS regarding requirements for PO Box; conference with DKBroadbent and DSByers regarding same; gather documentation required by USPS for PO Box rental and provide to DKBroadbent; 02/14/20 BBL 0.60

Review documents regarding third-party claims; 02/17/20 CAT 0.20

Finalize and send letter to Minden Gross regarding invoice for pre-receivership services; analyze strategy for recovery of equipment from road crew; 02/17/20 DSB 0.60

Review proposals for Puerto Rico property retrieval and authorized same; 02/18/20 EJT 0.50

Review demand for restitution; conference with DSByers regarding same; email with team regarding same; 02/19/20 CAT 0.60

Continue reviewing documents and audio files on Google drive; communicate with CATalbot regarding the same; 02/19/20 BJM 2.70

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253	
Meeting regarding strategy with DKBroadbent and DSByers; letter to Washington Court of Appeals regarding status; conference with KSSargsian regarding same; analysis of third-party claims;	02/24/20	CAT	3.50
Work on locating transcripts for recorded events; conference with client regarding status of various tasks and extended call with Mr. Wing regarding coordination of efforts; correspondence with Mr. Bell regarding paycheck and potential claims process; review and edit update to Washington State Appellate Court; work on fee applications;	02/24/20	DSB	4.30
Begin drafting motion for expedited discovery; meet with CATalbot to discuss same;	02/24/20	BJM	1.00
Review and analyze Ms. DelCanto's consulting agreement and other factors related to Zurixx's prepayment of Ms. DelCanto's rental property in order to determine whether the prepaid rent may be reimbursed; email CATalbot regarding same;	02/24/20	KS	1.90
Contact FTC regarding access to Zurixx document database;	02/24/20	CJD	0.40
Conference with Washington State Court of Appeals clerk regarding request for quarterly updates on receivership case; conference with CATalbot regarding same; email assistant regarding registering with the Washington Appellate Court's online portal to upload status report letter; draft status report letter and email to CATalbot for review;	02/24/20	KS	1.10
Email with Puerto Rico counsel regarding access to facilities and property; review correspondence with landlord; conference with team regarding motion for contempt; analyze research regarding third-party claims; outline third-party complaint;	02/26/20	CAT	2.10
Correspondence with Mr. Doan regarding request for information and work with BBLarsen to deliver documents regarding the same; analyze potential claim against third party for contempt and conference with CATalbot regarding the same; review and analyze memorandum decision on motion to dismiss and conference with DKBroadbent regarding the same; arrange for decision to be posted on website;	02/26/20	DSB	2.80



IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253
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Review email communication from CATalbot and Mr. Van Derys regarding Mr. Efron; meet with CATalbot, DSByers, and CJDavis to discuss same and motion for court to hold Mr. Efron in contempt; coordinate with CJDavis to draft motion;	02/26/20	BJM	0.50
Meet with CATalbot, DSByers, and BJMerrill regarding filing a motion to hold Mr. Efron in contempt of court; research federal requirements for filing a motion for contempt;	02/26/20	CJD	0.60
Conferences with DSByers; gather files and transmit to FTC;	02/26/20	BBL	0.30
Conference with KSSargsian regarding rent payment issues; review documents regarding same;	02/27/20	CAT	0.60
Review documents relevant to Ms. DeICanto's lease agreement and Zurixx's payment thereto; conference with CATalbot regarding same;	02/27/20	KS	0.50
Analysis and outline of third-party claims, including review of transcripts; email with team, including in Puerto Rico, regarding asset recovery and motion for contempt;	02/28/20	CAT	3.50
Analyze and investigate potential evidence for third party claims and information requested by Mr. Wing; conferences with Ms. Easter and Mr. Greenland regarding various information and documentation; conference and correspondence with Datalyst regarding obtaining transcripts of recorded events; conference with CATalbot regarding status and strategy for various tasks; review transcript of events;	02/28/20	DSB	4.80
Draft demand letter to Mr. DeICanto demanding return of receivership assets, including prepaid rent and security deposit;	02/28/20	KS	1.70
Research and analyze case law in the Supreme Court, Tenth Circuit Court of Appeals, the federal district court of Utah interpreting the standard for motions for contempt; draft Motion to Hold Mr. Efron in Contempt of Court; edit, cite, check, and finalize the Motion; send draft to CATalbot, DSByers, BBMerrill, and EJTejeda for further input;	02/28/20	CJD	5.70
Review correspondence regarding Puerto Rico, review case files regarding same; discuss contempt motion with CJDavis;	02/28/20	EJT	1.50

IRS EMPLOYER NO. 84-0382505

**Holland & Hart LLP**

107333 Broadbent, David, as Receiver for Zurixx	Invoice No. H&H Ref. No.	1803704 3307253
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Conferences with CATalbot; prepare data and forward to Ms. Shiller; 02/28/20 BBL 0.40

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**Total Current Fees: \$36,434.85**

**Timekeeper Summary**

<b>Timekeeper</b>	<b>Tkpr ID</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
BBLarsen	2172	265.50	1.70	451.35
DSByers	5654	402.00	34.10	13,708.20
CATalbot	5657	408.00	22.60	9,220.80
EJTejeda	5852	292.50	21.00	6,142.50
CJDavis	5960	247.50	6.70	1,658.25
KSSargsian	5974	279.00	5.50	1,534.50
BJMerrill	6137	256.50	14.50	3,719.25
			<b>106.10</b>	<b>\$36,434.85</b>

**Disbursements**

<b>Description of Disbursements</b>	<b>Date</b>	<b>Amount</b>
Process Service Fee/Cost: VENDOR: TD's Legal Process & Investigations; INVOICE#: 136075; Bank of America, N.A.	01/07/19	73.00
Filing, Recording, Docket Fees: VENDOR: Courts/USDC-UT-TL; INVOICE#: 4681088462; DATE: 11/6/2019 - Record in Paper Format, Certificatin of Document (x2).	11/05/19	71.00

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**Total Current Disbursements: \$144.00**



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

**March 17, 2020**

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:	1803704 3307253 107333 DKBroadbent
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**Regarding: Matter No. 0002 - Zurixx Monitor - Attorneys**

**Invoice Summary**

<b>Current fees</b>	<b>\$36,434.85</b>
<b>Current disbursements</b>	<b>\$144.00</b>
<b>Current charges this invoice</b>	<b>\$36,578.85</b>

*This invoice may reflect changes to our billing rates that took effect on January 1, 2020.*

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

February 10, 2020  
Invoice # 14372

Billing for: 12/01/19 to 01/31/20

RE: Federal Trade Commission v ZURIXX

Previous balance	\$68,865.42
1/8/2020 Payment - Thank You. Check No. 1723	(\$63,832.14)
1/8/2020 Payment - Thank You. Check No. 1723	(\$5,023.28)
	(\$68,855.42)

### Professional Services Summary

Name	Hours	Rate	
Gil A. Miller	4.60	365.00	\$1,679.00
John H. Curtis	16.20	260.00	\$4,212.00
Jennie Messer	1.10	195.00	\$214.50
Kyle Dowdle	2.00	195.00	\$390.00

### Professional Services Detail

Date	Init.	Description	Hours	
12/02/19	JHC	Reviewed invoices for payment and discussed with counsel.	0.50	\$130.00
	GAM	Review M. Magistro invoice and forward to receiver (.1). Review U. Cantarero email of November 26 and correspond with Receiver regarding electronic equipment at facility and what to do with it (.2). Call with U. Cantarero regarding auction of electronics and work on finalizing those logistics (.6). Handle other assets held at printer's facility (.1).	1.00	\$365.00
12/04/19	GAM	Correspondence with R. Greenland regarding invoice.	0.10	\$36.50
12/05/19	GAM	Find asset information on Zurixx for counsel.	0.80	\$292.00
12/06/19	JHC	Reviewed employee information from D. Easter and forwarded the same to counsel. Worked with Holland & Hart regarding ongoing data support payments. Analyzed financial information related to employee claims.	0.80	\$208.00
12/09/19	GAM	Discussions with Receiver and staff regarding insolvency analysis. Handle Control4 asset issue and sale.	0.40	\$146.00

Mr. David Broadbent, Receiver

February 10, 2020

Date	Init.	Description	Hours	
12/10/19	GAM	Discuss preliminary insolvency finding with staff.	0.10	\$36.50
12/11/19	JHC	Call with D. Broadbent regarding needed financial information for FTC and Receivership. Prepared report of bank accounts, amounts and totals received by Receivership to date and accounts and amounts pending turnover to the Receivership Estate.	1.70	\$442.00
12/12/19	JHC	Reviewed email correspondence from D. Easter and counsel with regard to Chase refund requests. Reviewed invoices submitted and forwarded to R. Erektion for payment.	0.60	\$156.00
12/18/19	KD	Examined merchant account online portals for correct accounts numbers.	1.50	\$292.50
	JHC	Communications with D. Byers regarding reserve account balances. Prepared and provided reserve account balances to D. Byers and requested account numbers from M. Magistro. Reviewed balance sheets and solvency analysis to prepare for call with C. Talbot related to recovery actions.	1.30	\$338.00
12/19/19	JM	Consolidated balance sheets from 2014 through 2019 into one workbook. Adjusted account balances for solvency analysis.	1.10	\$214.50
	JHC	Reviewed financial statements for solvency analysis and directed J. Messer in preparation of balance sheet test and adjustment to fair value. Provided draft analysis to C. Talbot. Process CNA Insurance payment and update Receiver.	1.10	\$286.00
12/26/19	JHC	Reviewed email correspondence from counsel and vendors and directed R. Erektion in payment and resolution of the same.	0.60	\$156.00
12/27/19	JHC	Reviewed vendor emails and directed R. Erektion in payment of the same.	0.30	\$78.00
01/02/20	JHC	Prepared listing of 1099 and W-2 data, reviewed, revised and sent to D. Easter for preparation of forms 1099 and W-2. Analyzed accounting data and prepared summary of payments by year for recovery actions.	2.80	\$728.00
	KD	Generated reports for 1099.	0.50	\$97.50
01/06/20	JHC	Call with E. Tejada regarding summary report and analysis of case disbursements. Prepared summary report of cash disbursements, excluding payroll, and provided to E. Tejada for recovery actions.	1.80	\$468.00
01/07/20	JHC	Prepared for call with E. Tejada regarding cash disbursements summary and recovery actions. Call with C. Talbot regarding M. Magistro contact. Call with E. Tejada regarding recovery actions and data provided for the same. Analyzed W2 and 1099 payroll disbursement data to prepare summary of the same.	1.30	\$338.00
01/08/20	GAM	Call with R. Wing regarding possible claw back actions; correspondence with Receiver regarding same.	0.30	\$109.50
01/09/20	JHC	Prepared summaries of payroll payments for W2 and 1099 payments for the period 2012 to 2019 and provided to G. Miller for review for recovery actions.	1.10	\$286.00
	GAM	Review correspondence and schedule regarding potential claw back recipients.	0.60	\$219.00
01/10/20	JHC	Prepared summary reports of payroll payments to 1099 and W2 employees, with various data. Submitted report to Receiver and counsel. Call with Receiver regarding solvency and cash disbursements.	1.60	\$416.00

Mr. David Broadbent, Receiver

February 10, 2020

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
01/10/20	GAM	Analyze payroll and 1099 payee data for possible claw back action and edit style of presentation for counsel.	0.80	\$292.00
01/13/20	GAM	Review payroll and 1099 detail spreadsheet 2012 - 2019. Call from R. Wing.	0.50	\$182.50
01/28/20	JHC	Reviewed D. Easter invoices and directed R. Erekson for payment of the same. Reviewed GoDaddy receipts and documented the same. Responded to counsel regarding domain name sale issues and related information.	0.70	\$182.00
Total for professional services rendered			23.90	\$6,495.50

## Expenses

<u>Date</u>	<u>Init.</u>	<u>Description</u>		
12/06/19	JHC	Go Daddy - domain renewal		\$21.16
12/12/19	JHC	GoDaddy - domain renewal and registration		\$18.46
	JHC	November Digital Ocean charges - server usage		\$66.43
12/24/19	JHC	Server, SSL and email server renewal		\$2,045.49
	JHC	GoDaddy charges for registration and redemption fees		\$916.44
12/26/19	JHC	SSL Renewal		\$79.99
12/31/19	RE	Copying cost (17 copies at \$.15 per copy)		\$2.55
	RE	Postage		\$6.50
	RE	Courier Service		\$27.00
	JHC	Digital Ocean server usage		\$66.43
01/02/20	JHC	Website - Domain renewal and registrations		\$349.80
01/05/20	JHC	Website - Additional domain renewal and registration		\$18.46
01/15/20	JHC	Website expenses - Domain name registration and renewal		\$11.16
01/18/20	JHC	IT Services and Support		\$276.05
01/21/20	JHC	Website Expenses - Renewal and registration of various domain names		\$406.91
01/27/20	JHC	Website Expenses - Standard Wildcard SSL renewals		\$1,769.95
01/28/20	JHC	Website Expenses - Standard Wildcard SSL renewal		\$369.99
01/31/20	RE	Copying cost (17 copies at \$.15 per copy)		\$2.55
	RE	Postage		\$5.50
	RE	Courier Service		\$9.00
	JHC	IT Services and Support		\$66.43
	JHC	IT Services and Support		\$308.00
Total expenses				\$6,844.25
Total new charges				\$13,339.75
Balance due				\$13,349.75

# 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

March 16, 2020  
Invoice # 14430

Billing for: 02/01/20 to 02/29/20

RE: Federal Trade Commission v ZURIXX

Previous balance \$13,349.75

## Professional Services Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	
Gil A. Miller	2.30	365.00	\$839.50
John H. Curtis	1.20	260.00	\$312.00
Josh Gifford	1.70	205.00	\$348.50

## Professional Services Detail

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
02/03/20	JHC	Reviewed email correspondence regarding Puerto Rico W-2's and IT support charges, responded to the same.	0.50	\$130.00
02/04/20	JG	Respond to request for extension of time to file W-2's and search for Zurixx account on Hacienda IRS website.	1.40	\$287.00
	GAM	Meet with Receiver to discuss possible avoidance actions.	1.00	\$365.00
02/10/20	GAM	Read ruling sent from Receiver that may be relevant in Zurixx matter and respond to Receiver.	1.30	\$474.50
02/12/20	JHC	Email communications with D. Easter and directed J. Gifford regarding Puerto Rico W-2 extensions. Communications with D. Broadbent on funds received and source of the same. Reviewed incoming receipts with R. Ereksen.	0.70	\$182.00
02/13/20	JG	Registered ADP as the TPA on Puerto Rico tax website for W-2 filings.	0.30	\$61.50
Total for professional services rendered			5.20	\$1,500.00



Mr. David Broadbent, Receiver

March 16, 2020

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Expenses

<u>Date</u>	<u>Init.</u>	<u>Description</u>	
02/06/20	JHC	Website expenses - renewal of SSL certificate	\$55.99
02/28/20	JHC	Information Technology services	\$66.43
	JHC	DigitalOcean IT services	\$308.00
02/29/20	RE	Copying cost (12 copies at \$.15 per copy)	\$1.80
	RE	Postage	\$1.50
	RE	PACER	\$19.50
Total expenses			<u>\$453.22</u>
Total new charges			<u>\$1,953.22</u>
Balance due			<u><u>\$15,302.97</u></u>

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