

1 Edward C. Snyder (Pro Hac Vice)
2 **CASTILLO SNYDER, PC.**
3 300 Convent Street, Suite 1020
4 San Antonio, TX 78205
5 Telephone: 210-630-4200
6 Facsimile: 210-630-4210
7 Email: esnyder@casnlaw.com

8 Scott B. Cooper (State Bar No. 174520)
9 **THE COOPER LAW FIRM, P.C.**
10 2030 Main Street, Suite 1300
11 Irvine, CA 92614
12 Telephone: 949-724-9200
13 Facsimile: 949-724-9255
14 Email: scott@cooper-firm.com
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

1
2 of any and all claims between the Receiver and Craig Brod and Greg Contillo (the
3 “Settling Parties”).

4 The general terms of the settlement is that Craig Brod will pay **\$27,000.00** to
5 the Receiver, and will release any and all claims he has against the Receivership
6 Estate. Greg Contillo has agreed to cooperate with the Receiver in his activities and
7 to release all claims against the Receivership’s Estate.

8 In arriving at this settlement, the Receiver took into account a variety of
9 factors typically considered by equity receivers and bankruptcy trustees, including
10 but not limited to the additional legal fees and costs that would be incurred to
11 litigate the matter, the complexity of the litigation involved, the probability of
12 success on the merits, and the difficulties that would be encountered in collection.
13 Under the circumstances, the Receiver believes that the proposed settlement is a fair
14 and reasonable settlement of his claims against the Settling Parties.

15 In accordance with the terms of the Court-approved retention agreement of
16 special litigation counsel Castillo Snyder P.C., the Receiver will pay a portion of the
17 proceeds from the settlement payment received from the Settling Parties to Castillo
18 Snyder for their work and expenses incurred on this matter, in accordance with the
19 Court-approved contingent fee agreement between the Receiver and said law firm.

20 **PLEASE TAKE FURTHER NOTICE** that pursuant to the Court’s *Order*
21 *Granting Receiver’s Motion for Order Limiting Meeting and Notice Requirements in*
22 *Local Rules 7-3 and 66-7, Establishing Procedures Re: the Sale of Real and*
23 *Personal Property and Approval of Settlements* (the “Procedural Order”), the
24 Receiver will post a copy of this Notice available for download on the Receiver’s
25 website: www.westmoorereceivership.com. Service of the notice is deemed
26 complete upon the posting of the notice on the website.
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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: July 2, 2014

CASTILLO SNYDER, PC

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

Dated: July 2, 2014

THE COOPER LAW FIRM, P.C.

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

