

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
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2 DIAMOND MCCARTHY LLP
3 333 S. Hope St., Suite 4050
Los Angeles, California 90071
4 Telephone: (424) 278-2330

5 *Receiver*

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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

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COMMODITY FUTURES TRADING
13 COMMISSION,

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Plaintiff,

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v.

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DENARI CAPITAL LLC, TRAVIS
CAPSON, and ARNAB SARKAR,

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Defendants,

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Case No. 19-cv-07284-EMC

**DECLARATION OF JULIA DAMASCO IN
SUPPORT OF FIFTH ADMINISTRATIVE
MOTION FOR AN ORDER PURSUANT TO
LOCAL RULE 7-11 FOR THE APPROVAL
OF FEES AND EXPENSES FOR
RECEIVER, DIAMOND MCCARTHY LLP,
AND MILLER KAPLAN ARASE LLP
THROUGH MARCH 31, 2021**

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
3 for the Receiver Kathy Bazoian Phelps in this case. I have personal knowledge of the matters set
4 forth below and if called as a witness, I would and could testify competently to the matters stated
5 herein.

6 2. This declaration is made in support of the Fifth Administrative Motion for an Order
7 Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Receiver, Diamond
8 McCarthy LLP, and Miller Kaplan through March 31, 2021 (“Motion”).

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

13 4. Miller Kaplan was retained by the Receiver for the limited purpose of serving as tax
14 advisors. Miller Kaplan established separate billing categories for services provided: Tax Return
15 Preparation and Filing; and General Consulting. The billing statements itemizing the services
16 provided by Miller Kaplan during the period January 1, 2021 through March 31, 2021 (the “Motion
17 Period”) are attached as Exhibit “4.”

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

21 6. Miller Kaplan performed 3.50 hours of general consulting services for fees of \$627.60
22 during the Motion Period.

23 7. Miller Kaplan’s general consulting services during the Motion Period included include
24 advising the Receiver and her counsel on preparing the 2020 qualified settlement fund tax returns,
25 in preparing and filing that return, and in preparing the 1099 forms.

26 8. Miller Kaplan incurred \$50.00 in costs related to information reporting from the 1099-
27 NEC and 1099-MISC forms.

28 9. I have read the Motion and the billing statements attached to this declaration. To the

1 best of my knowledge, information and belief formed after reasonable inquiry, all the fees and
2 expenses requested in the attached billing statements are true and correct.

3 10. The fees that Miller Kaplan has charged are limited, reasonable, necessary, and
4 commensurate with the skill and experience required for the activity performed. Miller Kaplan's
5 services and time expenditures are reasonable in light of the labor required for the matters for
6 which Miller Kaplan was retained and the balancing that must be performed to efficiently and
7 effectively represent the Receiver in the limited capacity as tax advisors. Miller Kaplan respectfully
8 submits that it has not expended time unnecessarily and that it has rendered efficient and effective
9 services.

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11 I declare under penalty of perjury that the foregoing is true and correct. Executed on this
12 15th day of April 2021 at Santa Fe, New Mexico.

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14 
15 Julia Damasco

EXHIBIT 4



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: 539964

Client ID: 3000610

Date: 04/02/2021

Due Date: 04/02/2021

For professional services rendered as follows:

DATE	SERVICE	STAFF	HOURS	AMOUNT
Information Return Reporting Services				
01/22/2021	Finalize Payees & Amounts Preparation of Forms 1099-MISC.	JAC	0.40	
01/29/2021	Produce Forms Preparation of Forms 1099-MISC.	JAC	0.50	
01/30/2021	Release for Printing 1099-MISC & 1099-NEC	ER	0.10	
02/01/2021	Release for Agency Filing Forms 1099-MISC and 1099-NEC.	ER	0.10	
		Subtotal		195.60
Qualified Settlement Fund Services				
01/06/2021	Preparation Preparation and filing of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	2.00	
01/29/2021	Preparation Preparation of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.30	
02/17/2021	Preparation Preparation and filing of the 2020 Qualified Settlement Fund Income Tax Return.	JAC	0.10	
		Subtotal		432.00
		Total for Services		627.60
Charges				
01/31/2021	Information Reporting 1099-NEC and 1099-MISC Forms	50.00		
		Subtotal		50.00
		Total for Charges		50.00

Miller Kaplan Arase LLP

Page 2 of 2

Billed Time & Charges	\$677.60
Invoice Total	\$677.60

PLEASE REMIT PAYMENT VIA WIRE TRANSFER OR CHECK
 ACCORDING TO THE INSTRUCTIONS BELOW:
 WIRE FUNDS TO:

CITY NATIONAL BANK
 400 N. ROXBURY DRIVE, 5TH FLOOR
 BEVERLY HILLS, CA 90210
 ABA NUMBER 122016066 SWIFT CODE CINAUS6L
 BENEFICIARY ACCOUNT NUMBER 113-238313
 BENEFICIARY ACCOUNT NAME: MILLER KAPLAN ARASE LLP

MAKE CHECK PAYABLE TO:

MILLER KAPLAN ARASE LLP
 4123 LANKERSHIM BLVD, NORTH HOLLYWOOD, CA 91602-2828

<u>04/02/2021</u>	<u>03/31/2021</u>	<u>02/28/2021</u>	<u>01/31/2021</u>	<u>12/31/2020+</u>	<u>Total</u>
677.60	0.00	0.00	0.00	0.00	\$677.60