

<p>Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Linda F. Cantor (CA Bar No. 153762) Pachulski Stang Ziehl & Jones LLP 10100 Santa Monica Boulevard, 13th Floor Los Angeles, CA 90067 Telephone: 310/277-6910 Facsimile: 310/201-0760 Email: lcantor@pszjlaw.com</p> <p>Proposed Attorneys for Weneta Kosmala, Chapter 7 Trustee</p> <p><input checked="" type="checkbox"/> Attorney for Movant <input type="checkbox"/> Movant(s) appearing without an attorney</p>	<p>FOR COURT USE ONLY</p>
<p>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION</p>	
<p>In re:</p> <p>THE TULVING COMPANY, INC., a California corporation,</p> <p>Debtor(s).</p>	<p>CASE NO.: 8:14-bk-11492-ES</p> <p>CHAPTER: 7</p> <p>NOTICE OF MOTION AND MOTION UNDER LBR 2016-2 FOR APPROVAL OF CASH DISBURSEMENTS BY THE TRUSTEE; OPPORTUNITY TO REQUEST HEARING; AND DECLARATION OF TRUSTEE</p> <p>[No hearing unless requested under LBR 9013-1(o)]</p>

TO PARTIES IN INTEREST:

PLEASE TAKE NOTICE that the duly-appointed chapter 7 trustee has filed the following motion for court approval of the trustee's request to make cash disbursements. The court may grant the motion authorizing expenditure of estate funds without a hearing unless you file with the court and serve upon the trustee and the United States trustee a written objection to the motion explaining all of the reasons for the opposition WITHIN 14 DAYS AFTER THE DATE OF SERVICE OF THIS NOTICE OF MOTION AND MOTION, plus 3 additional days if you were served by mail, electronically, or pursuant to F.R.Civ.P. 5(b)(2)(D), (E), or (F). If an objection is timely filed, the trustee will set the matter for hearing and notify you of the date and time of the hearing. Failure to object may be deemed consent to interim authorization of the expenses requested by the trustee.

The trustee moves for an order authorizing cash disbursements from property of the estate as follows:

1. A brief summary of the case is attached as Exhibit A.
2. The estimated date for submitting a final report is unknown at this time.

3. Cash disbursements period: June 1, 2016 to August 31, 2016
4. A detailed analysis and justification of the trustee's expenses is included in Exhibit B.
5. Final approval of all expenditures will be sought when the trustee files a Final Account and Report (including those paid in accordance with LBR 2016-2).

Date: June 15, 2016

/s/ Linda F. Cantor

Linda F. Cantor

Proposed Attorneys for Weneta M. A. Kosmala, Chapter
7 Trustee

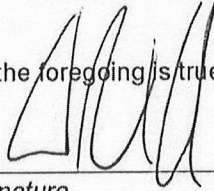
DECLARATION OF TRUSTEE

I, Weneta M. A. Kosmala, the duly appointed chapter 7 trustee, have prepared the foregoing motion to make cash disbursements and believe the amounts specified in each category are reasonable and necessary for an effective and efficient administration of the estate. If this motion proves to be inaccurate or infeasible, I will submit corrected motions as necessary.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 14, 2016
Date

Weneta M.A. Kosmala
Printed Name


Signature

This form is optional. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

EXHIBIT A

BRIEF SUMMARY OF CASE:

This cash disbursement motion is filed pursuant to LBR 2016-2 of the United States Bankruptcy Court, Central District of California.

Background:

The Tulving Company, Inc. ("Debtor") is a California corporation. The Debtor was in the business of selling and purchasing gold, silver, coins, bullion, and other precious metals through its internet website or by phone. Prior to the filing of the bankruptcy, customer complaints concerning delayed or undelivered orders were increasingly made to the Better Business Bureau against the Debtor and in early March, 2014, a class-action lawsuit was filed against the Debtor and Hannes Tulving, Jr., the Debtor's principal ("Tulving") in the United States District Court, Northern District of California. A criminal investigation of the Debtor and Tulving by the Government was also being pursued at that time.

The Debtor ceased operations on or about March 3, 2014. On March 8, 2014, Special Agents of the United States Secret Service executed a Search Warrant on the Debtor's offices on probable cause that the Debtor and Tulving were engaged in fraud. The execution of the Search Warrant resulted in the seizure of rare coins and other valuable items of the Debtor (the "Seized Coins").

The Debtor commenced this case by the filing of a voluntary petition for relief under chapter 11 of the Bankruptcy Code on March 10, 2014. In light of a pending criminal investigation and other ongoing litigation against the Debtor, on March 18, 2014, the United States Trustee filed a *Stipulation Appointing Chapter 11 Trustee* [Docket No. 15] which was approved by the Bankruptcy Court on March 18, 2014 [Docket No. 16] and on March 21, 2014, an Order was entered approving the *U.S. Trustee's Application for the Appointment of a Chapter 11 Trustee, appointing R. Todd Neilson as Trustee of the Debtor's estate* [Docket No. 22]. Two months later, upon notice and hearing, the Trustee moved to convert this case to a chapter 7 and R. Todd Neilson was appointed to serve as the chapter 7 Trustee (the "Former Trustee") [Docket 108]. On March 22, 2016, the Former Trustee filed his Withdrawal of Trustee [Docket 564]. On April 1, 2016, the UST filed its Notice of Appointment of Trustee and Fixing Bond appointing Weneta M. A. Kosmala as the successor chapter 7 Trustee [Docket 566] (the "Chapter 7 Trustee").

Mediation Expenses:

On or about March 14, 2016, the Former Trustee filed a complaint against Armen Haig Gugasian ("Defendant"), bearing adversary number 8:16-ap-01083-ES seeking the avoidance and recovery of fraudulent transfers and objections to claims (the "Action"). The Former Trustee alleged, among other things, that the Debtor made a series of payments to or for the benefit of Defendant as purported compensation for consulting services provided by Defendant to or for the benefit of Debtor when Defendant in reality had provided no such services, or anything else of value.

Subsequent to the filing of the Action and the appointment of the Chapter 7 Trustee but prior to the commencement of discovery, the parties discussed mediation and, as a result, have agreed to mediate the matter in the next 60 days (the "Mediation"). The Mediation is scheduled for August 10, 2016 and the selected mediator is Robbin L. Itkin. Assuming the mediation spans a full day (8 hours) and potential preparation time (2 hours), Ms. Itkin's Mediation fees (\$730 / hour) may total up to approximately \$7,300.00 (the "Mediation Fees"). The Defendant and the Chapter 7 Trustee have agreed to share the cost of the Mediation Fees. Therefore, the Chapter 7 Trustee is seeking authorization to disburse funds to Ms. Itkin of up to \$3,650.00 to cover the estate's portion of the Mediation Fees.

This form is optional. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Travel Expenses:

The Former Trustee sought and obtained authorization to retain Heritage Numismatic Auctions, Inc., d/b/a/ Heritage Auctions and to sell certain of the Seized Coins out of the ordinary course of business. [Docket Nos. 391 and 450.] The Debtor's coins, which had been transferred from the Delaware Depository after their release by the Department of Justice, were inventoried by Heritage Auctions and separated into two groups: (a) coins to be auctioned, and (b) Error-coins to be distributed to creditors in accordance with prior orders of the Bankruptcy Court. The Chapter 7 Trustee and two of her accountants and financial advisors from Berkeley Research Group, LLC ("BRG"), traveled to Dallas, Texas to closely oversee the final two days of the auction process (June 9 - June 10, 2016), and to review and inventory the Error-coins.

The Chapter 7 Trustee and the two BRG professionals each incurred out-of-pocket costs relating to their travel to Heritage Auctions including costs for airfare, hotel and auto transportation (collectively, the "Travel Costs"). The Chapter 7 Trustee does not anticipate that fee applications will be filed in the near future in this Case. Therefore, the Chapter 7 Trustee seeks authorization to reimburse, up to \$2,000.00 per person, the Travel Costs, upon submittal of invoices documenting the Travel Costs. Notwithstanding the reimbursements sought herein, the Travel Costs will remain subject to final approval by the Bankruptcy Court at such time as the Chapter 7 Trustee and BRG file their respective fee applications in this Case.

Funds in the Estate:

As of June 14, 2016, there is a total of \$441,268.61 in funds held by the estate. There are no known secured claims against the estate's assets and no party has asserted an interest in cash collateral. In addition to cash on hand, the estate holds substantial accounts receivable against former clients of the Debtor, as well as potentially valuable causes of action and other claims against third parties, including, but not limited to, certain avoidance actions, and other claims which must be liquidated for the benefit of creditors.

Exhibit B

Expenses During the Cash Disbursement Period

Mediation Expenses:

\$3,650.00 (Estate's 50% portion of Mediation Fees payable in August, 2016 for the services of the Mediator for the Mediation scheduled for August 10, 2016).

Travel Expenses:

Up to \$6,000.00 for out-of-pocket costs for airfare, hotel, car/taxi expenses (capped at \$2,000.00 per person for Chapter 7 Trustee and two financial advisors) upon submittal of invoices documenting expenses.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067**

A true and correct copy of the foregoing document entitled **NOTICE OF MOTION AND MOTION UNDER LBR 2016-2 FOR APPROVAL OF CASH DISBURSEMENTS BY THE TRUSTEE; OPPORTUNITY TO REQUEST HEARING; AND DECLARATION OF TRUSTEE** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. **On June 15, 2016**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On **On June 15, 2016**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **On June 15, 2016**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via Federal Express

The Honorable Erithe A. Smith
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5040
Santa Ana, CA 92701-4593

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 15, 2016

Date

Janice G. Washington

Printed Name

/s/Janice G. Washington

Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):**

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Levon Gugasian
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Linda F Cantor, ESQ on behalf of Other
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David L Gibbs on behalf of Creditor Kenneth
W Stach

United States Trustee (SA)
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This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

2. SERVED BY UNITED STATES MAIL:

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