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15 UNITED STATES DISTRICT COURT  
 16 CENTRAL DISTRICT OF CALIFORNIA

17 SECURITIES AND EXCHANGE  
 18 COMMISSION,

19 Plaintiff,

20 v.

21 ROBERT YANG; et al.,

22 Defendants.

23 and

24 YANROB'S MEDICAL, INC.; et al.,

25 Relief Defendants.

Case No. 5:15-CV-02387-SVW (KKx)

DECLARATION OF RECEIVER,  
 STEPHEN J. DONELL, IN SUPPORT  
 OF THIRD INTERIM APPLICATIONS  
 FOR PAYMENT OF FEES AND  
 REIMBURSEMENT OF EXPENSES OF  
 (1) RECEIVER, STEPHEN J. DONELL;  
 AND (2) RECEIVER'S COUNSEL,  
 ALLEN MATKINS LECK GAMBLE  
 MALLORY & NATSIS LLP

[Notice of Applications for Payment of  
 Fees and Reimbursement of Expenses;  
 Third Interim Application of Allen  
 Matkins; Third Interim Application of  
 Receiver; Memorandum of Points and  
 Authorities; and [Proposed] Order  
 submitted concurrently herewith]

Date: February 27, 2017  
 Time: 1:30 p.m.  
 Ctrm: 10A  
 Judge: Hon. Stephen V. Wilson

**DECLARATION OF STEPHEN J. DONELL**

I, Stephen J. Donell, declare as follows:

1. I am the receiver appointed by this Court for Defendants Suncor Fontana, LLC, Suncor Hesperia, LLC, Suncor Care Lynwood, LLC, and their respective subsidiaries and affiliates (collectively, the "Receivership Entities" or "Entities"). I make this Declaration in support of the concurrently filed applications for payment of fees and reimbursement of expenses (the "Applications") of myself, and Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"), my counsel of record. I have personal knowledge of the facts set forth herein and, if called to testify, could testify competently thereto.

2. As reflected in my Initial Report of Receiver (Dkt. No. 20), in my First Quarterly Status Report (Dkt. No. 53), and in my Second Quarterly Status Report (Dkt No. 129), since my appointment as Receiver I have, among many other things:

- Continued to administer the estates of the Receivership Entities (collectively, the "Estate"), funded via approximately \$2.4 million in cash recoveries;
- Confirmed the amount and location of nearly \$3 million in cash assets potentially available for recovery and subject to turn-over requirements of the Appointment Order, in the form of approximately \$2.5 million in cash deposits (\$2.4 million of which have been turned over, with further proceedings pending as to \$2 million of this total) and \$250,000 in investor funds paid to the Metropolitan Water District of Southern California in the pre-receivership period;
- Secured the turn-over of \$2 million of the above-referenced cash deposits from Celtic Bank Corporation ("Celtic Bank"), which funds the Receiver is holding in a separate account pending a Court determination regarding competing claims to these funds;

- 1 • Continued to develop and undertake a marketing and disposition plan  
2 in connection with each of the real properties implicated in this matter,  
3 including via the engagement of real property brokers and the  
4 commencement of marketing efforts for all saleable properties
- 5 • Coordinated with Celtic Bank and with GBC International Bank ("GBC  
6 Bank") regarding the abandonment of two of the real properties  
7 implicated in this matter;
- 8 • Identified two real properties determined to be "underwater," and  
9 subject to immediate abandonment, and prepared and filed a motion for  
10 authority to complete an abandonment of those properties, ultimately  
11 resulting in the Court-approved abandonment of these properties during  
12 Application Period;
- 13 • Identified a pre-receivership purchase and sale agreement ("PSA") for  
14 another real property which the Receiver determined should be  
15 abandoned, ultimately resulting in Court approval of the PSA's  
16 abandonment;
- 17 • Prepared and submitted my Second Quarterly Status Report;
- 18 • Continued to monitor and participate in all pending state court litigation  
19 matters affecting or relating to the Receivership Entities, and  
20 maintained the status quo in such matters; and
- 21 • Communicated with investors (and counsel for investors) in the  
22 Receivership Entities regarding the status of the receivership, issues  
23 relating to investor immigration petitions, and registration via the  
24 Receiver's website.

25 3. I have reviewed the Applications, and I believe the fee and expense  
26 requests therein to be fair and reasonable, and an accurate representation of the work  
27 performed for the benefit of the Receivership Entities. I have likewise determined  
28 that the Estate has actually benefited from the services rendered.

