

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.)	
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RECEIVER’S REPORT FOR JULY, 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 July 1, 2013 through July 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. All outstanding sales checks have a must-cash date of July 31, 2013 to allow consignors sufficient time to cash their sale check. Checks not cashed by this date will be retained by the Estate.
 - c. The Receiver sent out letters to all vendors with whom he did business during the wind-down of the business to obtain close-out invoices so that there would be no lingering payment issues.
 - d. 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.

- e. The Receiver fielded calls from insurance carriers regarding claims made by claimants for their watch.
- 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. Now that the operating business has been closed and all assets have been liquidated, the Receiver will cancel the insurance he was carrying.
- h. As the Receiver wound down the company, he evaluated any lingering issues which will ultimately need to be addressed. Particularly, this included any utility, sewer, and other property-related costs during the period of the receivership which have yet to be finalized and paid. The Receiver expects that he will have a lingering power bill that will need to be paid, otherwise there should not be any other vendor bills remaining.

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

- 2. For the period in question the Estate generated \$11,769.64 in income from expense reimbursement from the State to cover the cost of the on-going case.
- 3. Expenses paid during the period totaled \$12,324.02 and were principally comprised of the following: 1) professional fees for the Receiver and his counsel, and postage expense related to watches that were returned to their owners.

4. Detailed income and expense statements are attached as Exhibit "A" for the period from July 1 through July 31, 2013. Exhibit "B" references the year-to-date period from September 19, 2012 through July 31, 2013.

PROFESSIONAL FEES AND EXPENSES

5. The Receiver and his team worked a total of 15.5 hours and incurred gross fees and expenses of \$3,834.57 during the month of July.
6. For the reporting period, the Receiver and his team billed at an average of \$231.29/hour versus the capped rate of \$250.00/hour.

Respectfully submitted this 29th day of August, 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
July 2013

	Jul 13
Ordinary Income/Expense	
Income	
GA OCP Reimbursement	11,769.64
Total Income	11,769.64
Gross Profit	11,769.64
Expense	
Insurance Expense	-386.32
Legal Fees	965.70
Office Supplies	61.38
Pmt for Consigned Watches Sold	-25.00
Postage Expense	960.01
Professional Fees	10,748.25
Total Expense	12,324.02
Net Ordinary Income	-554.38
Net Income	-554.38

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

	Jul 13 PTD
Ordinary Income/Expense	
Income	
Consigned Watch Sales	83,592.00
GA OCP - Expense Reimbursement	0.00
GA OCP Reimbursement	259,359.28
Hays Financial - furn. purchase	375.00
Return Fees	9,600.00
Sale of Furniture and Equipment	10,000.00
Petty Funds	70.00
Total Income	362,996.28
Gross Profit	362,996.28
Expense	
Bank Service Charges	57.11
Computer and Internet Expenses	375.00
Courier Expense	10.89
Fax Expense	24.00
Insurance Expense	6,313.00
Legal Fees	63,715.14
Office Supplies	3,860.91
Pmt for Consigned Watches Sold	64,715.56
Postage Expense	1,859.30
Professional Fees	168,181.48
Rent Expense	10,000.00
Repairs and Maintenance	4,489.35
Security Expense	1,185.23
Total Expense	324,786.97
Net Income	38,209.31