

IN THE SUPERIOR COURT OF FULTON COUNTY  
STATE OF GEORGIA

STATE OF GEORGIA ex rel. JOHN D.	)	
SOURS, Administrator of the Fair Business	)	
Practices Act,	)	
	)	CIVIL ACTION FILE
Petitioner,	)	NO. 2012-CV-217825
	)	
v.	)	
	)	
INTERNATIONAL ESTATE BROKERS, LLC	)	
d/b/a WATCH BROKERS and d/b/a	)	
WEBUYWATCHES.COM; and RONALD	)	
L. BERGH, III, individually,	)	
	)	
Respondents.	)	
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**RECEIVER'S REPORT FOR AUGUST, 2013**

Christopher Tierney, a Managing Director of Hays Financial Consulting, LLC, as the court-appointed Receiver for the Respondents (collectively "Watch Brokers") files his Report for the period from August 1, 2013 through August 31, 2013 showing the Court as follows:

**INTRODUCTION**

1. The Receiver was appointed pursuant to the Order Appointing Receiver ("Order") entered by the Court on September 19, 2012. Per the Order, the Receiver's general duties were to manage, maintain, preserve and protect the property of the Respondents while this action is pending, including without limitation, to take immediate custody and control of the property; to maintain, operate, and improve as necessary the same; and to collect, hold and preserve any rents, issues, profits and revenues therefrom. The property, combined with all receipts and other assets, will hereafter be defined as the "Receiver Estate" or the "Estate".

**OVERVIEW OF THE RECEIVER'S ACTIVITIES FOR THE PERIOD IN QUESTION**

1. The following narrative is an overview of the activities that the Receiver and his team undertook during this period of the Receivership:
  - a. The Receiver and members of his team continued to field phone and email queries from individuals regarding their watch, the status of the case, and what next steps the case would be taking. All of these inquiries came from consignors whose watches were sold by the Respondents prior to the Receiver's appointment in this case. At this time the Receiver cannot confirm that he has been able to reach every single potential claimant as the records at his disposal may not be complete or accurate. The Receiver has been updating his contact database as information is obtained from communication with individuals involved with this case.
  - b. Regular communication and meetings with the Petitioner and its counsel regarding a variety of issues including, but not limited to, property found on the premises, the status and compilation of physical books and records, the status and compilation of electronic data found on the premises, and issues arising out of the Receiver's investigation.
  - c. The Receiver drafted and submitted his monthly report to the Court.
  - d. The Receiver and his team maintained the Estate's accounting and handled any other administrative issues that arose in the Receiver's management of this case. .
  - e. The Receiver paid all lingering estate bills during the month. The Receiver is reviewing checks still outstanding to determine if any of them

require a follow-up call to the claimant. If any of these require some follow-up it will be minor as the number of checks is estimated to be around a dozen or less.

### **OVERVIEW OF THE ESTATE'S FINANCES FOR THE PERIOD IN QUESTION**

2. For the period in question the Estate generated \$6,826.71 in income from expense reimbursement from the State to cover the cost of the on-going case.
3. Expenses paid during the period totaled \$10,368.88 and were principally comprised of the following: 1) professional fees for the Receiver and his counsel, and 2) payment of a final utility bill associated with the Receiver's use of the Defendant's former retail location.
4. Detailed income and expense statements are attached as Exhibit "A" for the period from August 1 through August 31, 2013. Exhibit "B" references the year-to-date period from September 19, 2012 through August 31, 2013.

**PROFESSIONAL FEES AND EXPENSES**

5. The Receiver and his team worked a total of 5.8 hours and incurred gross fees and expenses of \$1,429.87 during the month of August.
6. For the reporting period, the Receiver and his team billed at an average of \$245.69/hour versus the capped rate of \$250.00/hour.

Respectfully submitted this 30th day of September, 2013.

A handwritten signature in black ink, appearing to read "Christopher Tierney". The signature is fluid and cursive, with the first name being more prominent.

Christopher Tierney,

Receiver for International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a

WeBuyWatches.com.

**Exhibit B**  
**International Estate Brokers, LLC - Receivership**  
**Profit & Loss**  
**August 2013**

	<u>Aug 13</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
GA OCP Reimbursement	6,826.71
<b>Total Income</b>	<u>6,826.71</u>
<b>Gross Profit</b>	6,826.71
<b>Expense</b>	
Bank Service Charges	120.00
Legal Fees	1,509.08
Office Supplies	372.30
Postage Expense	121.91
Professional Fees	6,332.50
Utilities	1,913.09
<b>Total Expense</b>	<u>10,368.88</u>
<b>Net Ordinary Income</b>	<u>-3,542.17</u>
<b>Net Income</b>	<u><u>-3,542.17</u></u>

**Exhibit B**  
**International Estate Brokers, LLC - Receivership**  
**Profit & Loss**  
**August 2013**

	<b>Aug 13 PTD</b>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Consigned Watch Sales	83,592.00
GA OCP - Expense Reimbursement	0.00
GA OCP Reimbursement	284,063.89
Hays Financial - furn. purchase	375.00
Return Fees	9,600.00
Sale of Furniture and Equipment	10,000.00
Petty Funds	70.00
<b>Total Income</b>	<b>387,700.89</b>
<b>Gross Profit</b>	<b>387,700.89</b>
<b>Expense</b>	
Bank Service Charges	177.11
Computer and Internet Expenses	375.00
Courier Expense	10.89
Fax Expense	24.00
Insurance Expense	6,313.00
Legal Fees	68,605.22
Office Supplies	4,510.46
Pmt for Consigned Watches Sold	64,715.56
Postage Expense	1,981.21
Professional Fees	188,075.20
Rent Expense	10,000.00
Repairs and Maintenance	4,489.35
Security Expense	1,843.66
Utilities	1,913.09
<b>Total Expense</b>	<b>353,033.75</b>
<b>Net Income</b>	<b>34,667.14</b>