

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
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3 DIAMOND MCCARTHY LLP
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7 *Receiver*

8
9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**

12 COMMODITY FUTURES TRADING
13 COMMISSION,

14 Plaintiff,

15 v.

16 DENARI CAPITAL LLC, TRAVIS
17 CAPSON, and ARNAB SARKAR,

18 Defendants,

Case No. 19-cv-07284-EMC

**DECLARATION OF JULIA DAMASCO IN
SUPPORT OF FOURTH
ADMINISTRATIVE MOTION FOR AN
ORDER PURSUANT TO LOCAL RULE 7-11
FOR THE APPROVAL OF FEES AND
EXPENSES FOR RECEIVER, DIAMOND
MCCARTHY LLP, SCHINNER & SHAIN
AND MILLER KAPLAN ARASE LLP
THROUGH DECEMBER 31, 2020**

Date: No Hearing Set
Time: No Hearing Set
Judge: Edward M. Chen

1 I, Julia Damasco, declare:

2 1. I am a partner at the firm of Miller Kaplan Arase LLP (“Miller Kaplan”), tax advisor for
3 the Receiver Kathy Bazoian Phelps in this case. I have personal knowledge of the matters set forth
4 below and if called as a witness, I would and could testify competently to the matters stated herein.

5 2. This declaration is made in support of the Third Administrative Motion for an Order
6 Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Receiver, Diamond
7 McCarthy LLP, Schinner & Shain LLP, and Miller Kaplan through December 31, 2020 (“Motion”).

8 3. On February 4, 2020, the Court entered an order (Doc. No. 44) authorizing the Receiver
9 to employ Miller Kaplan as the Receiver’s tax advisor (“Employment Order”). I am principally
10 responsible for representing the Receiver in Miller Kaplan’s capacity as tax advisors. I directly
11 supervised the professionals and staff of Miller Kaplan with respect to this representation.

12 4. Miller Kaplan was retained by the Receiver for the limited purpose of serving as tax
13 advisors. Miller Kaplan established separate billing categories for services provided: Tax Return
14 Preparation and Filing; and General Consulting. The billing statements itemizing the services
15 provided by Miller Kaplan during the period October 1, 2020 through December 31, 2020 (the
16 “Motion Period”) are attached as Exhibit “6.”

17 5. In the interests of the estate and pursuant to the Employment Order, Miller Kaplan has
18 agreed to provide its services at the same hourly rates as those provided to SEC fair funds in which
19 Miller Kaplan is appointed as the tax administrator.

20 6. Miller Kaplan performed 11.05 hours of general consulting services for fees of \$2,379.00
21 during the Motion Period.

22 7. Miller Kaplan’s general consulting services during the Motion Period included include
23 advising the Receiver and her counsel on preparing the 2020 qualified settlement fund tax returns,
24 and in preparing that return.

25 8. I have read the Motion and the billing statements attached to this declaration. To the best
26 of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses
27 requested in the attached billing statements are true and correct.

28 9. The fees that Miller Kaplan has charged are limited, reasonable, necessary, and

1 commensurate with the skill and experience required for the activity performed. Miller Kaplan’s
2 services and time expenditures are reasonable in light of the labor required for the matters for which
3 Miller Kaplan was retained and the balancing that must be performed to efficiently and effectively
4 represent the Receiver in the limited capacity as tax advisors. Miller Kaplan respectfully submits that
5 it has not expended time unnecessarily and that it has rendered efficient and effective services.

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I declare under penalty of perjury that the foregoing is true and correct. Executed on this 28th day of January 2021 at Santa Fe, New Mexico.

Julia Damasco

Julia Damasco

EXHIBIT 6



4123 Lankershim Boulevard
North Hollywood, CA 91602

Kathy Bazoian Phelps

Denari Capital Receivership Estate
Diamond McCarthy LLP
1999 Avenue of the Stars, 11th Floor
Los Angeles, CA 90067

Invoice: 537256

Client ID: 3000610

Date: 01/19/2021

Due Date: 01/19/2021

For professional services rendered as follows:

DATE	SERVICE	STAFF	HOURS	AMOUNT
General Consulting Services				
11/10/2020	Research Research QSF request for prompt assessment. Email and discuss with JPD.	NAS	2.25	
		Subtotal		756.00
Qualified Settlement Fund Services				
09/11/2020	Preparation Quarterly estimated tax payments 2020 Q3.	JGM	0.20	
11/16/2020	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.80	
11/24/2020	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.30	
11/30/2020	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.30	
12/02/2020	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	4.40	
12/07/2020	Preparation Quarterly estimated tax payments 2020 Q4.	JGM	1.30	
12/08/2020	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.30	
12/22/2020	Preparation Preparation and filing of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	1.20	

O. 818.769.2010 / F. 818.769.3100 / FED EIN 95-2036255

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		Subtotal	1,620.40
		Total for Services	2,376.40
Charges			
10/13/2020	Court Document Retrieval	2.60	
	Court Document Retrieval.		
		Subtotal	2.60
		Total for Charges	2.60
		Billed Time & Charges	\$2,379.00
		Invoice Total	\$2,379.00

<u>01/19/2021</u>	<u>12/31/2020</u>	<u>11/30/2020</u>	<u>10/31/2020</u>	<u>09/30/2020+</u>	<u>Total</u>
2,379.00	0.00	0.00	0.00	0.00	\$2,379.00