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11 **UNITED STATES DISTRICT COURT**
 12 **DISTRICT OF NEVADA**

13 FEDERAL TRADE COMMISSION

14 Plaintiff,
 15 v.

16 SUPERIOR SERVICING LLC, a
 17 limited liability company;
 18 SUNRISE SOLUTIONS USA LLC, a
 19 limited liability company;
 20 ALUMNI ADVANTAGE LLC, a
 21 limited liability company;
 22 STUDENT PROCESSING CENTER
 23 GROUP LLC, a limited liability
 24 company;
 25 SPCTWO LLC, a limited liability
 26 company;
 27 ACCREDIT LLC, a limited liability
 28 company;
 29 DENNISE MERDJANIAN, aka Dennise
 30 Correa, individually and as managing
 31 member of SUPERIOR
 32 SERVICING LLC;

Case No. 2:24-cv-02163-GMN-MDC

**RECEIVER'S FOURTH
 INTERIM REPORT**

1 ERIC CALDWELL, individually and as
2 owner, officer, or manager of
3 SUPERIOR SERVICING LLC,
4 SUNRISE SOLUTIONS USA LLC,
5 ALUMNI ADVANTAGE LLC,
6 STUDENT PROCESSING CENTER
7 GROUP LLC, SPCTWO LLC, and
8 ACCREDIT LLC; and
9

10 DAVID HERNANDEZ, individually
11 and as owner, officer, or manager of
12 SUPERIOR SERVICING LLC,
13 SUNRISE SOLUTIONS USA LLC,
14 ALUMNI ADVANTAGE LLC,
15 STUDENT PROCESSING CENTER
16 GROUP LLC, SPCTWO LLC, and
17 ACCREDIT LLC,

18 Defendants.

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1 Krista Freitag ("Receiver"), the Court-appointed permanent receiver for
 2 Defendants Superior Servicing, LLC, Accredit LLC, Sunrise Solutions USA, LLC,
 3 Alumni Advantage, LLC, Student Processing Center Group, LLC, and SPCTWO,
 4 LLC, as well as Gold West Financial, LLC, DM Financial, LLC, LJC Music
 5 National LLC, South Coast Services, LLC, Business Done Right Inc., ET&C
 6 Holdings, LLC, Capital Servicing, LLC, Cornerstone Doc Prep, Inc., Amerifed Doc
 7 Prep, LLC, Amerifed Servicing, Inc., Scholastic Solutions LLC, and First Clover
 8 Capital, Inc. (collectively the "Receivership Entities" or individually, a
 9 "Receivership Entity") hereby submits this Receiver's Fourth Interim Report
 10 ("Fourth Interim Report").

11 I. BACKGROUND

12 On November 22, 2024, this Court entered the Ex Parte Temporary
 13 Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and
 14 Other Equitable Relief, and Order to Show Cause Why Preliminary Injunction
 15 Should Not Issue (the "TRO"), appointing Krista Freitag ("Receiver") temporary
 16 receiver for Superior Servicing, LLC ("Superior"), its subsidiaries, affiliates,
 17 successors and assigns, and any other entity that has conducted any business related
 18 to Defendants' student debt relief services. (Dkt. 9). On December 5, 2024, a
 19 hearing was held to determine whether the TRO should be made permanent and an
 20 Order Granting Preliminary Injunction as to Defendant Superior Servicing LLC was
 21 entered on December 6, 2025. (Dkt 30). On December 19, 2024, an additional
 22 hearing was held where the Court determined that a preliminary injunction should
 23 be entered as to Defendant Merdjanian. (Dkt 42).¹ On September 9, 2025, the

24 ¹ The Preliminary Injunction Order entered on December 19, 2024 also
 25 specifically added Accredit, LLC, Sunrise Solutions USA, LLC, Alumni
 26 Advantage, LLC, Student Processing Center Group, LLC, SPCTWO, LLC, Gold
 27 West Financial, LLC, DM Financial, LLC, LJC Music National LLC, South
 28 Coast Services, LLC, Business Done Right Inc., ET&C Holdings, LLC, Capital
 Servicing, LLC, Cornerstone Doc Prep, Inc., Amerifed Doc Prep, LLC,
 Amerifed Servicing, Inc., Scholastic Solutions LLC, and First Clover Capital,
 Inc. as defined Receivership Entities. The Receiver has also determined that
 Student Processing Center, LLC is a Receivership Entity.

1 Court entered Stipulated Order[s] for Permanent Injunction, Monetary Judgment,
 2 and Other Relief (“Final Order[s]”) as to Defendants Eric Caldwell (“Caldwell”)
 3 and David Hernandez (“Hernandez”). (Dkt 85 & 86).

4 **II. EXECUTIVE SUMMARY**

5 On November 18, 2024, the Commission filed its Complaint against Superior
 6 and Merdjanian. The Complaint alleges that Superior and Merdjanian engaged in
 7 alleged unlawful acts and practices as part of a scheme preying on student loan
 8 borrowers seeking relief from their loan repayment obligations. The Commission's
 9 allegations include, but are not limited to, (a) deceptive marketing,
 10 misrepresentation of student loan debt relief program services, (b) inaction with
 11 providing the represented student loan debt relief program services to be provided
 12 (e.g., they do not enroll consumers in federal debt relief programs, reduce or
 13 eliminate their student loan payments or balance, or apply payments to consumers'
 14 loans) and (c) in connection with telemarketing of student loan debt relief program
 15 services, requests and receipt of payments of a fee or consideration for debt relief
 16 services before debt relief was obtained. On March 26, 2025, the Commission filed
 17 its First Amended Complaint, adding as Defendants Sunrise Solutions USA LLC,
 18 Alumni Advantage LLC, Student Processing Center Group LLC, SPCTWO LLC,
 19 Accredit LLC, Caldwell, and Hernandez. On May 29, 2025, the Clerk of Court
 20 entered a default against Superior Servicing LLC, Sunrise Solutions USA, LLC,
 21 Alumni Advantage LLC, Student Processing Center Group LLC, SPCTWO LLC,
 22 and Accredit LLC. (Dkt 70).

23 Upon entry of the TRO, the Receiver successfully obtained possession of and
 24 secured the following physical locations:

- 25
 - 26 • 500 South Kraemer Blvd., Suite 100b, Brea, CA 92821 (this space had
 27 previously been vacated in September/October of 2024),
 28 • 3020 Saturn Street, Suite 200, Brea, CA 92821; and
 • 3230 E. Imperial Highway, Suite 206, Brea, CA 92821.

1 Based on the Receiver's prompt initial investigation of documents and
 2 computer records, through June 30, 2025, the Receiver has recovered nearly
 3 \$1.3 million in Receivership Entity funds (further detailed below), including bank
 4 account balances, funds held by payment processors, funds recovered from legal
 5 retainers,² and the return of a lease deposit. As part of the Final Orders entered
 6 against Caldwell and Hernandez, the Receiver has also taken possession of a luxury
 7 boat, and an automobile owned by Caldwell. The boat is currently listed for sale
 8 and the automobile will be listed in the coming days. A third asset, a residential real
 9 property was returned to Hernandez after it was determined that no material value
 10 could be obtained from a sale of the property. An additional real property is
 11 discussed in further detail below. Lastly, as of the date of this report, the
 12 Receivership estate has received the Charles Schwab funds (including the tax
 13 holdback) also included in the Final Order against Hernandez; further information
 14 will be included on this topic in the next quarterly report.

15 As reported, Superior is one of a series of entities, all set up and operated in
 16 very similar fashion, that operated a student loan debt relief enterprise. As noted in
 17 the Declaration of Krista Freitag Regarding Preliminary Investigative Findings and
 18 Observations filed on December 4, 2024 (Dkt. No. 23), various documentation and
 19 bank record observations showed that Defendant Merdjanian, who appears on paper
 20 to be in control of Superior, may have had less control and less ownership in the
 21 enterprise than Caldwell and Hernandez. As a result of the Receiver's observations
 22 and evidence reported to this Court, the Court entered an expanded Preliminary
 23 Injunction that specifically identified the Receivership Entities on December 19,
 24 2024.

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28 ² The Receiver has also sought Court approval of a settlement with Holland &
 Knight for recovery of \$140,000 of legal fees. (Dkt. 96)

1 This quarterly report covers the Receiver's activities during the third quarter
 2 of 2025, including accounting information from inception of the receivership on
 3 November 22, 2024 through September 30, 2025.

4 **III. SUMMARY OF RECEIVER'S ACTIVITIES**

5 **A. Business Operations**

6 As previously noted, the Receiver assumed control over the leased premises
 7 located at 500 South Kraemer Blvd., Suite 100b, Brea, CA 92821 (the "Kraemer
 8 Office"), 3020 Saturn Street, Suite 200, Brea, CA 92821 ("Saturn Office") and
 9 3230 E. Imperial Highway, Suite 206, Brea, CA 92821 ("Imperial Office"). As a
 10 result of the Receiver's extensive efforts to identify physical locations, numerous
 11 former and virtual and/or post office box location addresses were discovered and
 12 contacts associated with same were served. All three office locations were secured,
 13 and mail was redirected or frozen at the respective virtual and/or post office box
 14 locations. The available staff of the entities' were interviewed with partial
 15 cooperation – some provided information and documentation, while others claimed
 16 to have no relevant knowledge. In such interviews, notably and specifically
 17 regarding how client payments work, several employees stated that if payment was
 18 not made by customers, work was not performed on said customer's file.
 19 Information from the available email files and Customer Relationship Management
 20 software ("CRM") corroborated this practice. Therefore, it appears that clients were
 21 required to pay advance fees for student loan debt relief services.

22 Consistent with the Court's initial findings and orders, the Receiver
 23 suspended business operations of the Receivership Entities. Employees were
 24 promptly notified of the change and a notice was posted on the Receiver's website.
 25 The Receiver's staff conferred with the third-party payroll processing company ADP
 26 to coordinate processing of 2024 payroll reports, and issuance of W-2's and 1099's.
 27 The Receiver served and contacted the Receivership Entities' accounting firm and
 28 has coordinated with same to cost-effectively complete the 2024 books and tax

1 returns (as applicable); notably, 2024 tax returns extensions and returns were timely
 2 filed and a changeover of registered agent has been completed for the following
 3 entities: Accredit, LLC; Business Done Right Inc.; DM Financial, LLC; ET&C
 4 Holdings, LLC; Gold West Financial LLC; SPCTWO, LLC; Student Processing
 5 Center LLC; Sunrise Solutions USA LLC; Superior Servicing LLC.

6 **B. Funds Recovered, Receipts and Disbursements**

7 In addition to the Commission's asset freeze notifications, the Receiver also
 8 promptly notified each bank and payment processor identified as having an account
 9 associated with the Receivership Entities' enterprise. All funds were transferred
 10 into the Receiver's new bank account for the receivership estate, which funds are in
 11 an insured cash sweep program, which not only earns interest, but also fully protects
 12 the funds in FDIC-insured accounts.

13 The following reflects the cash activity of the receivership estate for the
 14 period from November 22, 2024 through September 30, 2025. A summary of the
 15 receipts and disbursements is as follows:

16	Accredit LLC	\$373,070
17	Business Done Right Inc	\$21,738
18	DM Financial, LLC	\$230,056
19	ET & C Holdings LLC	\$935
20	Gold West Financial LLC	\$37,304
21	SPCTWO LLC	\$47,111
22	Student Processing Center LLC	\$97,372
23	Sunrise Solutions USA LLC	\$28,773
24	Superior Servicing LLC	\$9,373
25	SUBTOTAL BANK BALANCES³	\$845,732

27 ³ Some funds were collected from customers after the TRO and PI Orders due to
 28 the timing of entities being added to the receivership estate and funds being
 recovered. Approximately \$2,000 was recovered from funds re-deposited into

1	Credit Card Processing Recovery ⁴	\$317,690
2	Legal Retainers Recovery ⁵	\$113,078
3	Hernandez Settlement Payment (sent to 4 FTC) ⁶	\$108,913
5	Lease Security Deposit Returned	\$1,000
6	Interest Income	\$13,609
7	SUBTOTAL OTHER RECEIPTS	\$554,290
8	TOTAL RECEIPTS	\$1,400,022
9	General & Administrative Expenses	(\$51,256)
10	Tax-Related Expenses	(\$80,903)
11	Asset-Related Expenses	(\$12,400)
12	Hernandez Settlement Payment	(\$108,913)
13	Receiver Fees and Expenses	(\$134,104)
14	Receivership Legal Fees and Expenses	(\$71,536)
15	TOTAL DISBURSEMENTS	(\$459,112)
16	CASH BOOK BALANCE AT	
17	SEPTEMBER 30, 2025	\$940,910

19 Outstanding checks as of September 30, 2025 totaled \$15,600, resulting in a
20 bank balance as of September 30, 2025 of \$956,510.

21
22 receivership entities' accounts just before the accounts were finally closed; these
23 funds appear to be unsuccessful electronic customer refund attempts which were
24 initiated pre-receivership.

25 ⁴ The Receiver successfully recovered an additional reserve balance of
26 approximately \$17,000 from a second payment processor.

27 ⁵ The Receiver recovered an additional \$108,000 in pre-receivership legal retainers
28 from receivership entities' counsel during the quarter; an additional potential
settlement recovery of legal retainers in the amount of \$140,000 is pending Court
approval. For avoidance of doubt, this \$140,000 is not yet reflected in this
report's receipts numbers.

29 ⁶ As previously noted, the Receiver collected a \$108,913 payment from Defendant
Hernandez pursuant to his settlement with the Commission. Those funds were
temporarily held and ultimately forwarded to the Commission pursuant to the
Court's order in this quarter ending September 30, 2025.

1 **C. Affiliated Entities and/or URLs**

2 As noted above, Superior is part of a student loan debt relief enterprise of
 3 affiliated entities owned and controlled by Caldwell, Hernandez, and Merdjanian.
 4 Through investigation and review of records and the Commission's filings, the
 5 Receiver identified the following entities and/or URLs, which appear to be affiliated
 6 with Superior, Merdjanian, Caldwell, Hernandez, and the larger enterprise:

7 Entity	Associated Domain
8 Accredit LLC	www.theaccredit.com
9 Sunrise Solutions USA LLC	www.sunrisesolutionsllc.com
10 Alumni Advantage LLC	www.alumiadvantage.com
11 Student Processing Center Group LLC (and/or Student Processing Center LLC)	www.studentprocessingcenter.com
13 SPCTWO LLC	www.spctwo.com
14 Gold West Financial LLC	www.goldwestfinancial.com
15 DM Financial LLC	
16 LJC Music National LLC (lease for 17 Kraemer Office in this name)	
18 South Coast Services, LLC	
19 Business Done Right, Inc.	
20 ET&C Holdings, LLC	
21 Capital Servicing, LLC	
22 Cornerstone Doc Prep, Inc	
23 Amerifed Doc Prep, LLC	
24 Amerifed Servicing, Inc.	
25 Scholastic Solutions, LLC	
26 First Clover Capital Inc.	

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1 **D. Control Over Computer Hardware, Software and Documents**

2 As noted previously, the Receiver took possession of computer equipment
 3 located at all three office locations. The Receiver retained the services of HKA
 4 Global, LLC, a forensic computer consultant, to image workstation hard drives
 5 located at the Saturn Street and Imperial Offices; various of the IT employee's
 6 devices and entity email accounts have also been imaged by HKA. Numerous
 7 computers were not set up in workstations; those computers were secured but not
 8 imaged.

9 To varying degrees of success, the Receiver served notice to various vendors
 10 of her appointment. All such vendors were demanded to preserve and turn over
 11 relevant information to aid the Receiver. Some vendors, such as the CRM provider
 12 DebtPayPro/Forth.com and team meeting/communication provider Slack.com
 13 provided access to the relevant accounts. Other vendors such as GoDaddy, the
 14 domain host and email service reseller were not as cooperative. Go Daddy insisted
 15 on a specific Order requiring them to turn over access to the accounts. After various
 16 discussions, and confirmation of a "freeze" of the accounts (i.e. the accounts could
 17 not be moved from the provider, however, preservation does not appear to have
 18 taken place), the Receiver was able to get the relevant login credentials for the
 19 domains from Caldwell and Merdjanian for (1) studentprocessingcenter.com; (2)
 20 SPCTWO.com; (3) theaccredit.com; (4) superiorservicing.net; and (5)
 21 sunrisesolutionsllc.org. Once under her control, the Receiver discovered that as part
 22 of GoDaddy's freeze, she was unable to forward the domains to the Receiver's
 23 website to inform customers of the receivership. Alternatively, the Receiver
 24 changed the existing respective websites to include information about the
 25 receivership including a link to the receivership website. To date, GoDaddy has
 26 refused to grant the Receiver control of the domains absent the aforementioned
 27 Order.

28

1 GoDaddy is also the reseller of the Microsoft email accounts used by the
 2 enterprise. The Receiver was also able to gain access to some email accounts once
 3 given control of the domains by Caldwell and Merdjanian. However, at that time, it
 4 was noted that most email accounts for each domain had been deleted. Some email
 5 accounts have been recovered, but approximately 35 accounts have not been
 6 recovered. In the event the Receiver deems it necessary, she will file a motion to
 7 compel GoDaddy and Microsoft to provide access and turnover records.

8 **E. Personal Property**

9 As noted previously, the Receiver took possession of various personal
 10 property (mostly typical office furniture and fixtures and computer hardware and
 11 records) at the three office locations. Due to lack of market interest, the Receiver
 12 was unable to monetize the office furniture and fixtures and instead negotiated with
 13 the landlords to leave those items at each location. In one instance, the Receiver
 14 successfully negotiated the return of a nominal portion of the security deposit from
 15 that location. The computer equipment and records were moved into offsite, secure
 16 storage and remain there.

17 As previously discussed, as part of the Final Order, Caldwell turned over a
 18 2017 Chevrolet Corvette z06 (“Corvette”) and a 2021 Sea Ray 400 luxury boat
 19 (“Sea Ray”). The Corvette is a high-performance sports car. The Sea Ray is a 40ft
 20 luxury boat suitable for entertaining and includes a wet bar, queen bed, bathroom
 21 and shower in the berth.

22 After taking possession, the Corvette was placed in a secured storage location
 23 in San Diego, California. The storage location specializes in holding higher end
 24 vehicles, which can include coordinating maintenance services and keeping the car
 25 on a battery tender to ensure the battery does not go dead during storage. During the
 26 period, the Receiver re-registered the car and is working with a local listing agent to
 27 have it marketed for sale.

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1 The Sea Ray was sitting in a privately owned marina in Newport Beach,
 2 California. The Receiver coordinated the pickup of the boat and relocated it to a
 3 marina located in Southern California. Since pickup, the boat has required various
 4 maintenance items to keep it in good condition and service techs noted that typical
 5 maintenance does not appear to have been previously completed. Those repairs are
 6 ongoing. The boat has been listed with a local boat broker and is being marketed for
 7 sale.

8 **F. Real Property**

9 As part of his Final Order, Hernandez was required to turn over two real
 10 properties to the Receiver: (1) 5814 E. Bryce Ave, Orange, California (“Bryce”) and
 11 (2) 10591 Bent Tree Road, Santa Ana, California (“Bent Tree”). As it relates to the
 12 Bryce property, the Receiver was to determine by November 9, 2025 whether the
 13 property would be kept and sold to recover any proceeds, or whether the property
 14 would be returned to the lender. As part of this process, the Receiver reached out to
 15 seven real estate brokers active in the County and solicited broker’s opinions of
 16 value (“BOV”). The consensus was that the property would likely sell for between
 17 \$1,750,000 and \$1,800,000 with a more likely outcome on the lower end of that
 18 range.⁷ In addition to seeking the BOVs, the Receiver also contacted the secured
 19 lender to ascertain the payoff amount for the mortgage loan. The Receiver also
 20 estimated typical closing costs and commissions based on discussions with the
 21 various brokers. Ultimately, it was determined that only a sale closer to \$1,800,000
 22 would provide net positive gain on the sale of the property. A sale closer to
 23 \$1,750,00 would be a loss to the estate. The Receiver thus timely advised
 24 Hernandez that she will not take possession of the property.

25 The Bent Tree property is owned by the Receivership Entity formerly
 26 controlled by Hernandez, Business Done Right, Inc. Hernandez entered into an
 27

28 ⁷ Hernandez had the property listed for sale for \$1,800,000 during the
 Spring/Summer 2025 but was unable to close a sale.

1 agreement in 2020 to purchase this vacant land property located in Santa Ana,
 2 California from Parkside Estates Holdings, LLC (“PEH”). The property was sold
 3 for \$5.1 million, with a seller carry back mortgage in the amount of \$3,525,000.
 4 The agreement to purchase the property was signed in 2020, however the closing did
 5 not occur until 2024. The Receiver commissioned an appraisal for the property and
 6 determined that the value of the property is significantly less than the property was
 7 worth in 2020 (when the sale agreement was signed), or in 2024 (when the closing
 8 occurred) and currently. The Receiver has been in various discussions with PEH to
 9 determine next steps.

10 **G. Insurance**

11 The Receiver noted two business owner’s policies generally covering the
 12 leased premises, the personal property and the general liability for Superior
 13 Servicing LLC and Accredit LLC. Included in these policies was minimal
 14 employee dishonesty coverage – that is coverage that would return up to \$25,000
 15 that was misappropriated from the entities. The Receiver filed a claim on both
 16 policies, but unfortunately, for various reasons, the specifics of this matter were not
 17 covered under each policy. Those claims were ultimately rejected by the carrier. As
 18 the value of the personal property is negligible, there are no longer any leased
 19 premises and there are no entity operations, the policies were cancelled.

20 After taking possession of the Corvette and the Sea Ray, the Receiver has
 21 bound insurance policies for each vehicle. Those policies will continue in place
 22 until the respective vehicles are sold.

23 **H. Pending Litigation**

24 The Receiver is aware that two entities associated with the enterprise,
 25 Amerifed Doc Prep and Cornerstone Doc Prep, along with Caldwell, were
 26 investigated by state regulatory agencies in Colorado, Minnesota, and California,
 27 which reportedly led to them being shut down. Similarly, Superior was investigated
 28 by state regulators in Washington after it was shut down in 2024. In addition, the

1 New York Attorney General's office recently (October 2024) contacted Superior via
 2 email about a complaint received from a consumer and asked for a response thereto.
 3 The Receiver is not currently aware of any active lawsuits brought by or against
 4 Superior or any of its affiliated entities (other than the instant action).

5 **I. Borrower/Client Communications**

6 The Receiver has established a dedicated web page on the Receiver's website
 7 which is used to provide case information, regular updates, and answers to
 8 frequently asked questions to employees and customers. The Internet address for
 9 the webpage is: <http://www.superiorservicingreceivership.com>. In addition, the
 10 Receiver is maintaining a dedicated e-mail address and telephone line for all
 11 inquiries, details for which are provided on the aforementioned website.

12 As previously mentioned, the Receiver was unable to forward the companies'
 13 domains to the receivership website. However, the Receiver was able to edit the
 14 respective websites to remove all content other than basic information on the case
 15 and directing visitors to the Receivership website. Additionally, as the Receiver
 16 gained access to various email accounts, the Receiver forwarded all incoming email
 17 to those accounts to a Receiver controlled email account. All incoming email to
 18 those accounts auto-responds advising about the receivership.

19 **IV. RECOMMENDATIONS**

20 The Receiver's efforts to marshal and recover assets and relevant
 21 Receivership Entity documents and records are ongoing in an efficient manner. For
 22 the near term, the Receiver and her professionals hereby make the following
 23 recommendations.

24 **A. Document Recovery Efforts**

25 The Receiver has and will continue to obtain records from all known financial
 26 institutions where the Receivership Entities maintained accounts as well as from
 27 attorneys and accountants engaged by the Receivership Entities. The Receiver has
 28

1 served subpoenas on certain institutions, individuals, and entities and proposes to
 2 proceed with these efforts to obtain documents, assets, and information.

3 **B. Receivership Asset Recovery Efforts and Investigation**

4 The Receiver will seek to locate, secure, and facilitate turnover, of any
 5 unaccounted for receivership assets that may exist. As a result of her accounting
 6 (further discussed below) and analysis of other documentation, the Receiver has
 7 identified and become aware of prospective assets either owned by Receivership
 8 Entities or purchased with Receivership Entity funds. The Receiver has interviewed
 9 and/or has requested numerous documents from the defendants and third parties
 10 (who, at least in some instances, are friends or family members of the defendants)
 11 regarding these potential investments, purchases, loans and other transfers to third
 12 parties. Certain documents have been received and dozens of subpoenas have been
 13 issued; notably many of the subpoenaed individuals who received material amounts
 14 of money appear to be evading service. With respect to the various purported
 15 investments, purchases, loans and other transfers from the Receivership Entities, the
 16 defendants and other persons interviewed have stories which consistently conclude
 17 with the complete dissipation of large sums of money with no assets of value
 18 acquired or prospect of a recovery. The Receiver's work to investigate these
 19 transfers and potential recovery claims is, however ongoing. She will seek Court
 20 approval before pursuing any such claims through litigation.

21 **C. Accounting**

22 Despite demands/requests therefor, with incomplete financial records
 23 available or turned over to the Receiver for many of the Receivership Entities'
 24 activities, in the interest of time and cost-efficiency, but in order to identify the
 25 majority of the Receivership Entities' sources (including customer deposits into the
 26 enterprise) and uses of funds (where the funds went, including potential asset
 27 identification), the Receiver performed an high-level preliminary accounting of the
 28 bank record data received to date in accordance with the Court's orders. The

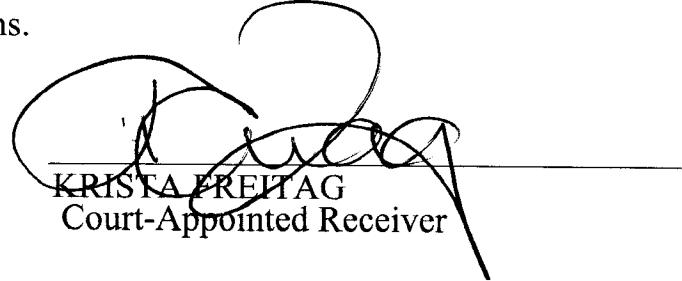
1 Receiver filed her report reflecting the results of this high-level preliminary
 2 accounting on December 4, 2025 (Dkt No. 98); her findings from this analysis
 3 resulted in identification of millions of dollars of transfers to third parties (including
 4 friends and family members of the defendants); the Receiver and her counsel have
 5 worked diligently and efficiently to investigate and attempt to recover such
 6 transfers.

7 The preliminary accounting, which is subject to being revised if deemed
 8 necessary, has been used to identify an initial net harm amount to customers of the
 9 enterprise, as well as to help identify where the funds received from customers went
 10 and to help identify prospective assets for recovery (as noted above).

11 **V. CONCLUSION**

12 Based upon the Receiver's preliminary investigation and findings, the
 13 Receiver recommends and requests that the Court order the Receiver to continue her
 14 duties pursuant to the TRO and supplemental PI orders issued by the Court. The
 15 Receiver also requests the Court authorize her continuing investigation and approve
 16 this fourth report and recommendations.

17
 18 Dated: January 15, 2026



19 KRISTA FREITAG
 20 Court-Appointed Receiver

21 Dated: January 15, 2026

22 ALLEN MATKINS LECK GAMBLE
 23 MALLORY & NATSIS LLP

24

25 By: /s/Edward G. Fates

26 EDWARD G. FATES
 27 Attorneys for Court-Appointed
 28 Receiver
 KRISTA FREITAG

CERTIFICATE OF SERVICE

2 I am employed in the County of San Diego, State of California. I am over the
3 age of eighteen (18) and not a party to the within action. My business address is
4 One America Plaza, 600 West Broadway, 27th Floor, San Diego, California 92101-
5 0903.

6 On January 15, 2026, I used the United States District Court, District of
7 Nevada's Electronic Case Filing System, with the ECF registered to Edward G.
8 Fates to file the following document(s):

• RECEIVER'S FOURTH INTERIM REPORT

10 The ECF system is designed to send an e-mail message to all parties in the
11 case, which constitutes service. The parties served by e-mail in this case are found
on the Court's Electronic Mail Notice List.

- **Luis H Gallegos**
lgallegos@ftc.gov; egarcia@ftc.gov;
mwilshire@ftc.gov, mwernz@ftc.gov
 - **Paul Rowland Graff**
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21 I declare under penalty of perjury that the foregoing is true and correct.

22 Executed on January 15, 2026, at San Diego, California.

/s/ Pamela Tei Lewis
Pamela Tei Lewis