

Peggy Hunt (Utah #6060)  
Sarah Goldberg (Utah #13222)  
John J. Wiest (Utah #15767)  
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*Attorneys for Court-Appointed Receiver Peggy Hunt*

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

TRAFFIC MONSOON, LLC, a Utah limited  
liability company, and CHARLES DAVID  
SCOVILLE, an individual,

Defendants.

**RECEIVER'S *EX PARTE* MOTION FOR  
RECONSIDERATION OF ORDER  
CONDITIONALLY GRANTING  
RECEIVER'S *EX PARTE* MOTION  
SEEKING AUTHORIZATION (1) TO  
EMPLOY GREENBERG TRAUIG,  
LLP, AS RECEIVER'S COUNSEL AND  
(2) TO RETAIN DORSEY & WHITNEY  
LLP AS SPECIAL COUNSEL ON A  
LIMITED MATTER AND  
MEMORANDUM IN SUPPORT**

2:16-cv-00832-JNP

The Honorable Jill N. Parrish

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Peggy Hunt, as Court-appointed Receiver (the “Receiver”) for Traffic Monsoon, LLC, and all assets of Charles D. Scoville obtained directly or indirectly from Traffic Monsoon (the “Receivership Estate”), hereby requests that the Court reconsider its *Order Conditionally Granting Receiver’s Ex Parte Motion Seeking Authorization (1) to Employ Greenberg Traurig, LLP, as Receiver’s Counsel and (2) to Retain Dorsey & Whitney LLP as Special Counsel on a*

*Limited Matter* [Docket No. [258](#)] (the “Order”). Specifically, the Receiver requests that the Court reconsider the rate limitations set forth in paragraph 2 of the Order. A proposed form of order is attached hereto as **Exhibit 1**. This Motion is supported by the *Declaration of Sarah Goldberg* (the “Goldberg Declaration”) and the *Declaration of John J. Wiest* (the “Wiest Declaration”) attached hereto as **Exhibits 2 and 3**, respectively, and which are incorporated herein by reference.

### **SUMMARY OF EVIDENCE AND DISCUSSION**

In paragraph 2 of the Order, the Court states:

The Receiver is **AUTHORIZED** to engage Greenberg Traurig, LLP, as her counsel in this case as to all matters except the allowance and treatment of PayPal’s claim against the Receivership Estate, effective as of May 7, 2020. But attorneys Sarah Goldberg and John Wiest may not bill at an hourly rate that exceeds the rate that they previously charged in this case (\$345 per hour for Sarah Goldberg and \$330 per hour for John Wiest).

Based on the evidence set forth in the Goldberg Declaration and the Wiest Declaration, the Receiver submits that the limitations on Ms. Goldberg and Mr. Wiest’s rates are not consistent with their standard billing rates previously charged at Dorsey & Whitney LLP (“Dorsey”) and are not commensurate with the rates of attorneys with similar experience in the Salt Lake City legal market. While the Receiver appreciates the Court’s concern that rates at an international firm such as Greenberg Traurig, LLP (“GT”), may exceed those of rates charged in this market, the Receiver submits that they do not, and indeed they are Salt Lake City market

rates as evidenced by the fact that they are the rates Dorsey charged for Ms. Goldberg and Mr. Wiest's services.<sup>1</sup>

For the reasons set forth in the *Receiver's Ex Parte Motion Seeking Authorization (1) to Employ Greenberg Traurig, LLP, as Receiver's Counsel and (2) to Retain Dorsey & Whitney LLP as Special Counsel on a Limited Matter* [Docket No. [245](#)], which is incorporated herein, the Receiver submits that the employment of GT, and in particular the services of Ms. Goldberg and Mr. Wiest, will result in the most effective and efficient representation of the Receiver in this case. Accordingly, the Receiver requests that the Court reconsider its ruling and authorize GT to charge standard hourly rates for Ms. Goldberg and Mr. Wiest.

***Ms. Goldberg***

Details about Ms. Goldberg's experience and billing rates are set forth in the Goldberg Declaration, but a brief snapshot is set forth here. Ms. Goldberg is a 2010 law school graduate. She served two clerkships, one with the Supreme Court of Colorado and one with the Tenth Circuit Court of Appeals. Goldberg Declaration ¶ 4. She has significant experience in providing the types of legal services that the Receiver will require of GT in this case. *Id.* at ¶ 5. At the time that Ms. Goldberg left Dorsey and joined GT her standard hourly rate was \$430, and this is also her current hourly rate at GT. *Id.* at ¶¶ 8-9. The \$345 per hour billing rate that the Court relied on in the Order was Ms. Goldberg's hourly rate in 2017. *Id.* at ¶ 7. Moreover, Ms. Goldberg will be assuming the role of lead counsel in this case and related litigation. The attorneys at Dorsey who

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<sup>1</sup> The Receiver's lead counsel at Dorsey had hourly rates of \$550 and \$450. These rates, while well within market, are significantly higher than the GT team that the Receiver is employing now.

were fulfilling these roles had billing rates of \$450 and \$550 per hour, respectively. Ms. Goldberg's current, proposed billing rate of \$430 per hour is significantly below these rates.

***Mr. Wiest***

Details about Mr. Wiest's experience and billing rates are set forth in the Wiest Declaration, but a brief snapshot is set forth here. Mr. Wiest is a 2015 law school graduate. He has significant experience in providing the types of legal services that the Receiver will require of GT in this case and has worked with the Receiver on this case since her appointment. Wiest Declaration ¶ 4. At the time that Mr. Wiest left Dorsey and joined GT his standard hourly rate was \$360, and this is also his current hourly rate at GT. *Id.* at ¶ 6-7. In the most recent fee applications that the Receiver filed with the Court, Mr. Wiest was being billed at a reduced rate of \$330 per hour in order to accommodate the fact that lead litigation counsel was billing time at over \$500 an hour. This is no longer the case at GT, as Ms. Goldberg will be taking on the role of lead litigation counsel and, accordingly, the Receiver believes that it is appropriate to bill Mr. Wiest at his standard rate of \$360 per hour.

The Receiver serves as a fiduciary in this case and in many others. She is very conscious of her duty to maximize returns to those who lost money and she endeavors in this case as well as all of her cases to carefully manage administrative expense. Ms. Goldberg and Mr. Wiest, who are familiar with the Receiver's objectives, understand that cases are to be staffed so as to efficiently provide services to the Receivership Estate in a manner that produces effective results. *See* Goldberg Declaration ¶ 5, Wiest Declaration ¶ 4

WHEREFORE, for the reasons set forth herein, the Receiver respectfully requests that the Court reconsider the Order and enter the proposed ordered attached hereto as Exhibit 1.

DATED this 13th day of July, 2020.

**GREENBERG TRAURIG, LLP**

/s/ Peggy Hunt

Peggy Hunt

Sarah Goldberg

John J. Wiest

*Proposed Attorneys for Receiver Peggy Hunt*

**CERTIFICATE OF SERVICE**

I hereby certify that on July 13, 2020, I caused the foregoing to be electronically filed with the Clerk of the Court using the CM/ECF system, which will send notification of the filing to all counsel of record in this case.

/s/ John J. Wiest

# Exhibit 1

*Prepared and submitted by:*

Peggy Hunt (Utah #6060)  
Sarah Goldberg (Utah #13222)  
John J. Wiest (Utah #15767)  
**GREENBERG TRAUIG, LLP**  
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[wiestj@gtlaw.com](mailto:wiestj@gtlaw.com)

*Proposed Attorneys for Court-Appointed Receiver Peggy Hunt*

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

TRAFFIC MONSOON, LLC, a Utah limited  
liability company, and CHARLES DAVID  
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Defendants.

**ORDER GRANTING RECEIVER'S *EX*  
*PARTE* MOTION FOR  
RECONSIDERATION OF ORDER  
CONDITIONALLY GRANTING  
RECEIVER'S *EX PARTE* MOTION  
SEEKING AUTHORIZATION (1) TO  
EMPLOY GREENBERG TRAUIG,  
LLP, AS RECEIVER'S COUNSEL AND  
(2) TO RETAIN DORSEY & WHITNEY  
LLP AS SPECIAL COUNSEL ON A  
LIMITED MATTER**

2:16-cv-00832-JNP

The Honorable Jill N. Parrish

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The matter before the Court is the *Receiver's Ex Parte Motion for Reconsideration of Order Granting Receiver's Ex Parte Motion Seeking Authorization (1) to Employ Greenberg Traurig, LLP, as Receiver's Counsel and (2) to Retain Dorsey & Whitney LLP as Special Counsel on a Limited Matter and Memorandum in Support* (the "Motion") submitted by Peggy



Hunt, as Court-appointed Receiver (the “Receiver”) for Traffic Monsoon, LLC, and all assets of Charles D. Scoville obtained directly or indirectly from Traffic Monsoon. In the Motion, the Receiver seeks reconsideration of the rate limitations for the Receiver’s counsel set forth in the Court’s *Order Conditionally Granting Receiver’s Ex Parte Motion Seeking Authorization (1) to Employ Greenberg Traurig, LLP, as Receiver’s Counsel and (2) to Retain Dorsey & Whitney LLP as Special Counsel on a Limited Matter* [Docket No. 258] (the “Order”).

The Court, having considered the Motion, and applicable law, and finding good cause showing,

**HEREBY ORDERS** as follows:

1. The Motion is **GRANTED**.

DATED this \_\_\_\_ day of July, 2020.

**BY THE COURT:**

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The Honorable Jill N. Parrish  
United States District Court Judge

# Exhibit 2

Peggy Hunt (Utah #6060)  
Sarah Goldberg (Utah #13222)  
John J. Wiest (Utah #15767)  
**GREENBERG TRAURIG, LLP**  
222 South Main Street, 5th Floor  
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[goldbergsa@gtlaw.com](mailto:goldbergsa@gtlaw.com)  
[wiestj@gtlaw.com](mailto:wiestj@gtlaw.com)

*Proposed Attorneys for Court-Appointed Receiver Peggy Hunt*

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

TRAFFIC MONSOON, LLC, a Utah limited  
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SCOVILLE, an individual,

Defendants.

**DECLARATION OF SARAH  
GOLDBERG**

2:16-cv-00832-JNP

The Honorable Jill N. Parrish

I, Sarah Goldberg, being of lawful age, declare and state as follows:

1. I am currently an attorney at the law firm of Greenberg Traurig, LLP (“GT”) and represent Peggy Hunt (the “Receiver”) in her capacity as receiver in this case. I joined GT in early May 2020. A true and correct copy of my GT biography is attached hereto as Exhibit A.
2. Immediately before joining GT, I was an associate attorney at Dorsey & Whitney LLP (“Dorsey”). I spent approximately 7.5 years at Dorsey before joining GT.

3. I graduated from the University of Utah, S.J. Quinney College of Law in May 2010.

4. After graduating from law school and before joining Dorsey, I spent two years clerking for appellate judges—approximately one year for Justice Nancy E. Rice on the Colorado Supreme Court and approximately one year for The Honorable Scott M. Matheson, Jr. on the U.S. Court of Appeals for the Tenth Circuit,

5. During my 7.5 years in private practice, I have focused my practice in the areas of bankruptcy and general litigation. I have significant experience representing trustees and receivers in all aspects. Specifically, I have worked extensively with the Receiver in other matters where she either serves as trustee or as lead counsel for other trustees or receivers.

6. I understand that the Receiver presently requires legal assistance in this case primarily in the areas of dealing with contested proofs of claim and clawback litigation. I further understand that these services are relatively new to this case because the Receiver was waiting for the claims process to be approved and the claims bar date to pass. The Receiver has informed me that she intends for me to serve as her senior-level counsel in these matters, and that in that role I am to assign work to less senior-level attorneys when efficient and appropriate.

7. The last time that I billed any time to this case at Dorsey was in September 2017. At that time, my billing rate at Dorsey was \$345 per hour.

8. At the time I left Dorsey in May 2020, my billing rate at Dorsey was \$430 per hour.

9. My current billing rate at GT is the same as it was at Dorsey—\$430 per hour.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

DATED this 13th day of July, 2020.

/s/ Sarah Goldberg

Sarah Goldberg

# Exhibit A



## Sarah Goldberg

ASSOCIATE

goldbergsa@gtlaw.com

SALT LAKE CITY  
D +1 801.478.6912  
T +1 801.478.6900

Sarah Goldberg is a member of Greenberg Traurig's Restructuring & Bankruptcy Practice. Sarah's practice focuses on representing clients in litigation and appeals involving bankruptcy trustees and equity receivers. She also regularly represents clients in complex commercial litigation matters and draws on her appellate clerkship experience to assist clients in state, federal, and administrative appeals.

Sarah also has wide-ranging experience assisting clients in litigation relating to activities on public lands. She represents industry clients in challenges to administrative decisions under the National Environmental Policy Act, Endangered Species Act, National Historic Preservation Act, and other federal and state statutes.

## Capabilities

Restructuring & Bankruptcy

## Experience

### Trustee/Receivership Litigation

- Represented liquidating trustee asserting claims for securities fraud and breach of fiduciary duty against former officers and directors of failed real estate investment company.°
- Represented technology company and former officers and directors in objection to proof of claim and against claims for breach of contract, breach of fiduciary duty, and securities fraud.°
- Represented family partnership and individual family members against claims for fraudulent transfer and ERISA withdrawal liability.°
- Represented receiver of Ponzi scheme in recovering assets based on claims of fraudulent transfer.°

### General Commercial Litigation Matters

- Represented leasee in obtaining injunction enjoining landlord from leasing space to a competitor in violation of the lease.°

- Represented oil and gas company in obtaining injunction against landowner interfering with operation of pipeline.°
- Represented restaurant and its majority shareholders against claims for breach of contract, breach of fiduciary duties, and defamation.°
- Represented restaurant franchisee company against claim for fraudulent transfer.°

### **Public Lands Litigation**

- Represented mining company in challenge to lease modifications for a coal mine in Colorado and a challenge to an exception to the Colorado Roadless Rule.°
- Represent mining company in challenge to issuance of mine plan.°
- Represent mining company in challenge to issuance of lease expanding coal mine in Utah.

*°The above representations were handled by Ms. Goldberg prior to her joining Greenberg Traurig, LLP.*

## **Recognition & Leadership**

### **Awards & Accolades**

- Listed, *Super Lawyers Magazine*, Mountain States Super Lawyers, “Rising Star,” 2018-2020

### **Professional & Community Involvement**

- Board Member, Legal Aid Society of Salt Lake, 2016-Present
- Board Member, Federal Bar Association, Utah Chapter, 2018-Present
- Participant, Pro Bono Asylum Project

## **Credentials**

### **Education**

- J.D., with highest honors, University of Utah, S.J. Quinney College of Law
  - Certificate in Environmental and Natural Resources Law
  - Articles Editor, *Utah Law Review*
- A.B., Washington University in St. Louis

### **Admissions**

- Utah

### **Clerkships**

- Hon. Scott M. Matheson, Jr., U.S. Court of Appeals for the Tenth Circuit, 2011-2012
- Hon Nancy E. Rice, Supreme Court of Colorado, 2010-2011

## **News, Insights & Events**



June 18, 2020 PUBLISHED ARTICLE

## **The Less-Known Tools for Financially Distressed Small and Mid-Size Companies**

*Denver Business Journal*

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# Exhibit 3

Peggy Hunt (Utah #6060)  
Sarah Goldberg (Utah #13222)  
John J. Wiest (Utah #15767)  
**GREENBERG TRAUIG, LLP**  
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[wiestj@gtlaw.com](mailto:wiestj@gtlaw.com)

*Proposed Attorneys for Court-Appointed Receiver Peggy Hunt*

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

TRAFFIC MONSOON, LLC, a Utah limited  
liability company, and CHARLES DAVID  
SCOVILLE, an individual,

Defendants.

**DECLARATION OF JOHN J. WIEST**

2:16-cv-00832-JNP

The Honorable Jill N. Parrish

I, John J. Wiest, being of lawful age, declare and state as follows:

1. I am currently an associate attorney at the law firm of Greenberg Traurig, LLP (“GT”), and represent Peggy Hunt (the “Receiver”) in her capacity as receiver in the above-captioned case. I joined GT in May 2020. A true and correct copy of my GT biography is attached hereto as Exhibit A.

2. Immediately before joining GT, I was an associate attorney at Dorsey & Whitney LLP (“Dorsey”). I spent approximately 4.5 years at Dorsey before joining GT.

3. I graduated from Harvard Law School in May 2015.

4. During my 4.5 years in private practice, I have focused my practice in the areas of bankruptcy and general litigation. I have significant experience representing bankruptcy trustees and receivers in all aspects. Specifically, I have worked extensively with the Receiver on this matter since her appointment in July 2016, and also in other matters where she either serves as Chapter 7 bankruptcy trustee or as lead counsel for other bankruptcy trustees or receivers.

5. I understand that the Receiver presently requires legal assistance in this case primarily in the areas of dealing with contested proofs of claim and clawback litigation. I further understand that these services are relatively new to this case inasmuch as the Receiver was waiting for the claims process to be approved and the claims bar date to pass. The Receiver has informed me that she intends for me to serve as her mid-level counsel in these matters under the supervision of Sarah Goldberg, and that I am to assign work to junior associates when efficient and appropriate.

6. The last time that I billed time to this case at Dorsey was in April 2020, immediately prior to the Receiver's departure from Dorsey. At that time, my standard billing rate at Dorsey was \$360 per hour, but I was being billed at \$330 per hour in this case.

7. My current standard billing rate at GT is the same as it was at Dorsey—\$360 per hour.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

DATED this 13th day of July, 2020.

/s/ John J. Wiest

John J. Wiest

# Exhibit A



## John J. Wiest

ASSOCIATE

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SALT LAKE CITY  
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T +1 801.478.6900

John Wiest advises on complex finance, restructuring, bankruptcy, and receivership issues, representing financial institutions, private lenders, and secured creditors at all stages of the lending process, from loan origination or acquisition through restructuring, workouts, and enforcement. John focuses much of his practice on perfecting and protecting security interests in collateral.

John assists receivers and bankruptcy trustees and in finding, recovering, and liquidating assets through negotiation, settlement, and court-approved sales, as well as turnover and clawback litigation. He has experience representing both creditors and debtors in complex Chapter 11 proceedings and has worked on some of the largest Ponzi and securities fraud cases in Utah.

Regularly appearing before the federal district court and bankruptcy court in Utah, John has represented clients across a broad range of industries, including domestic and international banking, energy, utilities, mining, agriculture, retail, real estate, telecommunications, technology, and restaurant and food services.

## Capabilities

Restructuring & Bankruptcy

## Experience

### Representative Matters

- Assisted Chapter 11 Trustee with the liquidation assets of former Ponzi scheme company, including by negotiating and obtaining court approval of multiple sales of real property throughout the western United States.°
- Represented court-appointed receiver in clawback actions to recover funds fraudulently transferred by former internet Ponzi scheme company engaged in international, multimillion-dollar securities fraud.°
- Negotiated with debtors in multimillion-dollar coal company bankruptcy to assume their critical coal supply agreement with client.°

°The above representations were handled by Mr. Wiest prior to his joining Greenberg

Taurig, LLP.

## Recognition & Leadership

### Professional & Community Involvement

- Member, Federal Bar Association, 2015-Present
- Member, American Bankruptcy Institute, 2015-Present

## Credentials

### Education

- J.D., Harvard Law School, 2015
- B.A., *magna cum laude* and University Honors, Brigham Young University, 2012

### Admissions

- Utah

## News, Insights & Events

June 18, 2020 PUBLISHED ARTICLE

### The Less-Known Tools for Financially Distressed Small and Mid-Size Companies

*Denver Business Journal*

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