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15 **Attorneys for Permanent Receiver - DAVID GILL**

16 UNITED STATES DISTRICT COURT
17 CENTRAL DISTRICT OF CALIFORNIA

18 SECURITIES AND EXCHANGE
19 COMMISSION

20 Plaintiffs,

21 vs.

22 WESTMOORE
23 MANAGEMENT, LLC, et al

24 Defendants.

Case No. 8:10-cv-00849 AG (MLGx)

**RECEIVER'S NOTICE OF INTENT
TO COMPROMISE LITIGATION**

*[Per order entered December 5, 2011,
no hearing required unless objection
filed]*

25 **COMES NOW** David A. Gill, the permanent receiver for the Westmoore
26 entities appointed in the above-captioned case (the "Receiver") and hereby provides
27 notice pursuant to the Court's *Order Granting Receiver's Motion for Order Limiting*
28 *Meeting and Notice Requirements in Local Rules 7-3 and 66-7, Establishing*
Procedures Re: the Sale of Real and Personal Property and Approval of Settlements
(the "Procedural Order") that the Receiver has reached a settlement and compromise

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2 of any and all claims between the Receiver and a former Westmoore broker that
3 provided services to the Westmoore entities prior to the institution of the
4 Receivership (the “Settling Party”).¹

5 The general terms of the settlement are that the Settling Party will pay an
6 aggregate of **\$35,000.00** to the Receiver and the Settling Party will release any and
7 all claims it has against the Receivership Estate and will provide full cooperation to
8 the Receiver in all his activities. Of the settlement payment amount, the
9 Receivership Estate will receive a net amount of **\$26,250.00**. In arriving at this
10 settlement, the Receiver took into account a variety of factors typically considered
11 by equity receivers and bankruptcy trustees, including but not limited to the
12 additional legal fees and costs that would be incurred to litigate the matter, the
13 complexity of the litigation involved, the probability of success on the merits, and
14 the difficulties that would be encountered in collection. Under the circumstances,
15 the Receiver believes that the proposed settlement is a fair and reasonable settlement
16 of his claims against the Settling Party.

17 In accordance with the terms of the Court-approved retention agreement of
18 special litigation counsel Castillo Snyder P.C., from the payment received at closing
19 of the settlement, the Receiver will pay **\$8,750.00** in fees to Castillo Snyder for their
20 work on this matter, in accordance with the Court-approved contingent fee
21 agreement between the Receiver and said law firm.

22 **PLEASE TAKE FURTHER NOTICE** that pursuant to the Court’s *Order*
23 *Granting Receiver’s Motion for Order Limiting Meeting and Notice Requirements in*
24 *Local Rules 7-3 and 66-7, Establishing Procedures Re: the Sale of Real and*
25

26 _____
27 ¹ The settlement agreement provides that, to the extent reasonably practicable, the agreement and
28 its provisions are confidential. Therefore, for the purpose of this publicly filed notice, the former
Westmoore broker is referred to only as the Settling Party.

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Personal Property and Approval of Settlements (the “Procedural Order”), the Receiver will post a copy of this Notice available for download on the Receiver’s website: www.westmoorereceivership.com. Service of the notice is deemed complete upon the posting of the notice on the website.

PLEASE TAKE FURTHER NOTICE that pursuant to the Court’s Procedural Order, objections to the Receiver’s proposed compromise with the Settling Parties must be (a) in writing and (b) filed with the Court and served in accordance with the Court’s Local Rules not later than fourteen (14) days from the date on which this notice was filed with the Court or, if later, posted on the Receiver’s website.

PLEASE TAKE FURTHER NOTICE that if an objection is timely filed and served, the Receiver may file a reply and notice the matter for hearing. In that event, a separate notice of the hearing will be filed and served.

PLEASE TAKE FURTHER NOTICE that if no objection is timely filed and served, pursuant to the Procedural Order the Receiver will be authorized to proceed with the proposed compromise without further notice or order of the Court.

Dated: April 22, 2014

CASTILLO SNYDER, PC

By: /s/ Edward C. Snyder
Edward C. Snyder
Counsel for Plaintiff

Dated: April 22, 2014

THE COOPER LAW FIRM, P.C.

By: /s/ Scott Cooper
Scott Cooper
Counsel for Plaintiff

