DISTRICT COURT, DENVER COUNTY, STATE

OF COLORADO

Denver District Court

1437 Bannock St.

Denver, CO 80202

720.865.8612

Plaintiff: David S. Cheval, Acting Securities Commissioner for the State of Colorado

v.

Defendants: Gary Dragul; GDA Real Estate Services, LLC; and GDA Real Estate Management, LLC

▲ COURT USE ONLY ▲

Attorneys for Receiver:

Patrick D. Vellone, #15284

Michael T. Gilbert, #15009

Rachel A. Sternlieb, #51404

ALLEN VELLONE WOLF HELFRICH & FACTOR

P.C.

1600 Stout St., Suite 1100

Denver, Colorado 80202

Phone Number: (303) 534-4499

E-mail: pvellone@allen-vellone.com E-mail: mgilbert@allen-vellone.com

E-mail: rsternlieb@allen-vellone.com

ACCOUNT OBE ONL!

Case Number: 2018CV33011

Division/Courtroom: 424

RECEIVER'S MOTION FOR ALLOWANCE OF ADMINISTRATIVE EXPENSE

Harvey Sender, the duly-appointed receiver ("Receiver") for Gary Dragul ("Dragul"), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, "Dragul and the GDA Entities"), asks the Court to enter

an order approving the payment of \$2,840.00 to Lewis Roca Rothgerber Christie LLP ("Lewis Roca") as an administrative expense.

- 1. On August 15, 2018, the Securities Commissioner for the State of Colorado (the "Commissioner"), filed his Complaint for Injunctive and Other Relief against Dragul and the GDA Entities.
- 2. On August 29, 2018, the Commissioner and Dragul and the GDA Entities filed a Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Dragul and the GDA Entities pursuant to Colo. Rev. Stat. § 11-51-602(1), C.R.C.P. 66.
- 3. On August 30, 2018, the Court entered a Stipulated Order Appointing Receiver (the "Receivership Order"), appointing Harvey Sender receiver for Dragul and the GDA Entities, and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the "Receivership Estate" or the "Estate"). Receivership Order at 2, ¶ 5.
- 4. Paragraph 13(l) of the Receivership Order grants the Receiver the authority, at his discretion, to hire professionals to assist him with his duties, and paragraph 22(a) grants those professionals a first priority claim to payment.
- 5. In 2015, before the Receiver was appointed, Dragul hired Lewis Roca to represent an Estate entity, Rose, LLC, in litigation in Nevada state court commenced against it by Treasure Island Casino. Lewis Roca represented Rose at trial and on appeal, both of which were decided in favor of Treasure Island.

- 6. Lewis Roca has submitted a late-filed claim against the Estate for \$74,030.34 for unpaid legal fees it incurred representing Rose in the Treasure Island case. Most of those fees relate to work performed at Dragul's request and before the Receiver was appointed.
- 7. After the Nevada Court of Appeals rendered its decision on June 6, 2019, at the Receiver's request, Lewis Roca performed legal services for the Estate that resulted in the Estate receiving \$350,000 from the cash appeal bond Rose had posted, notwithstanding that Treasure Island had a legitimate claim to retain the entire \$850,000 bond. See Receiver's Motion to Approve Settlement Agreement with Treasure Island, LLC (filed July 8, 2019).
- 8. The legal services Lewis Roca performed at the Receiver's request and which the Receiver seeks authority to pay as an administrative expense are detailed in the time entries on Exhibit 1, and are as follows:

Inv.#	Hours	Amount
1322884	.4	166.00
1326253	.2	33.00
1330830	.3	192.50
1314894	5.9 (entries from 6/13-6/24/19)	2,448.50
Total	ora ir io)	2,840.00

9. The services Lewis Roca performed at the Receiver's request, and which the Receiver requests authority to pay as an administrative expense, substantially contributed to the Estate receiving \$350,000.

WHEREFORE, the Receiver asks the Court to grant this Motion and approve the payment of \$2,840.00 to Lewis Roca as an administrative expense.

Dated: January 3, 2020.

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.

By: /s/ Michael T. Gilbert

Patrick D. Vellone Michael T. Gilbert Rachel A. Sternlieb

1600 Stout Street, Suite 1100

Denver, Colorado 80202

(303) 534-4499

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ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on January 3, 2020, I served a true and correct copy of the foregoing **RECEIVER'S MOTION FOR** ALLOWANCE **OF ADMINISTRATIVE EXPENSE** via CCE to the following:

Robert W. Finke Sueanna P. Johnson Ralph L. Carr Judicial Building 1300 Broadway, 8th Floor Denver, Colorado 80203 Sueanna.Johnson@coag.gov Robert.Finke@coag.gov

Counsel for David S. Cheval, Acting Securities Commissioner for the State of Colorado Jeffery A. Springer, Esq. Springer and Steinberg P.C. 1600 Broadway, Suite 1200 Denver, Colorado 80202 jspringer@springersteinberg.com

Counsel for Defendants, Gary Dragul, GDA Real Estate Services, LLC and GDA Real Estate Management, LLC

CERTIFICATION OF E-SERVICE ON KNOWN CREDITORS

In accordance with this Court's February 1, 2019 Order clarifying notice procedures for this case, I also certify that a copy of the foregoing is being served by electronic mail on all currently known creditors of the Receivership Estate to the addresses set forth on the service list maintained in the Receiver's records.

s/Teresa Silcox Word Slow Allen Vellone Wolf Helfrich & Factor P.C.

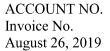


Centralized Accounting Dept. 201 East Washington Street Suite 1200 Phoenix, Arizona 85004-2595 602 262 5311 main 602 239 7486 accounting ar@lrrc.com Federal Tax ID No. 86-0095078

\$ 166.00

ACCT. NO. 302777-00001 August 26, 2019 Invoice No. 1322884 Rose, LLC a GDA Real Estate Services, LLC Elizabeth Gold, Esq. **GDA Real Estate Services, LLC** 5690 DTC Boulevard, Suite 51 Greenwood Village, CO 80111 LEGAL SERVICES RENDERED THROUGH JULY 29, 2019 Rose, LLC, adv Treasure Island, LLC 07-09-2019 A. Smith 0.1 41.50 Call with Michael Gilbert 07-09-2019 A. Smith 0.2 83.00 Follow up regarding Michael GIlbert's request for information about cash bond 07-29-2019 A. Smith 0.1 41.50 Call with Patrick Sheehan regarding stipulations **TOTAL HOURS** 0.4

TOTAL FEES



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TIMEKEEPER SUMMARY

	Billed	Hours	Billed
Timekeeper	Per Hour	Billed	Amount
A. Smith	415.00	0.4	166.00
Total All Timekeepers		0.4	\$166.00

TOTAL FEES AND ADVANCES

\$166.00 (U.S. FUNDS)



Centralized Accounting Dept. 201 East Washington Street Suite 1200 Phoenix, Arizona 85004-2595 602 262 5311 main 602 239 7486 accounting ar@lrrc.com

Federal Tax ID No. 86-0095078

1326253

ACCT. NO. 302777-00001

September 24, 2019

Invoice No. Rose, LLC a GDA Real Estate Services, LLC

Elizabeth Gold, Esq. GDA Real Estate Services, LLC

 $5690\ DTC\ Boulevard,\ Suite\ 51$

Greenwood Village, CO 80111

LEGAL SERVICES RENDERED THROUGH AUGUST 6, 2019

Rose, LLC, adv Treasure Island, LLC

08-02-2019	A. Smith	0.1	41.50
	Call Gary Dragul regarding stipulations		

08-06-2019 J. Helm 0.2 33.00

Correspond with opposing regarding dismissal of appeal and underlying action

TOTAL HOURS 0.3

TOTAL FEES \$ 74.50



TIMEKEEPER SUMMARY

	Billed	Hours	Billed
Timekeeper	Per Hour	Billed	Amount
A. Smith	415.00	0.1	41.50
J. Helm	165.00	0.2	33.00
Total All Timekeepers		0.3	\$74.50

TOTAL FEES AND ADVANCES

\$74.50 (U.S. FUNDS)

Centralized Accounting Dept. 201 East Washington Street Suite 1200 Phoenix, Arizona 85004-2595

602 262 5311 main 602 239 7486 accounting ar@lrrc.com Federal Tax ID No. 86-0095078

1330830

\$ 76.23

ACCT. NO. 302777-00001 October 23, 2019 Invoice No.

Rose, LLC a GDA Real Estate Services, LLC Elizabeth Gold, Esq.

5690 DT	GDA Real Estate Services, LLC 5690 DTC Boulevard, Suite 51 Greenwood Village, CO 80111			
LEGAL SERVIC	CES RENDERED THROUGH SEPTEMBER 18, 2019			
Rose, LLC, adv	Γreasure Island, LLC			
09-18-2019	D. Polsenberg In-person attendance of hearing with Judge on release of funds	0.2	151.00	
09-18-2019	A. Smith Call with Judge Gonzalez regarding release of bond	0.1	41.50	
	TOTAL HOURS	0.3		
	TOTAL FEES		\$ 192.50	
ADVANCES				
09-20-2019	Messenger Services		30.00	
09-25-2019	Fedex		46.23	

TOTAL ADVANCES



TIMEKEEPER SUMMARY

	Billed	Hours	Billed
Timekeeper	Per Hour	Billed	Amount
D. Polsenberg	755.00	0.2	151.00
A. Smith	415.00	0.1	41.50
Total All Timekeepers		0.3	\$192.50

ADVANCE SUMMARY

Description	Amount
Messenger Services	30.00
Federal Express	46.23
Total Advances	\$ 76.23

TOTAL FEES AND ADVANCES

\$268.73 (U.S. FUNDS)

Centralized Accounting Dept. 201 East Washington Street Suite 1200 Phoenix, Arizona 85004-2595

602 262 5311 main 602 239 7486 accounting ar@lrrc.com Federal Tax ID No. 86-0095078

ACCT. NO. 302777-00001

June 27, 2019

Invoice No.

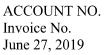
1314894

Rose, LLC a GDA Real Estate Services, LLC Elizabeth Gold, Esq. **GDA Real Estate Services, LLC** 5690 DTC Boulevard, Suite 51 Greenwood Village, CO 80111

LEGAL SERVICES RENDERED THROUGH JUNE 24, 2019

Rose, LLC, adv Treasure Island, LLC

05-09-2019	A. Smith Call with Ms. K. Willis regarding receivership and collection	0.3	124.50
05-29-2019	A. Smith Prepare claims form	0.6	249.00
06-06-2019	A. Smith Review Court of Appeals' opinion, draft e-mail recommending rehearing and petition for Supreme Court review	1.9	788.50
06-07-2019	A. Smith Draft petition for rehearing (distinguish substantial compliance from strict compliance and actual notice)	0.9	373.50
06-13-2019	A. Smith Call with Michael Gilbert (receiver's counsel) regarding petition rehearing	0.2 for	83.00
06-18-2019	A. Smith Draft motion for extension on petition for rehearing (preview arguments on rehearing, invalidity of cited authorities, inconsistency with Nevada law)	4.4	1,826.00
06-24-2019	A. Smith Draft joint motion for extension	1.3	539.50
	TOTAL HOURS	9.6	
	TOTAL FEES		\$ 3,984.00



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TIMEKEEPER SUMMARY

	Billed	Hours	Billed
Timekeeper	Per Hour	Billed	Amount
A. Smith	415.00	9.6	3,984.00
Total All Timekeepers		9.6	\$3,984.00

TOTAL FEES AND ADVANCES

\$3,984.00 (U.S. FUNDS)