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7 Receiver

8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION**

10  
11 **SECURITIES AND EXCHANGE**  
12 **COMMISSION,**

13 **Plaintiff,**

14 **vs.**

15 **SUN EMPIRE, LLC; ECAM, LLC**  
16 **a/k/a EMPIRE CAPITAL ASSET**  
17 **MANAGEMENT; DELILAH A.**  
18 **PROCTOR and SHAUNTEL A.**  
19 **McCOY,**

20 **Defendants.**

21 **and**

22 **SUN COMMERCE AND**  
23 **INVESTMENT; INFINITY**  
24 **INVESTMENT CLUB, LLC;**  
25 **SUNLAND INVESTMENT CLUB,**  
26 **LLC; RECOMMENDED SERVICES,**  
27 **INC., and TYCOON CLUB**  
28 **INTERNATIONAL, LLC,**

**Relief Defendants.**

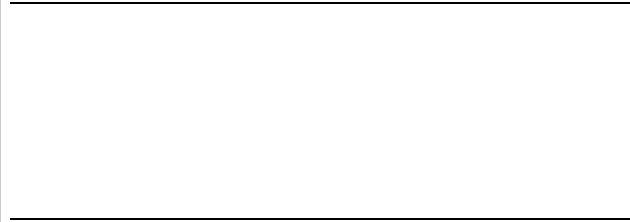
**Case No. SACV 09-399 DOC (RNBX)**

**ASSIGNED JUDGE:**  
**HON. DAVID O. CARTER**

**ORDER [489]**

- (1) APPROVING AND AFFIRMING RECEIVER'S FIFTH REPORT AND FOURTH ACCOUNT;**
- (2) APPROVING SECOND CLAIMS REPORT AND DISTRIBUTION PLAN;**
- (3) APPROVING DISTRIBUTION AND CLOSING FEES AND EXPENSES;**
- (4) DESIGNATING ALL RECEIVERSHIP FUNDS AS A QUALIFIED SETTLEMENT FUND (IRC §468(B)); AND**
- (5) FOR FURTHER INSTRUCTIONS TO RECEIVER**

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**DATE: JULY 21, 2014**  
**TIME: 8:30 A.M.**  
**DEPT: 9D**

Richard Weissman, the duly appointed Receiver ("Receiver") herein, filed a Motion for Order: (1) Approving and Affirming Receiver's Fifth Report and Fourth Account, (2) Approving Second Claims Report and Distribution Plan, (3) Approving Distribution and Closing Fees and Expenses, (4) Designating All Receivership Funds As A Qualified Settlement Fund (IRC §468(B), and (5) For Further Instructions to Receiver; Memorandum of Points and Authorities and Declaration of Richard Weissman in Support Thereof ("Report Motion") (Doc. No. 489), and concurrently filed the Receiver's Fifth Report and Fourth Account (Doc. No. 489-1), and Exhibits A through D (Doc. No. 489-2), in support of the Motion. The Report Motion and the Receiver's Fifth Report and Fourth Account, inter alia, presented the Receiver's Second Claims Distribution Report and the Receiver's proposed Second Distribution Plan of the available funds to the previously Eligible Claimants, as determined by the loss determination methodology used for the First Distribution in December 2011 (Doc. Nos. 357, 388).

At the hearing on the Report Motion, Plaintiff Securities and Exchange Commission appeared through its counsel of record, Gary Leung; the Receiver appeared pro se; interested investors appeared as set forth in the Minutes of the hearing. All papers filed in support of and in response to the Report Motion have been considered. The matter having been discussed in open court by all appearing persons, and submitted, and good cause appearing therefor,

**IT IS HEREBY ORDERED** that:

1. The Receiver's Motion is granted;
2. The Receiver's Fifth Report and Fourth Account are approved and

1 allowed in their entirety ("Fifth Report") (Doc. No. 489-1);

2 3. The Receiver's acts and transactions reported in the Fifth Report were  
3 right and proper in all respects and were in the best interests of the Receivership and  
4 the Parties to this action. The Receiver's reported acts and conduct are hereby ratified,  
5 approved and affirmed in their entirety;

6 4. The Receiver's recommendations as to the approval and denial of  
7 current claims of previously Eligible Claimants, pursuant to the Second Claims  
8 Distribution Report (Exhibit C to Fifth Report) (Doc. No. 480-2), are adopted and  
9 approved, with the exception of a correction to be made to the account of claimant  
10 Erma Roach in respect to the prorated claim amount of \$8,887.00 she should have  
11 received from the first distribution, under the Order entered on December 22, 2011  
12 (Doc. No. 405). The Receiver is to effect the disbursement of \$8,887.00 to Ms. Roach  
13 contemporaneously with the current Second Distribution. The resulting prorated  
14 disbursement amounts to all Eligible Claimants, as set forth in the Second Claims  
15 Distribution Report, are hereby modified, as set forth below.

16 5. The Receivership Entities and their respective funds held and controlled  
17 by the Receiver are hereby ordered combined as a single Receivership fund, and the  
18 funds shall be administered as a Qualified Settlement Fund for income tax reporting  
19 purposes, pursuant to IRC §468(B) and the regulations thereunder.

20 6. The Receiver's estimated distribution and closing fees and expenses,  
21 including the preparation of closing income tax returns, in the sum of \$41,948.00, are  
22 approved. The Receiver may pay the monthly expenses as incurred following  
23 submission of his billing statements to the Commission Staff, unless Commission  
24 Staff disapprove (partially or wholly) said charges within fifteen (15) days of the  
25 Receiver's submission. The interim fee and expense statements are not to be filed  
26 with the Court.  
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1           7.       The Court Distribution Fund shall be in the revised sum of \$491,113.66  
 2 (Four Hundred Ninety-one Thousand One Hundred Thirteen Dollars/Sixty-six cents),  
 3 pursuant to the modification the Receiver proposed in respect to the Roach Claim.  
 4 (Fifth Report, Original Distribution Fund amount: p. 22, ¶41-\$500,000) There are  
 5 insufficient funds to make each investor whole. The claims of all of the Eligible  
 6 Claimants shall be prorated and determined in accordance with the Rising Tide  
 7 Method, to equalize the percentage recovery of each investor's loss, to the extent  
 8 reasonably practicable. If the recovery percentage determined by the Receiver is  
 9 zero, the investor's claim to this Second Distribution is denied in full on the ground  
 10 his or her percentage value of all early cash distributions (ROI) unfairly exceeds the  
 11 equalized percentage value of all other investors in the current distribution.

12           8.       The Receiver is authorized and directed to disburse forthwith the  
 13 Distribution Fund of \$491,113.66, to the Eligible Claimants below, in the prorated  
 14 amount(s) set forth adjacent to their respective names. The distribution is to be  
 15 effected without delay or reference to expiration of the period for appeal of this order.  
 16 If the indicated distribution amount is zero, the claim of the named investor is denied  
 17 with prejudice in respect to this specific distribution.

S/N	NAME	SECOND ADJUSTED NEW PRORATED SHARE \$
1	Abrea, Cecil	4,070.58
2	Abrenica, Brent	641.60
3	Abrenica, Merly	0.00
4	Afkar, Mehrdad	802.00

1	5	Africano, Edwin	0.00
2	6	Alegre, Stanley & Gemma	3,207.99
3			
4	7	All Souls Christian Center (Opong, Jones Charles)	3,207.99
5			
6	8	All Souls Christian Center (Opong, Jones Charles)	862.56
7			
8	9	Amezcuca, Dona & Emilia Lynch	962.08
9			
10	10	Ana Rivas & Jorge Javier	0.00
11			
12	11	Anderson, James	0.00
13			
14	12	Anderson, Nedria & Horton, Sunday	0.00
15			
16	13	Archipelago Investment, LLC - Becerra, Ruben & Gricelda	0.00
17			
18	14	Argosino, Fernando & Sonia	0.00
19			
20	15	Argosino, Fernando & Sonia	0.00
21			
22	16	Argosino, Samantha	0.00
23			
24	17	Arigo, Blanquita	1,283.20
25			
26	18	Arville Group, LLC	0.00
27			
28	19	Avant Garde Asset Management	641.60
	20	Bacani, Jean Victoria	641.60
	21	Bahr, Sonia	641.60
	22	Bais, Asuncion	0.00
	23	Bais, Joanne A.	501.19

1	24	Bais, Kathryn	385.49
2	25	Barrera, Edward	1,283.20
3			
4	26	Benedict, Dean & Lisa	2,566.39
5	27	Benedict, Dean & Lisa	0.00
6	28	Benedict, Jean TTEE	0.00
7			
8	29	Bihis, Paulo Angelo	1,554.57
9	30	Bonvissuto, Lorraine	641.60
10			
11	31	Boquiren, Abraham & Maria	4,120.96
12	32	Borjkhani, Abbas	0.00
13	33	Boureston, John & Marion	641.60
14			
15	34	Bowles Chiropractic-Kingdom's Health Inc - Bowles, Cheryl	962.40
16	35	Boydton Corporation	64,159.76
17			
18	36	Brown, James	962.40
19	37	Buchanan, Teresita	641.60
20	38	Burchard, Maria Lucrecia	172.52
21			
22	39	Burchard, Maria Lucrecia	0.00
23	40	Burkitt III, Garrett	6,794.84
24	41	Cabato, Rogelio	2,245.59
25			
26	42	Callejo, Fenina	0.00
27	43	Calma, Ana	0.00
28			

1	44	Camero, Remedios	1,924.79
2	45	Canaria, Alexander & Aida	2,379.34
3			
4	46	Canizares, Gisselle	344.68
5	47	Caramat, Michael	641.60
6	48	Carey- Smith, Damita	640.97
7			
8	49	Cedano, Maria	0.00
9	50	Cedano-Vega, Moncia	1,603.99
10			
11	51	Chaney, Rita	1,158.68
12	52	Chapman, Jesse & Beatrice	61.08
13	53	Chavez, Lauren Anne	641.60
14	54	Chavez, Leigh Nikole	0.00
15			
16	55	Chen, Hui	1,330.96
17	56	Ching, Emee-Lee	0.00
18			
19	57	Cooley, Earline	3,207.36
20	58	Coronel, Dolores	320.48
21	59	Coronel, Dolores	577.44
22			
23	60	Dai, Stephen	3,664.47
24	61	Dailo, Anna & Michael	640.96
25	62	Dela Cruz, Loida	641.60
26			
27	63	Dela Fuente, Catherine Dela	1,072.90
28			

1	64	Diaz, Jose & Rosemarie	2,566.39
2	65	Diego, Anabella	61.07
3			
4	66	Diego, Rose Maria	0.00
5	67	Dobler, Gerhard	51,327.80
6	68	Duerme, Donald	641.60
7			
8	69	Duerme, Rachel	641.60
9	70	Dungo, Teresita	962.40
10	71	Dunham, Janet Marie	8.63
11			
12	72	Dunkelberger, Andrew	641.60
13	73	Dunkelberger, Severina	363.93
14			
15	74	Duran, Kiria	641.60
16	75	Duren, Jonathan	63.53
17	76	Dzheragyan, Levon	1,283.20
18			
19	77	En, Sun Bee	6,415.98
20	78	Epstein, Ary	705.17
21	79	Estacio, Julian	0.00
22			
23	80	Evangelista, Shara	4,170.38
24	81	Fernandez, Noel	7,057.57
25	82	Fernandez, Vivien & Raymond	2,951.03
26			
27	83	Fields, Mary	3,207.99
28			



1	84	Flores Jr, Julian	0.00
2	85	Flores, Jeffrey & Nanette	4,001.66
3			
4	86	Flores, Jerry & Fidelis	4,007.63
5	87	Flores, Simon	0.00
6	88	Flores, Suzette (deceased) - Flores, Daniel	2,847.61
7			
8	89	Ford, Undra	67.37
9	90	Franco, Darlo & Eleanor	0.00
10	91	Fulgencio, Jose & Teresa	0.00
11			
12	92	Fulgencio, Teresa	0.00
13	93	Gaba, Delia & Albert	3,502.65
14	94	Gabbert, Janis	0.00
15			
16	95	Gabriel, Josephine	1,283.20
17	96	Galama, David	6,415.98
18	97	Galama, Richard & Imelda	6,415.98
19			
20	98	Galante, Mary Beth	0.00
21	99	Galech, Bertha Kim	0.00
22			
23	100	Galero, Eric	0.00
24	101	Garcia, Edwin	320.48
25	102	Garcia, Imelda	2,104.44
26			
27	103	Geiser TCD, LLC - Dayoah, Teodora	0.00
28			

1	104	Gibson, Dorothy	0.00
2	105	Gibson, Dorothy	5,453.58
3			
4	106	Gluskoter, Deborah	1,924.15
5	107	Gonzalez, Marco	3,207.99
6	108	Griggs, Denise	0.00
7			
8	109	Guinto, MA. Lourdes	641.60
9	110	Harris Dane & Lovie	0.00
10	111	Hermanny, Thomas	0.00
11			
12	112	Hessenflow, Donna	0.00
13	113	Hestian Asset Group, LLC - Felicia Clark	86.26
14	114	Hestian Asset Group, LLC - Felicia Clark	1,219.04
15			
16	115	Hines, Eric	641.60
17	116	Hope Adult Day Healthcare - Linda Sandi	1,603.99
18	117	Horton, Daniel	320.48
19			
20	118	Horton, Zabrina	641.60
21	119	Huang, Cindy	1,283.20
22			
23	120	Hubbard, Martine	0.00
24	121	Huynh, Phuc	641.60
25	122	Imelda Garcia	1,282.87
26			
27	123	Issakhanian, Sandra	1,283.20
28			

1	124	Jidaria, Jose Gerardo	641.60
2	125	Jidaria, Maxima	641.60
3			
4	126	Jidaria, Myra	641.60
5	127	Jones, Dwight & Maynard-Jones, Sandra	0.00
6	128	Jose Sr, Benjamin	1,924.79
7			
8	129	Jose, Benjamin Jr. & Sheryl	0.00
9	130	Josephine Miller & Philip Bologna	321.46
10			
11	131	Karapetyan, Anzhela	1,283.20
12	132	Kim, Frank	4,811.98
13	133	Kinnear, Maria & Rivera, Martha	962.40
14			
15	134	Kojaoghianian, Raffi & Papazian, Varduhi R	1,306.96
16	135	Kortemeier, Donna	320.80
17	136	Kuang, Jacqueline	1,924.79
18			
19	137	Lam, Andy	3,507.64
20	138	Lam, Betty	1,924.79
21	139	Lambert R. Abeyatunge	0.00
22			
23	140	Lapus, Armando	0.00
24	141	Lapus, Naila	1,597.70
25	142	Lawrence, Brian & Santa	0.00
26			
27	143	Layco, Shirley	0.00
28			

1	144	Layug, Jaime	0.00
2	145	Layug, Karl Angelo	641.60
3			
4	146	Lee, Jeanne	1,603.99
5	147	Lee, Norman Jun	641.60
6	148	Lesaca, Andrew & Robert & Amor & Sangria, Maria	0.00
7			
8	149	Liang, Perry	641.60
9			
10	150	Lifelite Investments, LLC - Galech, Li	0.00
11	151	Lim, Lyudmila & Gennadiy, Tsoy	1,283.20
12	152	Lindo, Marcelo C/O Lorna Valdez	641.60
13			
14	153	Lopez, Fernando	1,119.90
15	154	Loualhati, Angelita	320.48
16	155	Loualhati, Asuncion	0.00
17			
18	156	Loualhati, Edgar & Asuncion 2	0.00
19	157	Loualhati, Edgar & Asuncion 3	1,924.79
20	158	Loualhati, Edgar & Asuncion 4	961.43
21			
22	159	Luminarias, Ma.Isabel	912.97
23	160	Luminarias, Ma.Isabel	8,340.77
24			
25	161	Lunasin, Myron & Mario	962.40
26	162	Maddatu, Maria Gina	449.12
27	163	Maddux, Andre	961.43
28			

1	164	Malonzo, Elizabeth	641.60
2	165	Malonzo, Rosalia	641.60
3			
4	166	Malouf, Daniel	1,083.36
5	167	Martin, Augustine	0.00
6	168	Martin, Augustine	1,899.59
7			
8	169	Martindale, Richard	0.00
9	170	Mary M. Lindsey Trust - Lindsey, Deborah TTEE	0.00
10	171	McClain, Aura	987.29
11			
12	172	McElrea, Leslie	0.00
13	173	McKewen, Anna	3,026.20
14	174	Mendiola, Tim	1,924.47
15			
16	175	Mendoza, Dan Manlutac	641.60
17	176	Mercado, Virginia	320.80
18			
19	177	Million, Dr. Jeannetta - Jat's 8 Dynasty	0.00
20	178	Moccia, Mark	320.48
21	179	Moore, Betty	35.76
22			
23	180	Morgan, Alice	641.28
24	181	Mow, Laura	0.00
25	182	Mumford Financial, LLC - Viljamaa, Virginia	0.00
26			
27	183	Nabo, Ritche & Christine	641.60
28			

1	184	Napalan, Josephine & Jessiefino	1,283.20
2	185	Navarro, Jesse	14,756.74
3			
4	186	Nazareno, Rodelio	320.80
5	187	Ocampo, Jasmin & Dominique	5,678.12
6	188	Ong, Julio	641.60
7			
8	189	Ong, Pacita B.	3,151.32
9	190	Ornedo, Sheila Marie	6,415.98
10			
11	191	Padel, Corazon	641.60
12	192	Palma, Angelina & Elmer	0.00
13	193	Papa, Leonida - Grace Investment Group	0.00
14			
15	194	Pastor, Maria & Rudy	0.00
16	195	Patio, Filipina & Robert	0.00
17	196	Pelaez (Lava), Elizabeth	4,230.66
18			
19	197	Pepe, Harry	0.00
20	198	Perdido, Sam C/O Edgar Valdez	0.00
21	199	Perez, Barbara	320.48
22			
23	200	Pimentel, Irma	0.00
24	201	Pimentel, Pat	641.60
25	202	Posel, Sherab - Living Trust	11,185.16
26			
27	203	Prater, Alonzo	0.00
28			

1	204	Pronto, Antonio	0.00
2	205	Pursifull, Teresita	1,383.60
3			
4	206	Pyramid Hardwood Flooring - Chen, Hui	7,955.81
5	207	Quiming Jr, Alipio	641.60
6	208	Quinones, Jesse	0.00
7			
8	209	Quinones, Robert	5,231.25
9	210	Ramirez, Amelia	636.48
10	211	Ramos, Beatriz	962.40
11			
12	212	Ratnavira, Dayani	0.00
13	213	Raya, Lawrence	1,283.20
14	214	Reyes, Albert	86.26
15			
16	215	Reyes, Jamie	215.65
17	216	Reyes, Maria Carlota	7,104.78
18	217	Rivera, Beatrice & Rodriguez, Erika	1,283.20
19			
20	218	Roach, Erma	2,568.14
21	219	Rocha, Ruben	0.00
22			
23	220	Roosevelt, Clay	641.60
24	221	Royo, Maria Cecilia	641.60
25	222	Salinas, Bernard & Lea	641.60
26			
27	223	San Luis, Josefina	0.00
28			

1	224	Sandajan, Luisa & Romano	0.00
2	225	Sandi, Ernesto & Linda	320.80
3			
4	226	Sandoval, Elias	320.48
5	227	Sandoval, Karen	320.48
6	228	Sandoval, Laura	320.48
7			
8	229	Sands, Elma	6,415.98
9	230	Santiago, Marlyn	1,283.20
10	231	Santos, Andrei & Annalee	320.48
11			
12	232	Santos, Andrei & Annalee	2,309.75
13	233	Santos, Aurora	0.00
14	234	Santos, Praxedes	2,758.87
15			
16	235	Sargsian, Aram	1,967.60
17	236	Sayegh, Ola	0.00
18			
19	237	Sedeno, Francisco	0.00
20	238	Sheppard, Janis	0.00
21	239	Shrode, Martin & Nancy Ann	320.48
22			
23	240	Simmons, Henry	320.80
24	241	Smalls, Pelton	1,690.25
25	242	Smith, Stephen John	4,138.30
26			
27	243	Soriano, Conchita	0.00
28			



1	244	Steadfast Investments, LLC	0.00
2	245	Suarez, Jose Luis & Terrones, Minerva	3,207.99
3			
4	246	Tan, Yuran	641.60
5	247	Tanjuaquid, Esperanza	1,283.20
6	248	Tannahill, June Teresa	641.60
7			
8	249	Tasoy, Dannylyn	0.00
9	250	Taylor, Luz Ordono & Thomas	641.60
10			
11	251	The Naughton Family Trust (Naughton, Daniel)	3,284.98
12	252	Tian, Olga	0.00
13	253	Tian, Olga - Rusko, LLC Deposit	0.00
14	254	Tian, Olga - Rusko, LLC Investment	1,283.20
15			
16	255	Tolentino, Alberto & Jason	1,283.20
17	256	Tolentino, Kimberly	641.60
18			
19	257	Tolentino, Teodoro & Jasmine	1,283.20
20	258	Torres, Luis	0.00
21	259	Tran, John	456.48
22			
23	260	Trinidad, Anita	6,174.19
24	261	Trinity Global, LLC - Becerra, Ruben & Gricelda	0.00
25	262	Turner Jr, Streeter	5,132.78
26			
27	263	Turner, Sarah Holland	0.00
28			

1	264	Valdez, Edgar & Lorna	15,793.87
2	265	Valencia, Andrea	641.60
3			
4	266	Valley Green Properties, LLC - Valverde, Rebecca	0.00
5	267	Varee, Rosalyn	320.80
6	268	Venice Boulevard, LLC - Martindale, Richard	6,383.90
7			
8	269	Verceluz, Hipolito & Lourdes	0.00
9	270	Viljamma, Virginia	320.48
10	271	Villamil, Michael	86.26
11			
12	272	Villanueva, Floradel & Rodnick	1,904.05
13	273	Villanueva, Juanita	641.60
14	274	Villanueva, Marian	751.78
15			
16	275	Vivar, Myrna	0.00
17	276	Vladimir, Tyan	320.80
18			
19	277	Vytiaco, Alicia	641.60
20	278	Wall 2 Wall Services - Vega, Oswaldo	2,245.59
21	279	Ward, Dree	3,207.99
22			
23	280	Warren Jr, Nolan	1,603.99
24	281	White, Edna Jean	641.60
25	282	Wong Jr, Delbert	0.00
26			
27	283	Wong, Maggie	320.80
28			

1	284	Wong, Thomas	2,860.11
2	285	Wong-Fernandez, Theresa	320.48
3			
4	286	Wright, Devon	0.00
5	287	Yip, Cathy	641.60
6	288	Young, Shelor	962.40
7			
8	289	Zarza, Joel & Prima	1,283.20
9	290	Verceluz, Shannon	320.80
10	291	Lee, Dorothea	1,283.20
11			
12	292	Willis, Beatriss	962.08
13	293	Willis, Christopher	962.08
14			
15			<hr/> <b>\$491,113.66</b> <hr/>

16 IT IS SO ORDERED.  
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18 DATED: August 3, 2014  
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*David O. Carter*  
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DAVID O. CARTER, Judge  
United States District Court

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