

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,)	
)	
Petitioner,)	CIVIL ACTION FILE
)	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.)	
)	

RECEIVER’S REPORT FOR JANUARY, 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 January 1, 2013 through January 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 fielded dozens of phone and email queries from individuals who allege to either have had watches sold by Watch Brokers and failed to receive any proceeds, or who believe that their watch may be in the possession of the Receiver. 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 daily 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 and his team regularly visited Watch Brokers’ retail location to address issues related to the pending case and maintain the existing consignor watch inventory.

- d. The Receiver and his legal counsel spent a significant amount of time formulating a plan to wind-down the business and address the claim issues for all of the people involved in dealings with Watch Brokers. This included significant negotiations and discussions with the Petitioner and its counsel, as well as a third party who is interested in acquiring the Estate's assets and who will be making an offer to individual watch owners to acquire their watches. These discussions concluded this month and the Receiver filed his plan with the court. The Receiver expects to meet with the Judge in February to discuss noticing protocol so that we may notice all parties as quickly as possible.
- e. The Receiver and his counsel also began discussions with the landlord for the Defendant's retail location regarding the Receiver's desire to remain in the location until the plan is executed and closed. The Receiver expects that these discussions will be finalized in February.
- f. The Receiver drafted and submitted his monthly report to the Court.
- g. The Receiver and his team maintained the Estate's accounting and insurance and handled any other administrative issues that arose in the Receiver's management of this case.

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

2. For the period in question the Estate generated no real income. Expenses paid during the month totaled \$24,514.03 and were paid via funds received by the Petitioner. The majority of this was related to professional fees for the month of December for the Receiver and his team, as well as legal counsel.
3. The Receiver's fees and expenses for January will be shown when they are actually paid.
4. Detailed income and expense statements are attached as Exhibit "A" for the period from January 1 through January 31, 2013. Exhibit "B" references the year-to-date period from September 19 through January 31, 2013. Net income shown is due to timing issue as the Estate is basically operating at a break-even.

PROFESSIONAL FEES AND EXPENSES

5. The Receiver and his team worked a total of 40.5 hours and incurred gross fees and expenses of \$8,885.89, during the month of December.
6. For the reporting period, the Receiver and his team billed at an average of \$219.14/hour versus the capped rate of \$250.00/hour.

Respectfully submitted this 28th day of February, 2013.



Christopher Tierney,

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

WeBuyWatches.com.

Exhibit A
International Estate Brokers, LLC - Receivership
Profit & Loss
January 2013

	Jan 13
Ordinary Income/Expense	
Income	
GA OCP Reimbursement	24,514.03
Total Income	24,514.03
 Gross Profit	 24,514.03
Expense	
Bank Service Charges	25.00
Courier Expense	10.89
Fax Expense	24.00
Insurance Expense	829.42
Legal Fees	3,381.00
Office Supplies	11.85
Postage Expense	0.45
Professional Fees	18,200.00
Total Expense	22,482.61
Net Ordinary Income	2,031.42
Net Income	2,031.42

Exhibit B
International Estate Brokers, LLC - Receivership
Profit & Loss
January 2013 YTD

	Jan 13 PTD
Ordinary Income/Expense	
Income	
GA OCP Reimbursement	103,113.85
Total Income	103,113.85
 Gross Profit	 103,113.85
Expense	
Bank Service Charges	57.11
Computer and Internet Expenses	375.00
Courier Expense	10.89
Fax Expense	24.00
Insurance Expense	3,351.64
Legal Fees	3,381.00
Office Supplies	3,236.88
Postage Expense	49.50
Professional Fees	83,747.70
Repairs and Maintenance	2,561.85
Security Expense	949.93
Total Expense	97,745.50
Net Ordinary Income	5,368.35
Net Income	5,368.35