

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KINETIC INVESTMENT GROUP, LLC and
MICHAEL SCOTT WILLIAMS,

CASE NO.: 8:20-cv-394-MSS-SPF

Defendants, and

KINETIC FUNDS I, LLC,
KCL SERVICES, LLC d/b/a LENDACY,
SCPIO, LLC, LF42, LLC, EL MORRO
FINANCIAL GROUP, LLC, and
KIH, INC. f/k/a KINETIC INTERNATIONAL, LLC,

Relief Defendants.

**FOURTEENTH INTERIM OMNIBUS APPLICATION FOR ALLOWANCE
AND PAYMENT OF PROFESSIONALS' FEES AND EXPENSES FOR
APRIL 1, 2023 – JUNE 30, 2023¹**

Mark A. Kornfeld, Esq., in his capacity as court-appointed Receiver (the “Receiver”) for Defendant, Kinetic Investment Group, LLC, and Relief Defendants, Kinetic Funds I, LLC, KCL Services, LLC d/b/a Lendacy, Scipio, LLC, LF 42, LLC, El Morro Financial Group, LLC, and KIH Inc., f/k/a Kinetic International, LLC (collectively, the “Receivership Defendants”), moves this Court for the entry of an order awarding fees and costs to the Receiver and his professionals whose retention has been approved by the Court. *See* Docs. 41-43, 47, 154, 207.

¹ *See* Order Appointing Receiver (Doc. 34) at ¶ 54.

This motion covers all fees and costs incurred from **April 1, 2023**, through **June 30, 2023** (the “Reporting Period”). The Securities and Exchange Commission’s (the “SEC” or the “Commission”) Standardized Fund Accounting Report (“SFAR”) for this period is attached hereto as **Exhibit 1**. The Commission does not oppose this Motion, and Defendant Williams does not take a position on the Motion. In support thereof, the Receiver states as follows:

I. Preliminary Statement²

The Receiver seeks Court approval to pay the sum of **\$51,195.50** to the professionals engaged by the Receiver for fees incurred and reimbursement of **\$2,493.25** in expenses for a total payment of **\$53,688.75**. This Application includes time billed for the three-month period from April 1, 2023 through June 30, 2023. The professionals who seek payment hereunder have made various accommodations given the public interest nature of this appointment, including providing a discount to their normally-charged rates, agreeing to seek payment of fees on a quarterly basis, and not seeking payment for any time incurred prior to the Receiver’s appointment.

This is an extremely complex receivership involving the simultaneous operation of multiple sub-funds in a hedge fund structure, a purportedly independent-yet-intertwined and financially-related lending platform, and the use of investor funds to purchase at least two parcels of real estate and fund the operation of no less than three companies in Puerto Rico.

² Neither the Receiver nor his attorneys charged for the time spent preparing this motion.

II. Executive Summary Activities for Reporting Period

a. Evaluated Puerto Rican Tax Considerations after Finalizing Sale of All Real Property of Receivership Estate.

Due to the Receiver's efforts in prior Reporting Periods, the sale of all real property in the Receivership Estate occurred as planned – bringing in necessary funds to the Receivership Estates. A great deal of legal work was expended during the Reporting Period to assist the Receiver's real estate professionals in finalizing handling Post-Closing issues, including communicating regularly with the Purchaser on all aspects of the sold Property. Understanding that most Receivership assets have been monetized, the Receiver and his professionals have expended resources and time to review the state of the Receivership's taxes as related to the funds brought into the Estate from the sale of all real property. Part of this analysis involved coordinating with Puerto Rican tax professionals to ensure that all returns were completed not only in the U.S. but also in Puerto Rico. The Receiver continues to work to ensure that all tax obligations are met.

b. Assessed Tax Considerations regarding Zephyr Aerospace Investment.

In March of 2019, Kinetic International made an investment totaling \$500,000.00 in an early-stage airline seat startup known as Zephyr Aerospace ("Zephyr"). The purpose of Zephyr was to revolutionize the way individuals select airline seats on commercial airlines. This \$500,000.00 investment was clearly traceable to investor funds. During the Reporting Period, the Receiver and his staff have been

in communication with Zephyr's principal (Jeffrey O'Neill) regarding updates on the company, which appears to be non-operational and without profit. Understanding that the Zephyr investment is likely a loss, the Receiver has worked diligently with his tax professionals to determine whether any offset can be reached to limit the taxable gains to the estate. The Receiver will continue to take all steps to monetize the asset or use the calculated loss value of the investment to benefit the Receivership Estate in its tax considerations.

c. Reviewed Potential Third-Party Claims and continued work to bring in funds to the Receivership Estates

The Receiver has identified various potential claims with respect to third-parties that may have received improper transfers consisting of investor assets. After the Court granted his Unopposed Motion to Approve Procedure to Pursue Potential Third Party Claims, the Receiver and his professionals continued evaluating those potential claims pursuant to the procedures approved by the Court. In May 2021, the Receiver and his professionals sent demand letters to various individuals seeking the return of funds the Receiver believes are rightfully owing to the Receivership Entities. For several of those claims, the Receiver has reached an agreement to recover the full amount sought.

For other claims, the Receiver is continuing to pursue a beneficial outcome which could include filing litigation against those third-parties. For one of those claims, the Receiver filed a motion seeking the Court's approval of a negotiated settlement (Doc. 271). Receiver continues his efforts to obtain funds from these

individuals through individualized payments plans including handling any issues that occur with the individualized plans.

d. Continued Investigation and Review of Relevant Documentation and Information

The Receiver and his professionals continued their investigation of the business operations of the various Receivership Entities. This included identifying, obtaining, and reviewing relevant documentation and information from the Receivership Entities' offices and interviewing various individuals.

e. Attended To Litigation Matters

The Receiver continues to monitor the Court's docket given that the Commission's claims against Mr. Williams remain pending.

f. Continued Investor Outreach and Website Updates

The Receiver responded to phone calls and written communications from Kinetic Funds investors and continued to provide updates and announcements on the informational website at www.kineticreceivership.com for investors and other interested parties.

g. The Fourteenth Interim Report

The Receiver prepared and filed his Fourteenth Interim Report on July 31, 2023 (Doc. 311), which provided a comprehensive summary, analysis, and supporting documentation of the Receiver's continuing investigation as well as the tracing of investor funds. The above activities are also discussed in more detail in the Receiver's Thirteenth Interim Report which was filed contemporaneously on January

31, 2023 (Doc. 305) (the “Fourteenth Report”), as well as the Receiver’s previously-filed Interim Reports which are available on the Receiver’s website at www.kineticreceivership.com. The Receiver incorporates the Fourteenth Report into this Application and attaches a true and correct copy of the Fourteenth Report as **Exhibit 2** for the Court’s convenience.

II. Background

On February 20, 2020, the Commission filed a complaint (Doc. 1) (the “Complaint”) in the United States District Court for the Middle District of Florida (the “Court”) against the Defendants Kinetic Investment Group, LLC and Michael S. Williams and Relief Defendants Kinetic Funds I, LLC, KCL Services, LLC d/b/a Lendacy, Scipio, LLC, LF 42, LLC, El Morro Financial Group, LLC, and KIH Inc., f/k/a Kinetic International, LLC, alleging that the Defendants violated the Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Advisers Act of 1940 by making false or materially misleading representations to investors and that over \$6 million of investor funds was misappropriated to fund other business ventures and pay for other unauthorized expenses. Doc. 1.³

According to the Complaint, the scheme involved securities offerings made on behalf of Relief Defendant Kinetic Funds, a purported hedge fund with a sub-fund structure managed by Defendants Kinetic Investment Group, LLC (“Kinetic Investment”) and Williams. Defendants represented to investors that the largest sub-

³ On April 27, 2020, Williams served his Answer and Affirmative Defenses largely denying the Commission’s allegations (Doc. 56).

fund, Kinetic Funds Yield (“KFYield”), invested all of its assets in income-producing U.S. listed financial products hedged by listed options. *Id.* ¶ 2. Potential investors were told that KFYield was a liquid investment that would “maintain 90% principle [sic] protection” and that an investor could redeem their principal investment “100%...without penalties” with a 30-day written notice. *Id.* ¶¶2, 28.

Investors in the KFYield fund, which attracted the near-entirety of investor funds, were also often provided with documentation from Bloomberg’s reporting service containing claims about KFYield’s performance including that the fund had achieved positive annual returns every year since inception. Many, but not all, KFYield investors were also attracted to the investment opportunity given the advertised ability to simultaneously obtain a low- interest loan at the time of their investment from Relief Defendant KCL Services d/b/a Lendacy (“Lendacy”) based on the amount of their KFYield investment. Investors understood that Lendacy utilized its own private funding source to make the low-interest loans.

On March 6, 2020, the Court granted the Commission’s Motion for Appointment of Receiver and entered an Order appointing Mark A. Kornfeld as the Receiver over Defendant Kinetic Investment Group, LLC and the Relief Defendants (“Order Appointing Receiver”) (Doc. 34). The Receiver’s preliminary investigation has uncovered evidence supporting the Commission’s allegations that Defendants made a number of misrepresentations relating to the promised and actual use of investor funds and the performance of the Kinetic Funds portfolios. The Receiver’s preliminary forensic accounting also shows that at least \$6 million of investor funds

were either misappropriated or otherwise diverted to other projects and expenses unrelated to the Kinetic Funds investment opportunity.

A mediation was held on August 28, 2020, but resulted in an impasse (Doc. 132). Both the Commission and Mr. Williams have filed motions for summary judgment. On July 21, 2021, the Court granted the Commission's request to postpone the trial pending resolution of the pending case-dispositive motions (Doc. 257).

III. Professional Services

Pursuant to the Order Appointing Receiver, the Receiver obtained approval to engage various Retained Personnel to assist him in carrying out his duties and responsibilities in the Order Appointing Receiver. The Order Appointing Receiver further set forth the frequency and procedures pursuant to which the Receiver was to seek compensation and expense reimbursement for the Receiver and his Retained Professionals. Doc. 34 ¶¶ 53-54. In accordance with the Commission's Billing Instructions, the Receiver states as follows:

- (a) **Time period covered by the Application:** April 1, 2023 – June 30, 2023.
- (b) **Date of Receiver's appointment:** March 6, 2020.
- (c) **Date services commenced:** February 14, 2020.⁴
- (d) **Names and rates of all professionals:** See Exs. 5-6.

⁴ As further described in the Receiver's First Omnibus Fee Application, the Receiver and his professionals began undertaking efforts in the weeks prior to his appointment to prepare for the possibility of the Order Appointing Receiver being entered at or following the hearing on March 6, 2020, but neither the Receiver nor his Professionals sought reimbursement of those fees or expenses.

(e) **Interim or Final Application:** Interim.

(f) **Records supporting fee application:** See below.

The following exhibits are provided in accordance with the Billing Instructions:

Exhibit 3: Receiver's Certification

Exhibit 4: Total compensation and expenses requested; any amounts previously requested; and total compensation and expenses previously awarded

Exhibit 5: Fee Schedule: Names and Hourly Rates of Professionals and Paraprofessionals & Total Amount Billed for each Professional and Paraprofessional:

Exhibit 5(a): Buchanan Ingersoll & Rooney PC

Exhibit(b): YIP & Associates

Exhibit 5(c): E-Hounds

Exhibit 5(d): PDR CPAs + Advisors

Exhibit 5(e): IRW Law Offices

Exhibit 6: The Professionals' time records for the time period covered by this Application, sorted in chronological order, including a summary and breakdown of the requested reimbursement of expenses:

Exhibit 6(a): Buchanan Ingersoll & Rooney PC

Exhibit 6(b): YIP & Associates

Exhibit 6(c): E-Hounds

Exhibit 6(d): PDR CPAs + Advisors

Exhibit 6(e): IRW Law Offices

IV. Case Status

(a) Cash on hand

As of the date of this Application, the Receivership bank accounts have a cumulative balance of **\$4,569,698.72**.⁵

(b) Summary of the administration of the case

Since his appointment on March 6, 2020, the Receiver has administered the case with the objective of efficiently fulfilling his duties under the Order Appointing Receiver while doing so as cost-effectively as possible by, wherever available, leveraging the use of professionals with favorable rate structures.

During this reporting period, the Receiver has focused on (i) continuing his investigation of the underlying business operations of the various Receivership Entities, (ii) enhancing and preserving the value of Receivership assets, including exploring potential third party claims and serving demand letters on third parties and also continuing the process of preparing for the sale of the Villa Gabriela real estate in Puerto Rico, (iii) investigating potential avenues to recover additional assets, and (iv) continuing to implement a Court-approved claims process that included making a First Interim Distribution to Investor Claimants. Although the Receiver has made significant progress, Defendant Williams continues to contest the Commission's

⁵ This balance includes approximately \$197,422.06 in funds previously held in Mr. Williams' prior counsel's trust account and which were subsequently transferred to the Receiver's fiduciary accounts to be held in trust pending further Order from the Court. In the interim, the Court has authorized the payment of various living and legal expenses to or for Mr. Williams' benefit.

allegations and thus the Receiver is unable to offer an estimate as to when the case is expected to close.

(c) Summary of creditor claims proceedings

The Receiver, along with his Retained Professionals, undertook significant efforts to understand the relationship between the Receivership Entities and current and former investors in order to determine the most equitable framework for a Court-approved claims process to return investor funds. Complicating this analysis was the fact that many of the current and former investors in Kinetic Funds also obtained a loan (or loans) from Receivership Entity Lendacy, which required the Receiver and his forensic professionals to conduct a full forensic analysis of the flow of funds between investors and all Receivership Entities over a seven-year period based on available financial records.

Following the Court's approval of the Receiver's Amended Motion to Establish and Approve (i) Procedure to Administer and Determine Claims; (ii) Proof of Claim Form; and (iii) Claims Bar Date and Notice Procedures (Doc. 155), the Receiver mailed out over 100 proof of claim packets to potential claimants and creditors on November 17, 2020, published notification of the claim bar date of **February 15, 2021** in specified newspapers and his website, and filed his Notice of Publication and Claim Bar Date (Doc. 165). The Receiver ultimately received 37 proof of claim packets.

On June 18, 2021, the Receiver filed his Claims Approval Motion in which he requested the Court's approval of his determinations of the approval and priority of

the submitted claims as well as a plan for distribution. The Court entered an Order granting the Claims Approval Motion on July 21, 2021 (Doc. 256). After the passage of time to implement the Objection Procedure, the Receiver filed his Unopposed Motion to Approve First Interim Distribution (the “Distribution Motion”) on September 3, 2021 in which he requested Court approval to make an initial interim distribution to eligible Investor Claimants consisting of 40% of each Investor Claimant’s approved claim. (Doc. 263.) On October 29, 2021, the Court entered an Order granting the Distribution Motion, and the Receiver mailed out the approved distribution checks within the 10-day period following the Court’s Order.

On September 15, 2022, the Receiver filed his Unopposed Motion to Approve Second Interim Distribution, in which the Receiver requested approval to distribute \$3,500,000.02 as set forth in Exhibit A to the Motion. During this Reporting Period, on January 20, 2023, the Receiver received Court approval for his Unopposed Motion to Approve Second Interim Distribution. (Doc. 304.) All distribution checks related to the Second Interim Distribution have been received and cashed by the Claimants. The Receiver is in the process of preparing his Motion to Approve a Third Interim Distribution. At this stage, the Receiver does not believe that sufficient funds exist to satisfy all anticipated investor claims in full.

(d) Description of assets

In additional to the descriptions provided herein, for detailed information about the assets of the receivership estate, including the anticipated or proposed

disposition of the assets, the Receiver respectfully refers the Court and interested parties to the Fourteenth Report attached hereto as **Exhibit 2**.

(e) Description of liquidated and unliquidated claims held by the Receiver

The Receiver continues to review potential causes of action against the principals of the Receivership Defendants and various third parties, which claims remain subject to the Receiver's ongoing investigation with the assistance of his legal and forensic professionals. These claims may include common law claims and claims under fraudulent transfer statutes. While the Receiver cannot yet predict the likelihood, amount or cost-effectiveness of particular claims or the claims as a whole, the Receiver continues to diligently evaluate claims against third parties.

V. Services Provided And Compensation Sought By The Professionals

(a) Services Provided By Receiver And Buchanan Ingersoll & Rooney PC

The Receiver is a Shareholder at the law firm of Buchanan Ingersoll & Rooney PC ("Buchanan Ingersoll"). The Receiver has practiced law for nearly thirty years and has experience handling fraud recovery cases. The Receiver initially obtained Court approval to retain the services of Quarles & Brady, LLP ("Quarles & Brady") to serve as his legal counsel. As an accommodation to the Receiver and the public interest nature of this matter, Quarles & Brady agreed to reduce the billing rate of its professionals for this case as provided in the Fee Schedule attached hereto as **Exhibit 5(a)** which was, on average, more than 20% (and in some instances, closer to 30%) less than the customary rate charged to clients. To date, these discounts resulted in a

total reduction of over \$100,000 from the rates customarily charged by Quarles & Brady attorneys to clients. As of December 14, 2020, the Receiver and his counsel became associated with Buchanan Ingersoll. The Court approved the retention of Buchanan Ingersoll on December 9, 2020 (Doc. 159), including Buchanan Ingersoll's agreement to continue the reduced existing billing rate of the Receiver and his professionals. To date, these discounts resulted in a total reduction of over \$100,000 from the rates customarily charged by Buchanan Ingersoll attorneys to clients.

The standard hourly rate which the Receiver charges clients begins at (and often exceeds) \$625. The Receiver agreed that for purposes of his appointment as the Receiver, his hourly rate would be reduced to \$437.50 per hour, representing approximately a thirty percent (30%) discount off the standard hourly rate which he charges clients in comparable matters. This rate was set forth in the Commission's Motion to Appoint Receiver, which the Court granted on March 6, 2020 (Doc. 34). During the time covered by this motion, the Receiver provided 50.4 hours in legal services on this Receivership but only seeks compensation for 46.5 of those hours for a total of **\$20,343.75** in legal services and **\$0** in expenses. The statement summarizing the services rendered by the Receiver is attached as **Exhibit 6(a)**.

During the period covered by this Application, Buchanan Ingersoll spent 64.1 hours assisting the Receiver in fulfilling his duties under the Order Appointing Receiver but only seeks compensation for 58.6 of those hours. Buchanan Ingersoll seeks compensation for professional services in the amount of **\$15,822.00** and expenses in the amount of **\$0**. The statement summarizing the services rendered by

Buchanan Ingersoll is also encompassed within **Exhibit 6(a)** attached hereto. The work performed by Buchanan Ingersoll has been focused on investigating the fraud and related activities underlying this matter; locating and taking control of Receivership assets; investigating and pursuing additional assets for the Receivership, and coordinating the framework and procedures for a Court-approved claims process as detailed in the Interim Report. For the period from April 1, 2023 through June 30, 2023, the Receiver requests that the Court award the Receiver and Buchanan Ingersoll fees for professional services rendered in the amount of **\$36,165.75**.

The Receiver and his legal professionals with Buchanan Ingersoll provided these services to investigate the affairs of the Receivership Entities, preserve Receivership assets and attempt to locate and recover additional assets, and to distribute assets to Investor Claimants with approved claims. These services were incurred in connection with the administration of the Receivership and are for the benefit of aggrieved investors, creditors, and other interested parties of the Receivership Entities. All of the services for which compensation is sought were rendered on behalf of the Receivership Entities and in furtherance of the duties of the Receiver, and in discharge of the Receiver's responsibilities under the Order Appointing Receiver.

(b) Services Provided By Yip & Associates

The Receiver obtained Court approval to retain the services of Yip Associates, experienced forensic accountants, to assist in investigating and analyzing the flow of funds both into and out of the various businesses operated by the Receivership

Entities, and to assist in locating any additional funds. Yip & Associates has significant experience conducting forensic and fraud investigations in actions brought by state and federal regulators including the Securities and Exchange Commission. As set forth in the Receiver's Motion to Retain Yip & Associates, Yip & Associates agreed to reduce the rates of its professionals for this case. Hal Levenberg, a Director at Yip & Associates whose normal hourly rate charged to clients is \$395, agreed to cap his rate at \$295 which is the same rate charged by the Receiver's lead counsel, Jordan D. Maglich. Yip & Associates also agreed to discount the hourly rates charged by associates and senior associates from \$195 to \$245 to \$175 and \$220, respectively.

The Receiver has relied on Yip & Associates' extensive forensic accounting experience to assist him in understanding the complex relationship between the various Receivership Entities as well as account for the numerous inflows and outflows over the past seven-year period for which the Receiver has obtained voluminous banking and brokerage statements. These services were instrumental to helping the Receiver understand and account for the flow of funds between the various entities and also saved the Receiver considerable time in preparing various documents and pleadings incorporating this forensic analysis including the Interim Reports.

During the period covered by this Application, Yip & Associates billed 34.1 hours in assisting the Receiver in fulfilling his duties under the Order Appointing Receiver and seeks professional fees in the sum of \$11,053.50. A copy of the statement summarizing the services rendered by Yip & Associates is attached hereto

as **Exhibit 6(b)**. The Receiver requests that the Court award Yip & Associates fees for professional services rendered from April 1, 2023, through June 30, 2023, in the amount of **\$11,053.50**.

(c) Services Provided By E-Hounds, Inc.

The Receiver obtained Court approval to retain the services of E-Hounds, Inc. (“E-Hounds”) to assist with managing and facilitating access to data imaged from electronic devices and hardware belonging to the Receivership Entities. As set forth in the Receiver’s Motion to Retain Information Technology Professionals) (the “IT Motion”) (Doc. 38), E- Hounds principal Adam Sharp has extensive experience in this field and also with assisting court-appointed receivers including in matters brought by the SEC. As an accommodation to the Receiver, E-Hounds agreed not to charge an up-front retainer and provided preferred hourly rates ranging from \$195 to \$250 for customary forensic imaging tasks.⁶ The Receiver has leveraged E-Hounds’ lower rate structure to identify and preserve electronic data obtained from Receivership Entities’ computer servers, electronic devices and paper files located at the Sarasota office and utilize the firm’s review platform as a central review platform on a flat-fee structure with no additional servicing or storage fees. The Court granted the Receiver’s Motion to retain E-Hounds on March 6, 2020 (Doc. 42).

⁶ E-Hounds’ fee proposal, which was included in the Receiver’s IT Motion, also included additional fees and services for non-customary tasks including expert witness and “triage reporting” services. Doc. 38 Ex. 2.

The extent of services provided by E-Hounds to the Receiver during this Reporting Period has primarily consisted of updating and maintaining the document review platform and, where necessary, performing one-off forensic imaging tasks. The Receiver anticipates that this will remain the primary services provided by E-Hounds for the foreseeable future. During the period covered by this Application, E-Hounds seeks reimbursement of expenses in the sum of **\$1,485.00**. A copy of the statement summarizing the services rendered by E-Hounds is attached hereto as **Exhibit 6(b)**. The Receiver requests that the Court award E-Hounds fees for costs incurred from April 1, 2023 through June 30, 2023, in the amount of **\$1,485.00**.

(d) Services Provided By PDR CPAs + Advisors

The Receiver obtained Court approval to retain the services of PDR CPAs + Advisors (“PDR”) to handle tax-related issues for the Receivership Entities. (Doc. 47.) This includes the preparation of any required tax-related documents as well as analyzing previous tax documents to assist the Receiver in performing his duties. PDR’s principal, Bill Price, routinely provides tax and accounting services in receivership matters. During the period covered by this Application, PDR billed 15.25 hours in assisting the Receiver in fulfilling his duties under the Order Appointing Receiver, which included the efforts to determine the calculations for a Second Interim Distribution to Claimants, and seeks professional fees in the sum of **\$4,079.50** as set forth in the invoices attached as **Exhibit 6(c)**. The Receiver requests that the

Court award PDR fees for professional services rendered from April 1, 2023 through June 30, 2023, in the amount of **\$4,079.50**.

(e) Services Provided By IRW Law Offices

In connection with his efforts to market and sell the Receivership remaining real property located in Puerto Rico, the Receiver obtained Court approval to retain the services of IRW Law Offices (“IRW”) based in Puerto Rico to provide legal services to the Receiver regarding those efforts. (Doc. 154). This includes the preparation of necessary sale-related documents and other services to assist the Receiver in performing his duties. During the period covered by this Application, the Receiver required IRW’s assistance in handling various tasks associated with the Villa Gabriela property, including the ongoing process of addressing and correcting title issues and also completing the transfer of title of the property from Mr. Williams to the Receiver. During this period, IRW seeks compensation for **3.5** hours expended on this matter and billed the Receiver for professional services rendered in the amount of **\$750.00** and expenses of **\$155.00** as set forth in the invoices attached as **Exhibit 6(d)**. The Receiver requests that the Court award IRW fees for professional services rendered from April 1, 2023 through June 30, 2023, in the amount of **\$905.00**.

MEMORANDUM OF LAW

A receiver appointed by a court who reasonably and diligently discharges his duties is entitled to be fairly compensated for services rendered and expenses incurred. *See SEC v. Elliott*, 953 F.2d 1560 (11th Cir. 1992) (“[I]f a receiver reasonably and diligently discharges his duties, he is entitled to compensation.”); *Donovan v. Robbins*,

588 F. Supp. 1268, 1272 (N.D. Ill. 1984) (“[T]he receiver diligently and successfully discharged the responsibilities placed upon him by the Court and is entitled to reasonable compensation for his efforts.”); *SEC v. Custable*, 1995 WL 117935 (N.D. Ill. Mar. 15, 1995) (receiver is entitled to fees where work was of high quality and fees were reasonable); *SEC v. Mobley*, 2000 WL 1702024 (S.D.N.Y. Nov. 13, 2000) (court awarded reasonable fees for the receiver and his professionals). In determining reasonable compensation for the services rendered by the Receiver and his Professionals, the Court should consider the circumstances surrounding the receivership. *See Elliot*, 953 F.2d at 1577.

In addition to fees, the receiver is “also entitled to be reimbursed for the actual and necessary expenses” that the receiver “incurred in the performance of [its] duties.” *Fed. Trade Comm'n v. Direct Benefits Grp., LLC*, 2013 WL 6408379, at *3 (M.D. Fla. 2013). The Receiver and his Professionals support their claims for reimbursement of expenses with “sufficient information for the Court to determine that the expenses are actual and necessary costs of preserving the estate.” *SEC v. Kirkland*, 2007 WL 470417, at *2 (M.D. Fla. 2007) (citing *In re Se. Banking Corp.*, 314 B.R. 250, 271 (Bankr. S.D. Fla. 2004)).

Here, because of the nature of this case, it was necessary for the Receiver to employ attorneys, accountants, and professionals experienced and familiar with financial frauds, federal receiverships, securities laws, banking, finance, and trusts and estates. Further, in order to perform the services required and achieve the results obtained to date, the skills and experience of the Receiver and the Professionals in the

areas of fraud, securities, computer and accounting forensics, and financial transactions were indispensable.

The Receiver and his legal, forensic, and information technology professionals have each discounted their normal and customary rates as an accommodation to the Receivership and to conserve Receivership assets. The rates charged by the attorneys and paralegals are at or below those charged by attorneys and paralegals of comparable skill from other law firms in the Middle District of Florida. This case has been time-intensive for the Receiver and his Professionals because of the need to resolve many issues rapidly and efficiently. The attached Exhibits detail the time, nature and extent of the professional services rendered by the Receiver and his Professionals for the benefit of investors, creditors, and other interested parties. The Receiver anticipates that additional funds will be obtained through the Receiver's negotiations or litigation with third parties.

The Receiver is sensitive to the need to conserve the Receivership Entities' assets and respectfully submits that the fees and costs expended to date were reasonable, necessary, and benefited the Receivership. Notably, the Commission has no objection to the relief sought in this motion. *Custable*, 1995 WL 117395, *7 (“In securities law receiverships, the position of the SEC in regard to the awarding of fees will be given great weight.”)

CONCLUSION

Under the terms and conditions of the Order Appointing Receiver, the Receiver, among other things, is authorized, empowered, and directed to engage

professionals to assist him in carrying out his duties and obligations. The Order further provides that he apply to the Court for authority to pay himself and his Professionals for services rendered and costs incurred. In exercising his duties, the Receiver has determined that the services rendered and their attendant fees and costs were reasonable, necessary, advisable, and in the best interest of the Receivership.

WHEREFORE, Mark A. Kornfeld, the Court-appointed Receiver, respectfully requests that this Court award the following sums and direct that payment be made from the Receivership assets:

Mark A. Kornfeld, Esq. and Buchanan Ingersoll	\$36,603.25
YIP	\$11,053.50
E-Hounds	\$ 1,485.00
PDR CPAs + Advisors	\$ 4,079.50
IRW Law Offices	\$ 905.00
TOTAL:	\$54,126.25

A proposed Order is attached as **Exhibit 7**.

WHEREFORE, the Receiver seeks entry of an Order granting this motion and awarding the Receiver and his professionals their interim fees, reimbursement of costs, and for such other relief that is just and proper.

LOCAL RULE 3.01(g) CERTIFICATION

Pursuant to Local Rule 3.01(g), the Receiver hereby certifies that he has conferred with counsel for Plaintiff, Securities and Exchange Commission, which does not oppose the requested relief. The Receiver has also conferred with counsel for Defendant Michael S. Williams, who takes no position on the requested relief.

Respectfully submitted,

BUCHANAN INGERSOLL & ROONEY PC



Lauren V. Humphries, Esq. (FBN 117517)
401 E. Jackson St., Suite 2400
Tampa, FL 33602
Telephone: (813) 222-2098
Facsimile: (813) 222-8189
Email: Lauren.Humphries@bipc.com
Attorneys for Receiver Mark A. Kornfeld

CERTIFICATE OF SERVICE

I hereby certify that on August 2, 2023, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a Notice of Electronic Filing to the following counsel of record:

Christine Nestor, Esq.
Stephanie N. Moot, Esq.
John T. Houchin, Esq.
Barbara Viniegra, Esq.
Securities and Exchange Commission
801 Brickell Avenue, Suite 1950
Miami, FL 33131
nestorc@sec.gov
moots@sec.gov
houchinj@sec.gov
viniegrab@sec.gov
Counsel for Plaintiff

Timothy W. Schulz, Esq.
Timothy W. Schulz, P.A.
224 Datura Street, Suite 815
West Palm Beach, FL 33401
e-service@twslegal.com

Jon A. Jacobson, Esq.
Jacobson Law, P.A.
224 Datura Street, Suite 812
West Palm Beach, FL 33401
jjacobson@jlpa.com
e-service@jlpa.com
Counsel for Defendant Michael Williams

By: 

Attorney

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “1”



Oldsmar / Tampa / St. Petersburg

727-785-4447

813-498-1294

727-784-5491 Fax

www.pdr-cpa.com

REPORT OF STANDARDIZED FUND ACCOUNTING REPORT

Mark A. Kornfeld, As Receiver for Kinetic Investment Group, LLC et al.
Tampa, FL

We have compiled the standardized fund accounting report for the period April 1, 2023 to June 30, 2023 and from inception March 6, 2020 to June 30, 2023, included in the accompanying prescribed form (Civil Court Docket No. 8:20-cv-00394-WFJ-SPF). We have not audited or reviewed the accompanying standardized fund accounting report and accordingly, do not express an opinion or any assurance about whether the standardized fund accounting report is in accordance with the form prescribed by the Civil Court Docket No. 8:20-cv-00394-WFJ-SPF).

Mark A. Kornfeld, As Receiver for Kinetic Investment Group, LLC et al, is responsible for the preparation and fair presentation of the standardized fund account report in accordance with requirements prescribed by the Civil Court Docket No 8:20-cv-00394-WFJ-SPF, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the standardized fund accounting report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist Mark A. Kornfeld, As Receiver for Kinetic Investment Group, LLC et al, in presenting financial information in the form of a standardized fund accounting report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the standardized fund accounting report.

This standardized fund accounting report is presented in accordance with the requirements of the Civil Court Docket No. 8:20-cv-00394-WFJ-SPF , which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Civil Court Docket No 8:20-cv-00394-WFJ-SPF and is not intended and should not be used by anyone other than this specified party.

Oldsmar, Florida
July 7, 2023

Line 1	Beginning Balance (As of 04/01/2023)		\$	4,625,341.98
Increases in Fund Balance:				
Line 2	Business Income			
Line 3	Cash and Securities**			
Line 4	Interest/Dividend Income	27,425.63		
Line 5	Business Asset Liquidation			
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous - Other	2,013.83		
	Total Funds Available (Line 1 - 8):		29,439.46	4,654,781.44
Decreases in Fund Balance:				
Line 9	Disbursements to Claimants			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	82,514.61		
Line 10b	Business Asset Expenses			
Line 10c	Personal Asset Expenses	8,829.36		
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	1 Attorney Fees			
	2 Litigation Expenses			
	Total Third-Party Litigation Expenses			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments			
	Total Disbursements for Receivership Operations		91,343.97	91,343.97
Line 11	Disbursements for Distribution Expenses Paid by the Fund			
Line 11a	Distribution Plan Development Expenses			
	1 Fees			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Miscellaneous			
	Total Plan Development Expenses			
Line 11b	Distribution Plan Implementation Expenses			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Investor Identification			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4 Fund Administrator Bond			
	5 Miscellaneous			
	6 Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	Total Disbursements for Distribution Expenses Paid by the Fund			
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Reports Investment			

FUND ACCOUNTING (See Instructions)		Detail	Subtotal	Grand Total
Line 14	Ending Balance of Fund - Net Assets:			4,563,437 47
Line 14a	Cash & Cash Equivalents			4,563,437 47
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds	-	-	
	Total Ending Balance of Fund - Net Assets			4,563,437 47
OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
Line 15	Report of Items Not To Be Paid by the Fund			
	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Miscellaneous			
	Total Plan Development Expenses Not Paid by the Fund		-	
Line 15b	Plan Implementation Expenses Not Paid by the Fund			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Investor Identification			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4 Fund Administrator Bond			
	5 Miscellaneous			
	6 Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses Not Paid by the Fund		-	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund			
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	Total Disbursements to Court/Other Not Paid by the Fund			-
Line 17	DC & State Tax Payments			
Line 18	No of Claims			
	# of Claims Received This Reporting Period _____			
	# of Claims Received Since Inception of Fund _____			
Line 19	No of Claimants/Investors:			
Line 19a	# of Claimants/Investors Paid This Reporting Period _____			
	# of Claimants/Investors Paid Since Inception of Fund _____			

*Broker accounts U1364167 and U1364170 are not part on the Receivership and not included in above report. Accounts were closed and transferred out to the investors

Receiver
 By _____
 Title
 Date

Line 1	Beginning Balance (As of 03/06/2020)		\$	-
	Increases in Fund Balance:			
Line 2	Business Income			
Line 3	Cash and Securities	13,652,912 22		
Line 4	Interest/Dividend Income	233,566 31		
Line 5	Business Asset Liquidation	5,631,553 00		
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income	3,603,118 07		
Line 8	Miscellaneous - Other	230,891 58		
	Total Funds Available (Line 1 - 8):		23,352,041 18	23,352,041 18
	Decreases in Fund Balance:			
Line 9	Disbursements to Claimants	16,716,050 93		
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	1,808,555 31		
Line 10b	Business Asset Expenses	76,449 83		
Line 10c	Personal Asset Expenses	105,952 62		
Line 10d	Investment Expenses	55,113 36		
Line 10e	Third-Party Litigation Expenses			
	1 Attorney Fees			
	2 Litigation Expenses			
	Total Third-Party Litigation Expenses			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments	26,481 66		
	Total Disbursements for Receivership Operations		18,788,603 71	18,788,603 71
Line 11	Disbursements for Distribution Expenses Paid by the Fund			
Line 11a	Distribution Plan Development Expenses			
	1 Fees			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Miscellaneous			
	Total Plan Development Expenses			
Line 11b	Distribution Plan Implementation Expenses			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Investor Identification			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4 Fund Administrator Bond			
	5 Miscellaneous			
	6 Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	Total Disbursements for Distribution Expenses Paid by the Fund			
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment			

FUND ACCOUNTING (See Instructions)		Detail	Subtotal	Grand Total
Line 14	Ending Balance of Fund - Net Assets:			4,563,437.47
Line 14a	Cash & Cash Equivalents			4,563,437.47
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds	-		
	Total Ending Balance of Fund - Net Assets			4,563,437.47
OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
Report of Items Not To Be Paid by the Fund				
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Miscellaneous			
	Total Plan Development Expenses Not Paid by the Fund		-	
Line 15b	Plan Implementation Expenses Not Paid by the Fund			
	1 Fees			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2 Administrative Expenses			
	3 Investor Identification			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4 Fund Administrator Bond			
	5 Miscellaneous			
	6 Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses Not Paid by the Fund		-	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund			
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	Total Disbursements to Court/Other Not Paid by the Fund		-	
Line 17	DC & State Tax Payments			
Line 18	No of Claims			
	# of Claims Received This Reporting Period _____			
	# of Claims Received Since Inception of Fund _____			
Line 19	No of Claimants/Investors:			
Line 19a	# of Claimants/Investors Paid This Reporting Period _____			
	# of Claimants/Investors Paid Since Inception of Fund _____			

Receiver
 By _____
 Title _____
 Date _____

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT "2"

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KINETIC INVESTMENT GROUP, LLC and
MICHAEL SCOTT WILLIAMS, Case No: 8:20-cv-394-MSS-SPF

Defendants, and

KINETIC FUNDS I, LLC,
KCL SERVICES, LLC d/b/a LENDACY,
SCPIO, LLC, LF 42, LLC, EL MORRO
FINANCIAL GROUP, LLC, and KIH, INC.,
f/k/a KINETIC INTERNATIONAL, LLC,

Relief Defendants.

_____ /

RECEIVER’S FOURTEENTH INTERIM REPORT

(Reporting Period: April 1, 2023 to June 30, 2023)

Mark A. Kornfeld, Esq., in his capacity as the court-appointed Receiver (the “Receiver”) for Kinetic Investment Group, LLC (“KIG”), Kinetic Funds I, LLC (“Kinetic Funds”), KCL Services, LLC d/b/a Lendacy (“Lendacy”), Scipio, LLC (“Scipio”), LF 42, LLC (“LF42”), El Morro Financial Group, LLC (“El Morro”), and KIH Inc., f/k/a Kinetic International, LLC (“Kinetic International”) (collectively, the “Receivership Defendants”), respectfully files his Fourteenth Interim Report (the “Fourteenth Report”) covering information and activity occurring from

April 1, 2023 to June 30, 2023. In addition to providing notice of the receivership to all known investors shortly after his appointment, the Receiver has also established an informational website at www.kineticreceivership.com, which is regularly updated with important court filings (including previous and subsequent Interim Reports), announcements, and other news that might be relevant to interested parties.

During the time period covered by this Fourteenth Report (April 1, 2023 to June 30, 2023), the Receiver and his team of legal, technology, tax, and accounting professionals (collectively, the “Retained Professionals”) have engaged in significant activities regarding the Receivership Estate, which are discussed more thoroughly in the forthcoming report.

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY OF REPORTING PERIOD..... 1

A. Significant Activities Occurring During This Reporting Period ... 1

II. BACKGROUND 8

A. Procedure and Chronology..... 8

B. The Receiver’s Role and Responsibilities..... 10

C. Receivership Defendants 10

III. OVERVIEW OF RECEIVER’S PRELIMINARY FINDINGS..... 11

A. Discrepancies Between Kinetic Funds’ Actual And Reported Performance And Assets..... 11

B. Analyzing The Use Of Investor Deposits 17

C. Kinetic Funds Management Fees 20

D. Lendacy’s Funding Source Was Kinetic Funds 21

E. Significant Losses From Association With VTrader Pro, LLC .. 22

F. Williams’ Use Of Investor Funds For His Own Benefit 24

G. Continued Investor Outreach and Administration Of Website .. 26

IV. THE NEXT QUARTER..... 26

A. Investigation 26

B. Third Interim Distribution to Investors 27

C. Continued Liquidation and Monetization of Receivership Assets 28

D. Potential Third-Party Claims..... 29

E. Tax Considerations for the Receivership Estate..... 29

I. EXECUTIVE SUMMARY OF REPORTING PERIOD

A. Significant Activities Occurring During This Reporting Period

1. **Evaluated Puerto Rican and U.S. Federal Tax Considerations after Finalizing Sale of All Real Property of Receivership Estate.**

Due to the Receiver's efforts in prior Reporting Periods, the sale of all real property closed as planned – bringing in necessary funds to the Receivership Estate. A great deal of legal work was expended during the Reporting Period to assist the Receiver's professionals in finalizing post-closing issues, including communicating regularly with the Purchaser on all aspects of "Villa Gabriela," which included the following real property:

- Condominium Villa Gabriela, Apartment PH1-A/PH 1-B located at 109 De la Cruz Street, San Juan, Puerto Rico 00901;
- Condominium Villa Gabriella, Apartment 2-E located at 109 De la Cruz Street, San Juan, Puerto Rico 00901;
- Parking Space #321 located at Cochera San Francisco, Luna Street #204, San Juan, Puerto Rico 00901; and
- Parking Space #325 located at Cochera San Francisco, Luna Street #204, San Juan, Puerto Rico 00901.

Understanding that most of the Receivership assets have been monetized, the Receiver and his professionals have expended resources and time to review the state of the Receivership's taxes as related to the funds brought into the Receivership Estate from the sale of this property. Part of this analysis involved coordinating with tax professionals to ensure that capital gains of the Receivership were properly realized and reported in both Puerto Rican and U.S. tax returns.

This Receivership was in a unique position from the outset of the Receiver's appointment in that the Receiver was charged with monetizing real property located outside the continental U.S. The location of this real property in San Juan, Puerto Rico brought additional tax considerations to be addressed by the Receiver. Monetizing this real property required the filing of U.S. and Puerto Rican tax returns. Specifically, some of the real property was held by Receivership Defendant Scipio, LLC after the requisite statutory overbid took place. Prior to the appointment of the Receiver, Scipio, LLC, had not filed taxes for 2019 but still held title to real property that was later sold by the Receivership. The Receiver had to address tax issues related to the monetization of this property. To address these issues, the Receiver retained counsel and CPAs in Puerto Rico, who were familiar with the code and compliance requirements of Puerto Rican law and the realization of capital gains through the sale of real property. The Receiver has worked diligently with his professionals, both in Florida and Puerto Rico, to ensure that all taxation issues will be properly addressed prior to the closure of the Receivership, which the Receiver anticipates will occur in the First Reporting Quarter of 2024. At present, the Receiver continues to work with his tax professionals to ensure that all tax obligations are met both in the U.S. and in Puerto Rico.

2. Prepared for Third Interim Distribution to Claimant Investors.

During the prior Reporting Quarter, the Receiver received Court approval

for his Motion to Approve Second Interim Distribution, in which the Receiver sought an Order approving a distribution of \$3,500,000.02 to the Investor Claimants. (Doc. 304.) This distribution represented a recovery of 10.6% of the Total Allowed Amounts of Investor Claims and was paid to investor claimants in the prior Reporting Quarter. In this Reporting Period, the Receiver has evaluated the needs of the Receivership in determining the amount for a Third Distribution. Specifically, the Receiver continued to work with his CPA Professionals to prepare the necessary exhibits for a Third Interim Distribution, which will provide approximately \$1.4M¹ to the claimant investors once approved by the Court. Due to continued work related to the tax considerations of the Receivership Estate, the Receiver determine that \$1.4M is the appropriate distribution for this time period. The Receiver plans to file the full Motion to Approve Third Distribution in the Third Quarter of 2023.

After the Third Distribution is finalized, the Receiver will have returned a total amount of **\$18,116,050.90** to the investor claimants in this Receivership.

3. Assessed Tax Considerations regarding Zephyr Aerospace Investment.

In March of 2019, Kinetic International made an investment totaling

¹¹ Due to rounding on individual claimant investor distribution amounts, the total Third Interim Distribution amount will be \$1,399,999.97.

\$500,000.00 in an early-stage airline seat startup known as Zephyr Aerospace (“Zephyr”). The investment into Zephyr was beyond the scope of what investor money was to be used for in that there was no dividend strategy in this investment. The purpose of Zephyr was to revolutionize the way individuals select airline seats on commercial airlines. This \$500,000.00 investment was clearly traceable to investor funds. Understanding that the Zephyr investment is likely a loss, the Receiver has worked diligently with his tax professionals to determine whether any offset can be reached to limit the taxable gains to the estate. The Receiver will continue to take all steps to monetize the asset or use the calculated loss value of the investment to benefit the Receivership Estate in its tax considerations.

4. Reviewed Potential Third-Party Claims

The Receiver has identified various potential claims with respect to third-parties that may have received improper transfers consisting of investor assets. After the Court granted his Unopposed Motion to Approve Procedure to Pursue Potential Third-Party Claims, the Receiver and his professionals continued evaluating those potential claims pursuant to the procedures approved by the Court. In May 2021, the Receiver and his professionals sent demand letters to various individuals seeking the return of funds the Receiver believes are rightfully owing to the Receivership Entities. For several of those claims, the Receiver has reached an agreement to recover the full amount sought.

For other claims, the Receiver is continuing to pursue a beneficial outcome

which could include filing litigation against those third-parties. For one of those claims, the Receiver filed a motion seeking the Court's approval of a negotiated settlement (Doc. 271). In his investigation, the Receiver identified three bank accounts held at Interactive Brokers, LLC, which collectively held approximately \$10,000.00 on behalf of the Receivership defendants. The Receiver is in the process of working with the Compliance Department of Interactive Brokers to facilitate the transfer of these funds to the Receivership Estates. The Receiver anticipates that the fund transfer will be effectuated in the Third Quarter of this year.

5. Preparation of Thirteenth Interim Report

The Receiver prepared and filed his Thirteenth Interim Report on April 25, 2023 (Doc. 308), which provided a comprehensive summary, analysis, and supporting documentation of the Receiver's continuing investigation as well as the tracing of investor funds.

6. Communication with Investors

The Receiver's staff professionals and counsel continued to communicate regularly with investors via phone and through email correspondence. Additionally, the Receiver continues to provide updates and announcements on the informational website at www.kineticreceivership.com for investors and other interested parties.

7. Continued Investigation and Review of Relevant Documentation and Information regarding the Receivership Entities

The Receiver and his professionals continued their investigation of the business operations of the various Receivership Entities. This included identifying, obtaining, and reviewing relevant documentation and information from the Receivership Entities' offices and interviewing various individuals.

8. Attended To Litigation Matters.

The Receiver continues to monitor the Court's docket given that the Commission's claims against Mr. Williams remain pending. The Receiver continues to be in contact with the SEC and individuals involved in the litigation.

9. Managed Receiver's Cash Accounts held at ServisFirst Bank.

Receivership funds are currently being held at ServisFirst Bank. The Receiver has attached a standardized fund accounting report showing the total funds on hand and secured as of June 30, 2023 as **Exhibit 1**.² As of the date of this Report, the Receiver has (i) secured, frozen, marshaled, and liquidated assets for the benefit of victim that resulted in the deposit of **approximately \$20 million**³ in the Receiver's fiduciary bank accounts during the Receiver's appointment; (ii) secured significant real property assets and commenced the process of

² The report includes the bank account holding funds previously transferred by Williams' former counsel to the Receiver.

³ This amount includes approximately \$197,422.06 in funds previously held in Mr. Williams' prior counsel's trust account and which were subsequently transferred to the Receiver's fiduciary accounts to be held in trust pending further Order from the Court. In the interim, the Court has authorized the payment of various living and legal expenses to or for Mr. Williams' benefit.

marketing and liquidating those assets which shall result in additional proceeds deposited with the Receivership Estate; and (iii) made an initial distribution of **\$13.2 million** to Investor Claimants with approved claims, which amount constitutes 40% of each Investor Claimant's approved claim.

The nearly \$20 million recovered for the benefit of victims is the result of the following actions:

- March 6, 2020: Froze approximately **\$7.6 million** in Receivership bank accounts located at BMO Harris Bank;
- March 20, 2020: Liquidated securities located in Kinetic Funds sub-accounts at Interactive Brokers. After satisfying the account margin obligations, approximately **\$5.5 million** was transferred to the Receiver's bank accounts on January 7, 2021;
- June 25, 2020: Liquidated gold coins held by Kinetic Funds for total proceeds of **\$223,877.75** which were deposited into the Receiver's bank accounts;
- November 10, 2020: Received nearly **\$3.5 million from** two Kinetic Funds investors as part of a settlement that ultimately offset roughly \$8 million of the approximately \$12 million in margin obligations in Kinetic Funds' Interactive Brokers' sub-accounts;
- May 11, 2021: Received approximately **\$4.0 million** in net sales proceeds from the sale of the property located at 152 Tetuan Street, San Jan, Puerto Rico 00901; and
- Through September 30, 2021, the Receiver and his retained legal, accounting, tax, and technology professionals have been paid approximately **\$1,250,000** in fees and expenses for their services.

II. BACKGROUND

A. Procedure and Chronology

On February 20, 2020, the Commission filed a complaint (the “Complaint”) (Doc. 1) in the United States District Court for the Middle District of Florida (the “Court”) against Defendants and Relief Defendants alleging that Defendants violated the Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Advisers Act of 1940 by making false or materially misleading representations to investors and that over \$6 million of investor funds was misappropriated to fund other business ventures and pay for other unauthorized expenses. Doc. 1 ¶¶4, 28-38.

The Complaint alleged that the scheme involved securities offerings made on behalf of Kinetic Funds, a purported hedge fund with a sub-fund structure managed by Kinetic Investment Group and Defendant Williams. *Id.* ¶ 2. Defendants represented to investors that the largest sub-fund, KFYield, invested all of its assets in income-producing U.S. listed financial products hedged by listed options. *Id.* Potential investors were told that KFYield was a liquid investment that would “maintain 90% principle [sic] protection” and that an investor could redeem their principal investment “100% . . . without penalties” with a 30-day written notice. *Id.* ¶¶ 2, 28. Investors in the KFYield fund, which attracted the near-entirety of investor funds entrusted to Kinetic Funds, were routinely provided with documentation from Bloomberg’s reporting service that claimed KFYield

had achieved positive annual returns every year since inception. *Id.* ¶ 24. Many, but not all, investors were also attracted to the Kinetic Funds investment opportunity by the advertised ability to obtain low-interest and unsecured loans from Lendacy based on their KFYield investment and with the understanding that 100% of their KFYield investment would continue earning dividends. *Id.* ¶ 28.

On March 6, 2020, the Court entered the Order Appointing Receiver. By separate Order, the Court also granted the Commission’s Motion for Asset Freeze and granted other relief as to all Defendants (Doc. 33). Among other things, the Orders froze Defendants’ assets and enjoined any further violations of federal securities laws.

On May 12, 2020, Defendant Williams filed his Answer and Affirmative Defenses to the Commission’s Complaint in which he denied the Commission’s substantive allegations and set forth 13 affirmative defenses (Doc. 56). On May 28, 2020, the Commission filed its Motion for Judgment of Permanent Injunction (Doc. 86) following the Receiver’s execution of a Consent Judgment on behalf of the various Receivership Entities named in the Complaint, and the Court entered that Consent Judgment on November 5, 2020 (Doc. 156). The Commission and Defendant Williams mediated this case on August 28, 2020, which resulted in an impasse (Doc. 132). Both the Commission and Defendant Williams have filed pending dispositive motions seeking judgment in their favor. Docs. 200-202. On

July 21, 2021, the Court granted the Commission’s request to postpone the trial pending resolution of the pending case-dispositive motions. (Doc. 257).

B. The Receiver’s Role and Responsibilities

As an independent agent of the Court, the Receiver’s powers and responsibilities are set forth in the Order Appointing Receiver which provides, in relevant part, that the Receiver:

- “[S]hall have all powers, authorities, rights and privileges heretofore possessed by the officers, directors, managers and general and limited partners of the Receivership Defendants under applicable state and federal law...” and “shall assume and control the operation of the Receivership Defendants and shall pursue and preserve all of their claims.” Doc. 34 ¶¶ 4-5;
- Shall “take custody, control, and possession of all Receivership Property and records relevant thereto from the Receivership Defendants...” and “manage, control, operate and maintain the Receivership Estates and hold in his possession, custody and control all Receivership Property pending further Order of this Court.” *Id.* ¶ 7(B);
- Is “authorized, empowered, and directed to investigate the manner in which the financial and business affairs of the Receivership Defendants were conducted and...to institute such actions and legal proceedings...as the Receiver deems necessary and appropriate...” *Id.* ¶ 37; and
- Is directed to “develop a plan for the fair, reasonable, and efficient recovery and liquidation of all remaining, recovered, and recoverable Receivership Property...and to “file and serve a full report and accounting of each Receivership Estate” for each calendar quarter. *Id.* ¶¶ 46, 48.

C. Receivership Defendants

The Receiver incorporates by reference herein the descriptions of the

various Receivership Defendants and Other Relevant Non-Parties set forth in the First Report. *See* Doc. 60 at pp. 12-16.

III. OVERVIEW OF RECEIVER’S PRELIMINARY FINDINGS

The Receiver’s issuance of interim quarterly reports is intended to, among other things, present a detailed summary of various preliminary findings and ongoing investigation. Unless specifically indicated herein, those preliminary findings are incorporated herein and remain consistent with the Receiver’s ongoing investigation. The Receiver reserves the right to revise, amend, and/or supplement these conclusions as the investigation progresses. The Receiver presents the following non-exclusive conclusions that he continues to supplement based on his preliminary review of the documents in his possession and with the assistance of his Retained Professionals.

A. Discrepancies Between Kinetic Funds’ Actual and Reported Performance And Assets

i. Performance Discrepancies

Many investors were attracted to KFYield through promises of consistent investment returns made possible through lower risk, “principle [sic] protection,” and “maximum liquidity.” No later than early 2017, KFYield’s performance and other information were listed on Bloomberg, and those reports were provided to current and prospective investors showing that KFYield had achieved consistent positive returns. For example, the Q2 2019 Quarterly Report distributed to current

investors included a Bloomberg report indicating that the fund had profitable monthly returns for 41 out of the 50 months during the period from April 2015 to June 2019 – including a streak of 21 consecutive months of positive monthly returns from October 2017 to June 2019.⁴

The following chart lists KFYield’s annual performance from 2013 to 2019 based on figures reported by Bloomberg and distributed to current and prospective investors:

<u>Year</u>	<u>Bloomberg Reported Performance For KFYield Fund</u>
2013	9.79%
2014	21.27%
2015	.21%
2016	2.24%
2017	1.04%
2018	7.09%
2019 (through June 28, 2019) ⁵	2.45%

Beginning in June 2014, Kinetic Funds moved its brokerage accounts for KFYield and other sub-accounts to Interactive Brokers.⁶ According to Interactive Brokers’ Portfolio Analyst tool, the KFYield trading account’s performance (and change in

⁴ With the exception of a -3.33% monthly return in 2015, the fund’s performance for the remaining reported eight unprofitable months during that period ranged from -.02% to -.61%.

⁵ The Receiver has not seen any information indicating that Kinetic Funds updated the Fund’s reported Bloomberg performance figures after September 2019.

⁶ Prior to June 2014, trading accounts for KFYield and other sub-funds were held at Bank of America/Merrill Lynch by Kinetic Securities Trading (“KST”), a predecessor to Kinetic Funds.

net asset value) from 2015 (the first full year at Interactive Brokers) to 2019 was:

<u>Year</u>	<u>Actual Interactive Brokers Performance For KFYield Fund</u>
2015	-8.8%
2016	-3.8%
2017	-27.5%
2018	12.8%
2019 (annual)	-1.2%

There are significant discrepancies between the figures reported on Bloomberg and calculated by Interactive Brokers.

For example, in the “Fourth Quarter 2017” quarterly report distributed by Kinetic Investment Group that included the fund’s reported performance data on Bloomberg for that period, Defendant Williams stated that “[l]ast year maintained a conservative approach of over-hedging against potential market volatility.” The Bloomberg report included with that Quarterly Report showed that, as of December 29, 2017, the fund had total assets of \$31.78 million and its year-to-date performance was 1.04%.

However, the 2017 annual statement produced by Interactive Brokers for KFYield’s trading account showed that the account declined in value by over 25% during that period:

Net Asset Value					
	December 31, 2016	December 31, 2017			Change
	Total	Long	Short	Total	
Cash	-11,437,677.94	0.00	-88,877,936.84	-88,877,936.84	-77,440,258.90
Stock	17,663,496.00	104,667,799.00	-219,768.00	104,438,041.00	86,784,546.00
Options	264,376.62	3,067,374.02	-13,927,674.86	-10,860,300.83	-11,124,677.36
Interest Accruals	-4,140.83	0.00	-99,942.86	-99,942.86	-95,802.03
Dividend Accruals	34,887.82	134,620.11	0.00	134,620.11	99,632.29
Total	6,610,940.67	107,869,693.13	-103,126,312.66	4,734,380.68	-1,776,669.99
Time Weighted Rate of Return					-27.62%

According to this statement, KFYield had a Net Asset Value (“NAV”) of \$6,510,940.57 as of December 31, 2016, and that NAV declined to \$4,734,380.58 as of December 31, 2017 - an annual change of -\$1,776,559.99 or -27.62% of the account’s NAV. As of December 31, 2017, the account holdings consisted of over \$104 million in stock positions, -\$10.8 million in net options positions, and a cash balance of nearly -\$89 million.⁷

Another portion of that statement entitled “Change in NAV” showed a breakdown of the annual change in the NAV during that period:

⁷ Unlike previous reports, which included the fund’s top 10 holdings as of the end of the relevant quarter, the 2017 Q4 report included the fund’s top holdings as of February 13, 2018 - approximately 45 days after the end of the relevant quarter and which were significantly different than the fund’s holdings as of December 29, 2017.

Change in NAV	Total
Starting Value	6,510,940.67
Mark-to-Market	-3,154,506.38
Position Transfers	16,684.00
Dividends	1,923,148.82
Withholding Tax	-2,036.76
Change in Dividend Accruals	99,632.29
Interest	-439,632.20
Change in Interest Accruals	-95,802.03
Other Fees	-253.30
Commissions	-120,842.30
Transaction Fees	-2,953.13
Ending Value	4,734,380.68

As the statement shows, the KFYield account generated nearly \$2 million in dividends during this period (which appeared to have largely been generated by using significant amounts of margin to purchase dividend-generating equities) but also incurred mark-to-market losses of over -\$3.1 million and paid over \$500,000 in commissions and margin interest charges.

Despite having open equity positions with a value of more than \$100 million as of December 29, 2017, the account statement shows that the vast majority of these holdings were purchased using margin and that the net account value was actually \$4.734 million as of December 29, 2017. In other words, the account's liquidation would have generated less than \$5 million in net proceeds. The fund's reported NAV of roughly \$4.7 million (and thus value of its investment holdings) as of December 31, 2017, differs by over \$25 million compared to the total assets represented in the Bloomberg report for the same time period. Similarly, the account's annual decline of over 27% during 2017 is significantly different than the

1.04% increase represented in the Bloomberg report for the same period. The Receiver has made requests to Defendant Williams' counsel for more information and clarification regarding the calculation of investment performance for KFYield but has, to date, not received any formal response.

ii. Apparent Shortfall

Based on the above-identified discrepancies, there appears to have been a shortfall between actual and reported fund assets since at least 2017. Using the late-2017 timeframe as an example, the December 2017 monthly statements distributed to KFYield investors show the total market value of the KFYield fund investments as nearly \$27 million.⁸ This theoretically is the amount of funds that were being held and managed on behalf of KFYield investors, and accordingly is the amount that would need to be returned in the event that all investors elected to redeem their investments.

However, it appears that Kinetic Funds had approximately half of the amount represented to KFYield investors readily accessible and available for withdrawal as of December 31, 2017. As of December 31, 2017, Kinetic Funds' bank account at BMO Harris (which held investor deposits) had a balance of approximately \$9.8 million, and KFYield's sub-account at Interactive Brokers had

⁸ This figure also appears to differ from the Bloomberg report showing total KFYield assets of nearly \$32 million as of December 29, 2017.

a value of approximately \$4.73 million. Thus, Kinetic Funds had approximately \$14.5 million of available cash or securities assets to satisfy total KFYield investor obligations of approximately \$27 million (which does not include holdings or margin obligations in Kinetic Funds' other sub-accounts at Interactive Brokers⁹). Although the Receiver understands that Kinetic Funds had extended various Lendacy loans to investors and non-investors, the near-entirety of those loans specifically provided that the loans were unsecured and thus were not assets that could be immediately called or otherwise converted to cash to meet investor redemptions. Indeed, in the event that KFYield's largest investor alone sought to liquidate its \$18 million investment (which did not have a corresponding Lendacy loan), it is unclear how Kinetic Funds would have been able to satisfy that redemption - let alone maintain continuity of operations. The Receiver continues to investigate the origin, extent, and duration of this shortfall.

B. Analyzing The Use Of Investor Deposits

From January 15, 2013 to March 4, 2020 (the "Relevant Period"), approximately \$44.1 million was deposited into Kinetic Funds' BMO Harris bank account with account number ending in x4255 (the "KF Bank Account"). The analysis by the Receiver and his Retained Professionals shows the following flow

⁹ For example, Kinetic Funds' master account had a negative margin balance of -\$7.3 million as of December 31, 2017 for which Kinetic Funds was legally responsible.

of funds and transaction activity in the BMO Account holding investor deposits:

- Approximately **\$11 million** was transferred during the Relevant Period from the KF Bank Account to Kinetic Funds' Interactive Brokers brokerage account in the master account with account number ending in x8796 (the "Brokerage Account"). This included a \$5 million transfer on December 29, 2016 which was used to reduce the then-outstanding -\$12.23 million margin balance to -\$7.24 million as of December 31, 2016, and thus never deposited into the KFYield sub-account. Another \$5 million was transferred to the Brokerage Account on June 29, 2018, of which \$4.995 million was transferred to the KFYield sub-account that same day.
- Nearly **\$13 million** of investor deposits was transferred from the KF Bank Account to Lendacy's BMO Harris bank accounts ending in x8676 and x1081 (the "Lendacy BMO Accounts") during the Relevant Period, which was in turn used for various purposes including:
 - Making at least 34 loans totaling **\$6.1 million** to various investors, insiders, and third-parties (excluding Michael Williams);
 - Transferring an additional **\$4.3 million** at the direction, and for the benefit, of Defendant Williams for two separate purchases of real estate in Puerto Rico;
 - Transferring nearly **\$1 million** to Kinetic Investment Group's BMO Harris bank account;
 - Transferring **\$586,550** to El Morro Financial;
 - Transferring **\$550,000** to LF42; and
 - Transferring nearly **\$500,000** for a private investment in an aerospace company in the name of Kinetic International.
- At least **\$6.1 million** of investor deposits was transferred from the KF Bank Account to current and former investors in the form of redemptions and distributions.
- Nearly **\$3.9 million** was transferred from the KF Bank Account to Kinetic Investment Group's BMO Harris bank account during the Relevant

Period.¹⁰ Kinetic Investment Group’s bank account also received transfers of nearly \$1 million from Lendacy.

- Over **\$4 million** was transferred by the Receivership Entities to various third parties for professional services or payments, including:
 - Over \$1.53 million to ADP, a payroll processing company;
 - Nearly \$1 million to American Express for credit card payments;
 - Nearly \$700,000 for rental payments for the Sarasota KIG office and the Puerto Rico office used by El Morro and other entities;
 - Roughly \$230,000 for health insurance;
 - Approximately \$122,000 to Bloomberg LP; and
 - Nearly \$500,000 to legal and accounting firms.
- Over **\$1 million** was transferred in connection with Receivership Entity KIH, Inc. f/k/a Kinetic International, LLC’s efforts to develop a software exchange platform known as ISX, including:
 - The transfer of **\$550,000** from the KF Bank Account to two Puerto Rico bank accounts established for Kinetic International, LLC;
 - The transfer of over **\$500,000** to fund a “launch event” in March 2019 and to pay outside contractors and developers.

On March 5, 2020, one day before the Court’s hearing on the Commission’s motions seeking an asset freeze and appointment of a receiver, Defendant Williams deposited approximately \$2.9 million with the Receivership Entities which included a \$2.35 million deposit into the KF Bank Account. Prior to that

¹⁰ Kinetic Investment Group also received nearly \$1 million in transfers from the Lendacy Accounts, which received the near-entirety of their funding from the KF Bank Account (\$12.9 million) and payments from loan recipients (\$2.7 million).

deposit the day before the Court’s hearing, the KF Bank Account had a balance of less than \$5.2 million. Following appointment of the Receiver on March 6, 2020, a total of approximately \$7.6 million was frozen in the Receivership Entities’ bank accounts at BMO Harris.

C. Kinetic Funds Management Fees

The Receiver’s investigation shows Kinetic Funds and Lendacy made total transfers of nearly \$5 million to Kinetic Investment Group over the relevant period – including nearly \$3.9 million alone from Kinetic Funds. Although the agreements between Kinetic Funds and its investors specified that Kinetic Funds would pay Kinetic Investment Group a management fee of 1% of assets under management as well as 20% of any profits realized from trading of investor assets, the total transfers of nearly \$5 million appear to be significantly larger than what the 1% “expense ratio” for assets under management would have been even using the numbers reported to investors at the end of each calendar year.¹¹ Based on the Receiver’s investigation, it appears that at least a portion of these transfers were used by Kinetic Investment Group for other unauthorized expenses that did not benefit investors. For example, Kinetic Investment Group made nearly \$1 million in transfers to El Morro Financial during the period of March 2017 to December

¹¹ This also assumes that Kinetic Investment Group was entitled to receive this “expense ratio” fee even if a majority of investor funds were never deposited into brokerage accounts as represented.

2019. *See* First Report pp. 47-53.¹² The Receiver continues to investigate these discrepancies.

D. Lendacy's Funding Source Was Kinetic Funds

Lendacy received approximately \$17 million into its bank accounts from February 2013 to March 2020, including nearly \$13 million in transfers of investor funds from Kinetic Funds' bank account. Lendacy used these transfers to fund at least 34 loans to various individuals and entities during that time period. These loans often featured significantly below-market rates, were not typically collateralized, and contained little recourse in the event of default. Of those loans, roughly a third were made to insiders and non-KFYield investors that were necessarily funded using investor assets.

For example, a Lendacy loan was made to non-investor M.J. on or about May 4, 2016. It is believed that M.J. is Defendant Williams' niece, and the purpose of the loan appears to have been to fund a summer college program. The loan has been in default since M.J. last made a payment in June 2019. At least four employees also received Lendacy loans for various reasons including a "sales draw" and also to fund employee K.P.'s purchase of Defendant Williams' car.

¹² The vast majority of these transfers appear to have been made pursuant to monthly invoices ranging from \$25,000 to \$50,000 generated by El Morro for purported services relating to "Statement Reporting" and other various expenses apparently for Kinetic Funds investors. El Morro also funded a lavish Kinetic Financial Summit in San Juan, Puerto Rico in early 2019 that had no discernible benefit to Kinetic Funds investors.

Each of those loans were in default no later than February 2019. Another Lendacy loan was made to Puerto Rico resident A.C. for what appears to be repairs to a business located in Puerto Rico. None of those Lendacy loan recipients were Kinetic Funds investors, meaning that their “loans” were necessarily funded with investor deposits.

A document located in Kinetic Funds’ files and prepared by the former office administrator shows that a number of the investor loans were also in default as of December 2019 – including some loan recipients that had not made payments in months or even years. For example, Lendacy loans totaling approximately **\$2.5 million** to investors L.W., M.S., and C.G. appear to have been in default **since at least 2015**.

E. Significant Losses From Association With VTrader Pro, LLC

At the March 6, 2020 hearing, Defendant Williams’ counsel disclosed that part of the Kinetic Funds asset shortfall identified by the Court was attributable to losses suffered in connection with Kinetic Funds’ previous relationship with a failed broker-dealer named VTrader Pro, LLC (“VTrader”). The Receiver has seen evidence that Kinetic Funds’ predecessor, KST, was a Class B, “Entrepreneurial Member Trader” of VTrader before VTrader’s registration was

terminated in January 2013.¹³ As an “Entrepreneurial Member Trader,” KST shared in the profits and losses of VTrader and received distributions based on the percentage of profits in its individual trading accounts. There were number of other Member Traders in VTrader that were unrelated to KST or Defendant Williams. KST and every other Member Traders’ trading accounts were assets of VTrader and essentially comingled. This meant that KST’s trading account was subject to VTrader’s obligations and third party claims and exposed to the losses and shortfalls incurred by other Member Traders.

At some point in 2011, VTrader suffered heavy losses and needed a capital infusion to remain viable. To this end, Defendant Williams agreed to exchange \$1 million from the KST Class B investment in VTrader and convert it to Class A stock. VTrader subsequently collapsed, resulting in the loss of KST’s \$1 million investment. It appears those losses were satisfied by (and correspondingly depleted) investor assets.¹⁴ A K-1 was also generated showing a \$1 million loss for Kinetic Partners, LLC.

¹³ See <https://brokercheck.finra.org/firm/summary/131920>.

¹⁴ In January 2012, VTrader informed Williams that most of the \$1 million that KST had converted to Class A stock had been used to pay down debt balances owed by Class B members and was gone. With respect to the \$1 million Williams converted into a Class A investment, it appears that KST received only \$5,000 in the liquidation. Thus, in addition to any trading losses KST incurred on its subaccounts, it also seemingly lost nearly \$1,000,000 as a result of its Class A investment in VTrader.

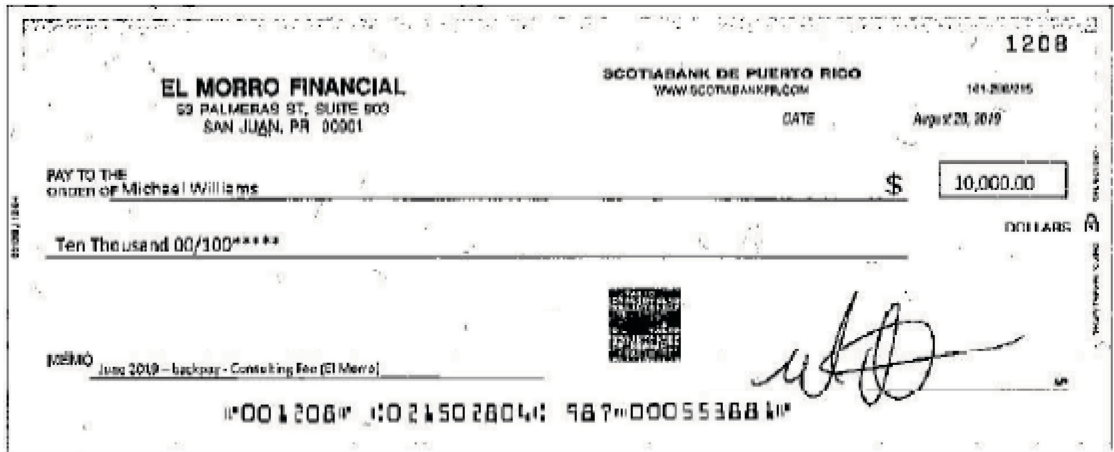
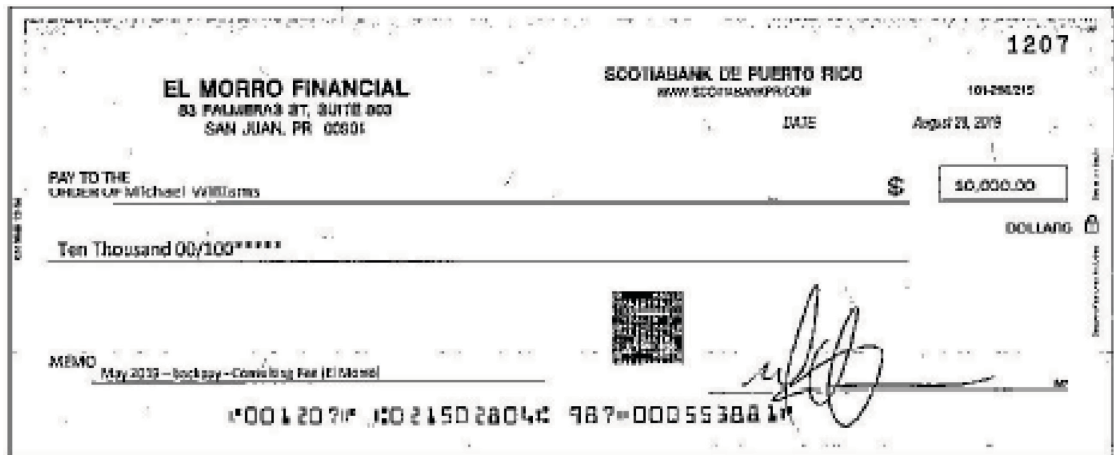
Between mid-2012 through the end of 2012, it appears KST moved its accounts out of VTrader and over to Bank of America/Merrill Lynch. The Receiver's investigation into these events has been hampered by the passage of nearly ten years from these events and the unavailability of sufficient documentation, but it appears that investor funds were adversely affected.

F. Williams' Use Of Investor Funds For His Own Benefit

The Receiver's review of the financial transactions among the various Receivership Entities has allowed him to trace millions of dollars in investor funds that were transferred to or for the benefit of Defendant Williams and without any discernible authorized purpose or benefit to Kinetic Funds. As further detailed in the First Report, these transfers include:

- The use of \$1.5 million in investor funds, later classified as a Lendacy loan, to purchase two luxury apartments in Puerto Rico and corresponding parking spaces. In addition to using one of the apartments as his primary residence, Defendant Williams also rented out one of the units to a tenant for which he received monthly rental income not turned over to Kinetic Funds (Doc. 60 pp. 43-44);
- The use of \$2.755 million in investor funds, later classified as a Lendacy loan, to purchase a historic commercial bank building in San Juan, Puerto Rico on behalf of Receivership Entity Scipio, LLC (Doc. 60 pp. 45-46);
- The use of \$2 million in investor funds, later classified as a Lendacy loan on behalf of Receivership Entity LF42, for various expenses relating to several Receivership Entities located and operating in San Juan, Puerto Rico, including the funding of the "Kinetic Summit" in February 2019 (Doc. 60 p. 47);
- The payment of nearly \$1 million in investor funds to Receivership Entity El Morro Financial purportedly for statement preparation and other

services and the payment of more than \$50,000 in salary to Defendant Williams from mid-2017 to mid-2019. Several \$10,000 checks were also written payable to (and signed by) Defendant Williams in late 2019 that contained the notation “Consulting Fee” in the memo portion:



(See First Report pp. 47-53);

- The structuring of at least one “Consulting Agreement” between Kinetic Investment Group and LF42, Defendant Williams’ entity, including an agreement in September 2019 - after Defendant Williams was on notice of the Commission’s investigation - signed by Defendant Williams on behalf of KIG and LF42 and pursuant to which Kinetic Investment Group transferred \$10,000 per month to LF42 from September 2019 to February 2020 for Defendant Williams’ benefit (See First Report p. 47);

- The sale of Defendant Williams' car to an employee in the Sarasota, Florida Kinetic Funds office for which the employee signed a Lendacy loan for \$18,000 and the same sum was wired to Defendant Williams (*See* First Report p. 47); and
- Arranging for who the Receiver understands to be Defendant Williams' girlfriend to be on the payroll of Kinetic Investment Group despite the lack of any justifiable business purpose or services for value (*See* First Report pp. 47).

G. Continued Investor Outreach and Administration Of Website

Throughout the relevant period, the Receiver continued to communicate with investors and other interested parties regarding the status of his efforts and any particular questions or issues brought to the Receiver's attention. The Receiver also continued to administer his informational website located at www.kineticreceivership.com which is regularly updated with court filings and reports and also allows interested parties to contact the Receiver.

IV. THE NEXT QUARTER

A. Investigation

The Receiver believes he has identified and, if applicable, frozen or secured all known assets attributable to investor funds, and he continues to investigate the Receivership Defendants' business operations and underlying financial transactions between those operations.¹⁵ These investigative efforts remain

¹⁵ A further description of these assets and the Receiver's intended liquidation plan is set forth in the Receiver's Liquidation Plan (Doc. 92) available on the Receiver's website and incorporated herein.

ongoing through the review of documents from third parties. The Receiver continues to work diligently and efficiently on this task, which includes a substantial amount of documentation and financial records. The Receiver believes that continuation of the Receivership (and employment of the Retained Professionals) is necessary and imperative for the continued marshaling, liquidation, and distribution of assets throughout this year.

B. Third Interim Distribution to Investors

The Receiver has prioritized the process of returning investor funds as soon as possible, which resulted in a First Interim Distribution being made in November 2021 to Investor Claimants with approved claims. The First Interim Distribution represented the return of 40% of each Investor Claimant's approved claim. On September 15, 2022, Receiver filed his Unopposed Motion to Approve Second Interim Distribution, in which the Receiver sought an Order approving a distribution of \$3,500,000.02 to Claimants. This distribution amount represents a recovery of 10.6% of the Total Allowed Amounts of Investor Claims. On January 20, 2023, the Receiver received Court approval of the Second Interim Distribution. The Receiver promptly remitted all checks related to the Second Distribution, which have been cashed by investors. The Receiver is currently in the process of preparing his Motion for a Third Interim Distribution of approximately \$1.3M to Investors, with a planned Distribution this year. After this distribution, the Receivership will have approximately \$3,100,000.00 in the Servis Accounts.

C. Continued Liquidation and Monetization of Receivership Assets

Following his successful liquidation of the Bank Building for net proceeds of \$4.0 million, the Receiver worked with his professionals to transfer title of Villa Gabriela from Defendant Williams to the Receiver and has successfully closed on the Villa Gabriela Properties for the sale amount of \$1,690,000.00. After commission payments were made to the broker and closing costs were finalized, the Receiver brought it \$1,606,053.00 in net proceeds to the Receivership Estate.

The Receiver previously disposed of all of the remaining personal property secured from Kinetic Funds' office in Sarasota, Florida, which has included donations to three local non-profits. As for the ISX software, the Receiver was previously provided with a "Summary & Valuation of ISX Codebase" prepared by Marshall Swatt which, among other things, concluded that the "codebase is largely a preliminary design, for proof of concept or demonstration purposes, rather than suitable for actual use" and estimated that the software has a current market value of approximately \$45,000. The Receiver continues to explore available options to realize any value from the ISX asset and the Zephyr investment.

D. Potential Third-Party Claims

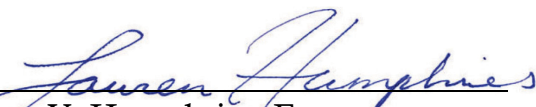
The Court granted the Receiver's Unopposed Motion to Approve Procedure to Pursue Potential Third-Party Claims on February 25, 2021. The Receiver is proceeding with pursuing some of those potential claims as stated earlier in this Report. Moving forward, the Receiver will continue to evaluate the viability

of other third-party claims to add assets to the Receivership Estates.

E. Tax Considerations for the Receivership Estate

The Receiver is continuing the process of determining the appropriate steps to wind down the Receivership Estate. The Receiver is working closely with his tax professionals both in the United States and Puerto Rico to ensure that taxes related to the Estate have been properly reported and that all final returns are completed for the Receivership once all assets have been distributed. While the Receiver previously anticipated that all assets will be distributed to claimants within this calendar year, several tax considerations regarding the sale of real property in Puerto Rico have caused the Receiver to expend additional time determining the tax filings in Puerto Rico. The Receiver anticipates that the Receivership will wind down by the First Quarter of 2024.

Respectfully submitted,
BUCHANAN INGERSOLL & ROONEY PC

By: 
Lauren V. Humphries, Esq.
401 E. Jackson St., Suite 2400
Tampa, FL 33602
Telephone: (813) 222-2098
Facsimile: (813) 222-8189
Email: lauren.humphries@bipc.com
Attorneys for Receiver Mark A. Kornfeld

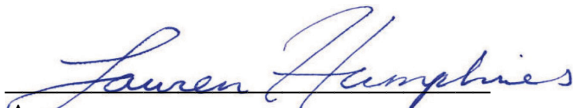
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 31st day of July, 2023, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a Notice of Electronic Filing to the following counsel of record:

Christine Nestor, Esq.
Stephanie N. Moot, Esq.
John T. Houchin, Esq.
Barbara Viniegra, Esq.
Securities and Exchange Commission
801 Brickell Avenue, Suite 1950
Miami, FL 33131
nestorc@sec.gov
moots@sec.gov
houchinj@sec.gov
viniegrab@sec.gov
Counsel for Plaintiff

Timothy W. Schulz, Esq.
Timothy W. Schulz, P.A.
224 Datura Street, Suite 815
West Palm Beach, FL 33401
e-service@twslegal.com

Jon A. Jacobson, Esq.
Jacobson Law, P.A.
224 Datura Street, Suite 812
West Palm Beach, FL 33401
jjacobson@jlpa.com
e-service@jlpa.com
Counsel for Defendant Michael Williams


Attorney

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “3”

CERTIFICATION

I, **MARK A. KORNFELD** (the "Applicant"), declare under penalty of perjury that the following is true and correct.

1 The Applicant is a Shareholder in the law firm of Buchanan Ingersoll & Rooney PC ("Buchanan Ingersoll") and the Receiver in this action. This Certification is based on the Applicant's first-hand knowledge of and review of the books, records and documents prepared and maintained by Buchanan Ingersoll in the ordinary course of its business. The Applicant knows that the facts contained in this motion regarding work performed by the Receiver and his staff and the facts contained in this Certification are true, and the Applicant is authorized by Buchanan Ingersoll to make this Certification. Having reviewed the time records and data which support the motion, the Applicant further certifies that said motion is well grounded in fact and justified.

2. The billing records of Buchanan Ingersoll which are attached to this Application are true and correct copies of the records maintained by Buchanan Ingersoll. These records were made at or near the time the acts, events, conditions or opinions described in such records occurred or were made. The Applicant knows that the records were made by persons with knowledge of the transactions or occurrences described in such records or that the information contained in the records was transmitted by a person with knowledge of the transactions or occurrences described in the records. The records were kept in the ordinary course of the regularly conducted business activity of Buchanan Ingersoll and it is the regular business practice of Buchanan Ingersoll to prepare these records.

3. To the best of the Applicant's knowledge, information and belief formed after reasonable inquiry, this motion and all fees and expenses herein are true and accurate and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the SEC.

4. All fees contained in this Application are based on the rates listed in the fee schedule attached hereto and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. The Applicant has not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission).

6. In seeking reimbursement for a service which Buchanan Ingersoll justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for a service which the Applicant justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor. If such services are performed by the Applicant, the Applicant will certify that he is not making a profit on such reimbursable service.

Executed this 2nd day of August, 2023.

A handwritten signature in blue ink, appearing to read 'Mark A. Kornfeld', written over a horizontal line.

MARK A. KORNFELD
Receiver

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “4”

**Total Compensation And Expenses Requested;
Any Amounts Previously Requested;
And Total Compensation And Expenses Previously Awarded**

Name	Specialty	Hours	Fees	Expenses	Total	Fees Previously Awarded	Expenses Previously Awarded
Receiver and Quarles & Brady LLC	Attorneys	0.00	\$0.00	\$0.00	\$0.00	\$559,587.85	\$23,177.24
Receiver and Buchanan Ingersoll & Rooney PC	Attorneys	105.10	\$36,165.75	\$0.00	\$36,165.75	\$654,697.12	\$13,139.52
Yip & Associates	Accountants	34.10	\$11,053.50	\$0.00	\$11,053.50	\$261,341.75	\$2,043.80
E-Hounds, Inc.	Information Technology and Forensic Technology	0.00	\$0.00	\$1,485.00	\$1,485.00	\$40,740.00	\$21,580.00
IRW Law Offices	Attorneys	3.50	\$875.00	\$30.00	\$905.00	\$25,115.00	\$943.38
PDR CPAs + Advisors	Accountants	15.75	\$3,101.25	\$978.25	\$4,079.50	\$40,342.50	\$598.03
K. Tek Systems	Website	0.00	\$0.00	\$0.00	\$0.00	\$3,990.00	\$1,500.00
Marshall Swatt		0.00	\$0.00	\$0.00	\$0.00	\$8,475.00	\$0.00
Total		158.45	\$ 51,195.50	\$ 2,493.25	\$53,688.75	\$1,594,289.22	\$62,981.97

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “5(a)”

Name	Practice Area	Title	Year Licensed	Standard Rate	Reduced Rate	Total Hours	Total Billed
Mark A Kornfeld	Litigation	Shareholder	1993	\$ 645 00	\$ 437 50	46 50	\$ 20,343 75
Jordan D Maglich	Litigation	Counsel	2010	\$ 455 00	\$ 295 00		\$ -
Lauren Humphries	Litigation	Associate	2015	\$ 390 00	\$ 270 00	58 60	\$ 15,822 00
Mitchell Horowitz	Tax	Partner	1984	\$ 760 00	\$ 412 50		\$ -
Tabitha Pellegrine	Labor & Employment	Paralegal		\$ 280 00	\$ 195 00		\$ -
Total Fees							\$ 36,165.75
Less Credit							\$0 00
Total Expenses							\$ -
Total						105.10	\$ 36,165.75

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “5(b)”

Yip Associates

Name	Title	Year Licensed/ Experience	Standard Rate	Billing Rate	Total Hours	Total Billed
Marcie D Boui	Partner	30 years	\$ 395 00	\$ 340 00		\$ -
Hal Levenberg	Director	10 years	\$ 395 00	\$ 295 00	8 00	\$ 2,360.00
Shawna B. Amarnai	Director	10 years	\$ 350.00	\$ 295 00		\$ -
Christopher M Cropley	Manager	12 years	\$ 300.00	\$ 245.00		\$ -
Nicole Escudero Duenas	Associate	6 years	\$ 245 00	\$ 245 00	1.90	\$ 465 50
Peter J Tiano	Associate		\$195.00	\$ 195.00		\$ -
HW				\$ 340 00	5 80	\$ 1,972 00
KRB				\$ 340 00	18 40	\$ 6,256 00
Santiago I Carpio	Senior Associate		\$ 245 00	\$ 245.00		\$ -
Total Fees						\$ 11,053.50
Less Discount						\$ -
Total Expenses						\$ -
Total					34.10	\$ 11,053.50

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “5(c)”

E-Hounds

Name	Title	Standard Rate	Reduced Rate	Total Hours	Total Billed
Robert Rohr	Senior Analyst	\$195 - \$250	\$195 - \$250	0	
Ernesto Rojas	Evidence Technician	\$195	\$195	0	\$ -
Sean Organ	Evidence Technician	\$225	\$225	0	\$ -
David A. Bukas	VP of Operations	\$195	\$195	0	\$ -
Total Fees					\$ -
Less: Credit					\$ -
Total Expenses					\$ 1,485.00
Total				0	\$ 1,485.00

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “5(d)”

PDR CPAs

Name	Title	Year Licensed/ Experience	Standard Rate	Billing Rate	Total Hours	Total Billed
William E Price	CPA	45+		\$ 335 00	5 00	\$ 1,675 00
William E Price	CPA	45+	\$ 320 00	\$ 320 00		\$ -
Gail Heinold	Accounting Manager	20+		\$ 160 00		\$ -
Gail Heinold	Accounting Manager	20+	\$ 210 00	\$ 155 00	1 75	\$ 271 25
Gail Heinold	Accounting Manager	20+		\$ 125 00		\$ -
Tammy Warden	Staff Accountant			\$ 125 00	8 00	\$ 1,000 00
Sharon O'Brien	Staff Accountant	10+	\$ 150 00	\$ 125 00		\$ -
Megan Justice	Staff Accountant	4+	\$ 150 00	\$ 125 00		\$ -
Shelly Spencer	Staff Accountant			\$125 00		\$ -
Michael Yanchunis	Staff Accountant			\$125 00		\$ -
SGH				\$60 00		\$ -
LH				\$165 00	0 75	\$ 123 75
TNJ				\$125 00	0 25	\$ 31 25
Tracy Hess	Tax Manager	5+	\$ 225 00	\$ 210 00		\$ -
Total Fees						\$ 3,101.25
Less Credit						0 00
Total Expenses						\$ 978.25
Total					15.75	\$ 4,079.50

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “5(e)”

Name	Practice Area	Title	Year Licensed	Standard Rate	Reduced Rate	Total Hours	Total Billed
Ivonne Rodriguez	Litigation	Attorney	2009	\$ 250.00	\$ 250.00		\$ -
Zwindi Iglesias	Litigation	Attorney	2011	\$ 225.00	\$ 200.00		\$ -
Zwindi Iglesias	Litigation	Attorney	2011		\$ 250.00	3.50	\$ 875.00
DK		Paralegal		\$ 150.00	\$ 150.00		\$ -
Gabriela Díaz		Attorney		\$ 200.00	\$ 200.00		\$ -
Gabriela Díaz		Attorney			\$ 250.00		\$ -
Gabriela Díaz		Attorney			\$ 600.00		\$ -
Carla Martinez		Attorney			\$ 250.00		\$ -
RB		Associate		\$ 150.00	\$ 150.00		\$ -
DR		Paralegal		\$ 150.00	\$ 150.00		\$ -
Time					\$ 250.00		\$ -
Time					\$ 150.00		\$ -
Total Fees							\$ 875.00
Less: Credit							\$ -
Total Expenses							\$ 30.00
Total						3.50	\$ 905.00

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “6(a)”



TRUIST Place
401 E Jackson Street, Suite 2400
Tampa, FL 33602-5236

T 813 222 8180
F 813 222 8189
www.bipc.com

MARK KORNFELD, RECEIVER
C/O BUCHANAN INGERSOLL & ROONEY
SUNTRUST FINANCIAL CENTRE
401 E JACKSON STREET, SUITE 240
ATTN: JORDAN MAGLICH, ESQUIRE
TAMPA, FL 33602

July 28, 2023
Invoice No. 12244802

INVOICE SUMMARY

For Professional Services Rendered:

RE. IN RE KINETICS
Our Reference: 0103373-000001

Fees:	\$36,165.75
Disbursements	<u>\$0.00</u>

Total Current Invoice:	\$36,165.75
-------------------------------	--------------------

Buchanan

Ingersoll · Rooney

TRUIST Place
401 E Jackson Street, Suite 2400
Tampa, FL 33602-5236

T 813 222 8180
F 813 222 8189
www.bipc.com

MARK KORNFELD, RECEIVER
C/O BUCHANAN INGERSOLL & ROONEY
SUNTRUST FINANCIAL CENTRE
401 E. JACKSON STREET, SUITE 240
ATTN: JORDAN MAGLICH, ESQUIRE
TAMPA, FL 33602

July 28, 2023
Invoice No 12244802

For Professional Services Rendered:

RE. IN RE: KINETICS
Our Reference. 0103373-000001

SERVICES INCLUDING

Timekeeper	Date	Task	Narrative	Hours	Amount
Case Administration					
L. Humphries	04/01/23	B110	Servis account review on check requests	0.20	54.00
M. A. Kornfeld	04/03/23	B110	Outline points for 4-5 discussion with tax advisors.	0.70	306.25
M. A. Kornfeld	04/03/23	B110	Review prior corporate tax filings, review administrative and other expenses and losses for discussions of offsets, capital gains income from sale of commercial and residential properties	1.40	612.50
L. Humphries	04/03/23	B110	Preparation of various correspondence with B. Price	0.20	54.00
L. Humphries	04/03/23	B110	Preparation of various correspondence with counsel.	0.20	54.00
L. Humphries	04/03/23	B110	Received various communications from Villa Gabriela regarding HOA	0.30	81.00
M. A. Kornfeld	04/04/23	B110	Review 2021 tax filings, emails to L. Humphries and B. Price regarding timing for final tax filings	0.50	218.75
M. A. Kornfeld	04/04/23	B110	Review, analyze, revise quarterly Buchanan invoice for fee application. (NO CHARGE).	1.00	N/C
L. Humphries	04/04/23	B110	Attendance at phone conference with B. Price and Receiver	0.80	216.00

MARK KORNFELD, RECEIVER
 RE: IN RE: KINETICS
 0103373-000001

Page 3
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
M. A. Kornfeld	04/04/23	B110	Telephone call with S Moot SEC regarding timing and other administrative, tax issues of Kinetics entities and/or administrative estate, further claimant distributions	0 40	175.00
M. A. Kornfeld	04/04/23	B110	Confer with L Humphries regarding next Interim Report and Motion for third distribution and timing and approaches to same.	0 50	218 75
M. A. Kornfeld	04/04/23	B110	Conference call with tax advisor B. Price regarding 2021, 2022 tax filings, next motion for distribution and preparation of distribution checks updated, tax filings for Puerto Rico, discussion regarding gains and losses associated with administering the estate and sale of commercial and residential properties in Puerto Rico	0 70	306.25
M. A. Kornfeld	04/05/23	B110	Conference call with YIP and Associates and L. Humphries regarding taxes, close outs and dissolution.	1.00	437.50
M. A. Kornfeld	04/05/23	B110	Memo analysis regarding 4-4 call on Puerto Rico filing, offsets, preparation for final returns and next distribution	1 00	437.50
L. Humphries	04/05/23	B110	Preparation of various correspondence to H. Levenberg on closing issues	0 30	81.00
L. Humphries	04/05/23	B110	Phone conference with Receivership Professional on invoices (NO CHARGE)	0.40	N/C
M. A. Kornfeld	04/06/23	B110	Meeting with L. Humphries regarding Interim Report, tax filings, third distribution	0.50	218.75
M. A. Kornfeld	04/06/23	B110	Review documents, emails to YIP and Associates and B. Price.	0 50	218.75
L. Humphries	04/06/23	B110	Assisted H. Levenberg in assessing Relief Defendant tax returns from 2018.	0 20	54.00
L. Humphries	04/06/23	B110	Worked with PDR on statements regarding tax administration.	0.20	54.00
L. Humphries	04/07/23	B110	Phone conference with Receivership Professional on invoices (NO CHARGE).	0 40	N/C
L. Humphries	04/07/23	B110	Preparation of additional documents and records to tax accountants	0 20	54 00

MARK KORNFELD, RECEIVER
 RE. IN RE· KINETICS
 0103373-000001

Page 4
 July 28, 2023
 Invoice No 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	04/07/23	B110	Preparation of various correspondence to Puerto Rico counsel.	0.20	54 00
L. Humphries	04/10/23	B110	Assessed closing issue with counsel as to Receivership Estates	0.30	81 00
L. Humphries	04/10/23	B110	Communicated with Kit Becker (Yip & Associates affiliate) on analysis regarding Relief Defendants	0 30	81.00
L. Humphries	04/10/23	B110	Tax analysis per request of Receiver's professionals.	1 00	270.00
M. A. Kornfeld	04/10/23	B110	Calls, emails with L. Humphries regarding Interim Report	0 50	218.75
L. Humphries	04/10/23	B110	Review correspondence from Purchase A Rothstem	0 10	27 00
M. A. Kornfeld	04/11/23	B110	Calls, emails with L. Humphries, review documents and emails, correspondence with advisors regarding Interim Report, third distribution, resolution of post closing dispute, tax filings, potential 2023/2024 Estate wind down.	1 00	437 50
L. Humphries	04/11/23	B110	Servis account review on multiple check requests.	0 20	54 00
L. Humphries	04/13/23	B110	Communicated on tax issue.	0 20	54.00
L. Humphries	04/13/23	B110	Preparation of edits to Fee Application (NO CHARGE)	0.80	N/C
M. A. Kornfeld	04/14/23	B110	Emails, confer with L. Humphries regarding Interim Report and finalizing tax analysis.	0.50	218.75
L. Humphries	04/14/23	B110	Preparation of review of SFAR.	0 50	N/C
M. A. Kornfeld	04/17/23	B110	Review, analyze Interim Report items and financials relating to Motion for third distribution.	2.00	875 00
M. A. Kornfeld	04/18/23	B110	Review, analyze fee application, emails with SEC regarding same (NO CHARGE)	2 00	N/C
L. Humphries	04/19/23	B110	Handled Interactive Brokers account transfer issue.	0.50	135.00
M. A. Kornfeld	04/19/23	B110	Review revise Interim Report.	1 00	437.50
M. A. Kornfeld	04/19/23	B110	Review, analyze claimant files in support of draft of third distribution to claimants with valid claims	1.00	437 50
L. Humphries	04/19/23	B110	Draft letter and pulled requested documents for Interactive Broker account transition.	0 50	135.00

MARK KORNFELD, RECEIVER
 RE IN RE. KINETICS
 0103373-000001

Page 5
 July 28, 2023
 Invoice No 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	04/20/23	B110	Continued preparation of Interim Report.	1 00	270 00
M. A. Kornfeld	04/20/23	B110	Edits to Interim Report.	0 70	306.25
M. A. Kornfeld	04/20/23	B110	Review emails regarding banking administration and interactive brokers.	0 40	175.00
L. Humphries	04/20/23	B110	Edits and changes to Interim Report pursuant to Receiver	0.70	189 00
L. Humphries	04/20/23	B110	Martin Ward correspondence regarding Interactive Broker issue	0 30	81.00
L. Humphries	04/20/23	B110	Emails with Receiver regarding distribution.	0.20	54 00
M. A. Kornfeld	04/21/23	B110	Emails, confer with L. Humphries regarding tax questions follow up, Interim Report and draft of third distribution, reserves	1 40	612.50
L. Humphries	04/24/23	B110	Assessed tax memorandum	0.50	135 00
M. A. Kornfeld	04/24/23	B110	Review, analyze accounting and tax related work product	0.50	218 75
M. A. Kornfeld	04/24/23	B110	Review and confer with L. Humphries regarding Interim Report, third distribution, tax follow up	0 50	218 75
M. A. Kornfeld	04/24/23	B110	Phone conference and draft email, memo with and to B. Price regarding taxes, capital gains, consolidated return, tax filings, Relief Defendants, cost basis, filings question.	2.00	875 00
L. Humphries	04/25/23	B110	Draft update to Report regarding distribution timeline.	0.40	108.00
M. A. Kornfeld	04/25/23	B110	Confer with L. Humphries regarding questions and reserves relating to potential third distribution	0 50	218.75
M. A. Kornfeld	04/26/23	B110	Emails, confer with L. Humphries regarding third distribution, tax filings	0 50	218.75
M. A. Kornfeld	04/28/23	B110	Emails to/from L. Humphries regarding third distribution, tax analysis, 2022 filings, timeline	1.00	437.50
L. Humphries	05/03/23	B110	Phone conference with B. Price on Receiver tax queries.	0.80	216.00
M. A. Kornfeld	05/04/23	B110	Emails with L. Humphries regarding third distribution.	0 40	175 00
M. A. Kornfeld	05/05/23	B110	Emails, confer with L. Humphries regarding third distribution, conference with counsel and tax advisors.	1.00	437.50

MARK KORNFELD, RECEIVER
 RE IN RE· KINETICS
 0103373-000001

Page 6
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	05/08/23	B110	Phone conference with Puerto Rico counsel	0 50	135 00
M A. Kornfeld	05/09/23	B110	Confer with L Humphries regarding thurd distribution.	0.20	87.50
L. Humphries	05/09/23	B110	Email correspondence to B. Price.	0.20	54 00
M A. Kornfeld	05/10/23	B110	Emails, analyze questions for third distribution	0 50	218 75
M. A. Kornfeld	05/11/23	B110	Advise L Humphries, S Storno regarding vendors and payments to be made (NO CHARGE)	0 30	N/C
L. Humphries	05/11/23	B110	Communicated with tax professionals on accounting issues.	0.40	108.00
L. Humphries	05/11/23	B110	Drafted distribution Motion.	0 60	162.00
L. Humphries	05/11/23	B110	Emails with tax professionals on proposed filings.	0 20	54.00
L. Humphries	05/12/23	B110	Review of Servis accounts regarding Williams' funds.	0.20	54.00
L Humphries	05/12/23	B110	Communicated with K-Tek Systems.	0 30	81.00
M. A Kornfeld	05/15/23	B110	Emails, confer with L. Humphries regarding 5-16 call with B. Price, Z. Iglesias, calls, emails to them regarding same	0.60	262.50
L Humphries	05/15/23	B110	Preparation of vendor payments for Fee Application. (NO CHARGE)	0.80	N/C
M A. Kornfeld	05/15/23	B110	Emails to L Humphries regarding administration of web site, payment of third party vendors per court order.	0.40	175.00
L. Humphries	05/15/23	B110	Meeting with Receiver regarding distribution motion.	0.40	108.00
M A. Kornfeld	05/16/23	B110	Strategic phone call with L. Humphries, B. Price, Z. Inglesias regarding tax filings, withholdings, capital gains, advice and counsel, next steps.	1 00	437.50
L Humphries	05/16/23	B110	Phone conference with B. Price on Zephyr investment write down.	0.40	108 00
L Humphries	05/16/23	B110	Emails to Puerto Rico counsel on tax documents.	0.20	54 00
L. Humphries	05/16/23	B110	Conference with tax professionals regarding administrative tax issues and final return	0.70	189.00
L. Humphries	05/17/23	B110	Phone conference with B Price	0.30	81 00
L. Humphries	05/17/23	B110	Emails with T. Warden regarding check Servis issue.	0.20	54 00

MARK KORNFELD, RECEIVER
 RE: IN RE: KINETICS
 0103373-000001

Page 7
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	05/18/23	B110	Conference with Receiver regarding deductions.	0.30	81.00
L. Humphries	05/18/23	B110	Drafted update to Receivership website regarding status of claims process, sale of Villa Gabriela, and Second Distribution.	1.20	324.00
L. Humphries	05/19/23	B110	Phone conference with B. Price	0.20	54.00
L. Humphries	05/21/23	B110	Preparation of updates to website	0.50	135.00
L. Humphries	05/22/23	B110	Emails with Z. Iglesias	0.20	54.00
L. Humphries	05/22/23	B110	Phone conference with Y. Feliciano, B. Price, and the Receiver regarding tax return filing in Puerto Rico.	1.20	324.00
L. Humphries	05/22/23	B110	Preparation of documents to Y Feliciano.	0.30	81.00
M. A. Kornfeld	05/23/23	B110	Review, analyze, revise draft Motion for third Interim Distribution	0.70	306.25
L. Humphries	05/23/23	B110	Emails with Puerto Rico counsel on filings	0.20	54.00
M. A. Kornfeld	05/23/23	B110	Attend to administrative issues on website, banking, checks.	0.20	87.50
M. A. Kornfeld	05/23/23	B110	Confer with L. Humphries, B. Price on tax advice, Puerto Rico filings.	0.80	350.00
L. Humphries	05/23/23	B110	Communicated with Puerto Rico counsel	0.20	N/C
L. Humphries	05/24/23	B110	Preparation of update to website contact information.	0.20	54.00
L. Humphries	05/24/23	B110	Communicated with purchaser regarding insurance transfer	0.50	135.00
M. A. Kornfeld	05/31/23	B110	Emails, confer with L. Humphries on distributions.	0.20	87.50
L. Humphries	05/31/23	B110	Draft update to Interim Report.	0.50	135.00
L. Humphries	06/01/23	B110	Review of withholding requirements regarding Puerto Rico filings	0.40	108.00
M. A. Kornfeld	06/01/23	B110	Meeting with L. Humphries regarding distribution memo, reserves, banking and payment queries, tax filings/payments, strategic next steps.	0.50	218.75
M. A. Kornfeld	06/01/23	B110	Review, analyze drafts, prior filings, key documents	1.00	437.50
L. Humphries	06/01/23	B110	Emails regarding Zephyr write-off	0.20	54.00
M. A. Kornfeld	06/02/23	B110	Emails advise B. Price, Puerto Rico tax advisors and counsel regarding capital gains	1.00	437.50

MARK KORNFELD, RECEIVER
 RE: IN RE KINETICS
 0103373-000001

Page 8
 July 28, 2023
 Invoice No 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	06/02/23	B110	Phone conference regarding tax return filing.	0.50	135.00
M. A. Kornfeld	06/06/23	B110	Calls, confer with L. Humphries, B. Price, Puerto Rico counsel regarding administrative, tax filings, distributions, timing	1.00	437.50
L. Humphries	06/06/23	B110	Conference with Receiver on outstanding issues.	0.40	108.00
L. Humphries	06/06/23	B110	Review of authority presented to court on approval of professionals for assistance to Receiver	0.20	N/C
L. Humphries	06/06/23	B110	Emails with PDR Professionals.	0.20	N/C
L. Humphries	06/07/23	B110	Draft emails to IRW Professionals.	0.20	54.00
L. Humphries	06/07/23	B110	Review of Zephyr files regarding tax considerations	0.50	135.00
L. Humphries	06/07/23	B110	Phone conference with Bill Ward	0.40	108.00
L. Humphries	06/07/23	B110	Emails to Receiver regarding vendor issue.	0.20	54.00
L. Humphries	06/09/23	B110	Emails with Receiver regarding tax issues.	0.30	81.00
L. Humphries	06/16/23	B110	Emails with Receiver regarding tax considerations.	0.20	54.00
L. Humphries	06/21/23	B110	Emails with Puerto Rico counsel on tax issues	0.20	54.00
M. A. Kornfeld	06/22/23	B110	Call with L. Humphries regarding status report, winding down, tax items, distributions.	0.40	175.00
M. A. Kornfeld	06/26/23	B110	Emails, confer with L. Humphries, H. Levenberg, M. Yip regarding third distribution	0.50	218.75
L. Humphries	06/28/23	B110	Follow up emails with B. Price.	0.30	81.00
M. A. Kornfeld	06/29/23	B110	Strategy call with L. Humphries regarding Interim Report, third distribution (NO CHARGE)	0.60	N/C
L. Humphries	06/30/23	B110	Emails to Receiver's professionals on pro rata distribution amounts.	0.10	27.00
L. Humphries	06/30/23	B110	Draft Interim Report for Second Quarter	0.60	162.00

Subtotal Case Administration

61.60

20,140.25

Asset Analysis and Recovery

MARK KORNFIELD, RECEIVER
 RE: IN RE: KINETICS
 0103373-000001

Page 9
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	04/03/23	B120	Attendance at phone conference with counsel in Puerto Rico regarding final closing details.	0.30	81 00
L. Humphries	04/03/23	B120	Updated chart regarding distribution recovery of Second Distribution.	0.50	135 00
L. Humphries	04/04/23	B120	Preparation of various email correspondence regarding tax issues.	0.30	81 00
L. Humphries	04/05/23	B120	Assessed PDR file regarding Relief Defendants corporate tax returns	1 20	324.00
L. Humphries	04/05/23	B120	Phone conference with H. Levenberg	1.00	270 00
L. Humphries	04/06/23	B120	Preparation of projected tax documents to professionals regarding evaluation and wrap up of estate	1.00	270 00
L. Humphries	04/06/23	B120	Drafted Motion for Third Interim Distribution.	1.60	432 00
L. Humphries	04/07/23	B120	Phone conference on Distribution amount.	0 30	81.00
L. Humphries	04/07/23	B120	Assessed documents in preparation of Tax memorandum.	1.00	270 00
L. Humphries	04/10/23	B120	Drafted various correspondence to Kit Becker on requested documents.	0.30	81.00
L. Humphries	04/10/23	B120	Emails with Puerto Rico Counsel.	0 50	135.00
L. Humphries	04/11/23	B120	Preparation of Fee Application (NO CHARGE)	1 50	N/C
L. Humphries	04/12/23	B120	Phone conference with Receiver regarding distribution.	0.30	81.00
L. Humphries	04/12/23	B120	Reviewed closing documents and preparation of same to tax accountants.	0 40	108 00
M. A. Kornfeld	04/12/23	B120	Review closing statements for sale of condos for closure and resolution of post-closing dispute with buyer, over adjustments, fees.	0.70	306 25
L. Humphries	04/13/23	B120	Communicate with H. Levenberg	0.20	54.00
L. Humphries	04/17/23	B120	Assessed vendor issues regarding invoices. (NO CHARGE)	1.40	N/C
L. Humphries	04/17/23	B120	Receipt and review of check and related correspondence from Villa Gabriel purchaser.	0 20	54.00
L. Humphries	04/18/23	B120	Emails with B. Price re: administration tax returns.	0.20	54 00
L. Humphries	04/18/23	B120	Assisted with providing information for possible filing of certain Puerto Rico tax returns.	0.50	135.00

MARK KORNFELD, RECEIVER
 RE: IN RE KINETICS
 0103373-000001

Page 10
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	04/19/23	B120	Email to Martin Ward regarding bank statements	0.10	27 00
L. Humphries	04/19/23	B120	Phone conference with Martin Ward regarding Interactive Broker Account transfer	0 30	81.00
L. Humphries	04/19/23	B120	Preparation of Interim Report	1.50	405 00
L. Humphries	04/20/23	B120	Communicated with H. Levenberg regarding Third Distribution.	0.20	54.00
L. Humphries	04/20/23	B120	Address B. Price correspondence regarding Receiver tax returns	0.30	81.00
L. Humphries	04/21/23	B120	Communicated with Tax Professionals	0 30	81 00
L. Humphries	04/21/23	B120	Assessed, analyzed 2021 sale documents.	0 40	108 00
L. Humphries	04/21/23	B120	Review of Exhibits prepared by YIP & Associates for Third Interim Distribution.	0 40	108 00
L. Humphries	04/21/23	B120	Emails with YIP & Associates on distribution amounts per claimant	0.30	81 00
L. Humphries	04/24/23	B120	Meeting with Receiver regarding follow up on capital gains and tax issues.	0 40	108.00
L. Humphries	04/24/23	B120	Emails with B. Price on follow up questions	0.20	54.00
L. Humphries	04/24/23	B120	Review documents regarding 2021 tax analysis.	0.50	135 00
L. Humphries	04/25/23	B120	Phone conference with H. Levenberg on distribution.	0 40	108.00
L. Humphries	05/01/23	B120	Correspondence with Z. Iglesias on closing adjustments	0 20	54 00
L. Humphries	05/01/23	B120	Communicated with B. Price on tax questions	0 30	81 00
L. Humphries	05/02/23	B120	Preparation of correspondence to Puerto Rico counsel	0 20	54.00
L. Humphries	05/02/23	B120	Phone conference with investor claimant.	0 20	54.00
L. Humphries	05/02/23	B120	Phone conference with tax advisors on who is to be filing Puerto Rico tax return	0 80	216 00
L. Humphries	05/02/23	B120	Phone conference with B. Price regarding closing issues and final 2022 tax return.	0 80	216 00
L. Humphries	05/02/23	B120	Email correspondence with Receiver about 2022, 2023 tax issues.	0 20	54 00
L. Humphries	05/03/23	B120	Phone conference with Receiver	0 40	108 00

MARK KORNFELD, RECEIVER
 RE: IN RE: KINETICS
 0103373-000001

Page 11
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	05/03/23	B120	Review of Servis account regarding check issue	0.20	54.00
L. Humphries	05/08/23	B120	Email correspondence with Puerto Rico counsel.	0.20	54.00
L. Humphries	05/09/23	B120	Email correspondence with Puerto Rico counsel	0.20	54.00
L. Humphries	05/12/23	B120	Review Judge Scriven Order on Application (NO CHARGE)	0.20	N/C
L. Humphries	05/16/23	B120	Review of documents regarding turnover issue with Scipio property	0.80	216.00
L. Humphries	05/16/23	B120	Review of multiple entities' tax returns.	0.40	108.00
L. Humphries	05/16/23	B120	Emails with Receiver regarding turnover issue.	0.20	N/C
L. Humphries	05/16/23	B120	Emails with T. Warden regarding checks in Servis.	0.20	54.00
L. Humphries	05/16/23	B120	Draft status update to Receiver regarding preparation of tax returns and tax returns prior to Receivership	0.30	81.00
L. Humphries	05/16/23	B120	Preparation of document research regarding Scipio and mandatory withholding of taxable funds.	1.00	270.00
L. Humphries	05/17/23	B120	Phone conference with investor claimant	0.30	81.00
L. Humphries	05/17/23	B120	Review of tax memorandum	0.40	N/C
L. Humphries	05/17/23	B120	Review and analysis of memorandum on tax issues.	0.40	108.00
L. Humphries	05/19/23	B120	Phone conference with Receiver on outstanding issues	0.40	108.00
L. Humphries	05/19/23	B120	Draft email correspondence regarding distribution.	0.10	27.00
L. Humphries	05/21/23	B120	Emails with B. Price.	0.20	54.00
L. Humphries	05/22/23	B120	Review of memorandum from Receiver.	0.20	54.00
L. Humphries	05/22/23	B120	Emails with Receiver regarding website and claims process	0.20	54.00
L. Humphries	05/22/23	B120	Review of 2020 tax returns.	0.40	108.00
L. Humphries	05/24/23	B120	Assessed insurance policy information	0.20	54.00
L. Humphries	05/24/23	B120	Review of correspondence regarding insurance on Villa Gabriela	0.20	54.00
L. Humphries	05/26/23	B120	Communicated with investor claimant.	0.20	54.00
L. Humphries	05/26/23	B120	Draft analysis in Third Distribution Motion	0.50	135.00
L. Humphries	06/01/23	B120	Meeting with Receiver regarding distribution.	0.30	81.00

MARK KORNFELD, RECEIVER
 RE IN RE: KINETICS
 0103373-000001

Page 12
 July 28, 2023
 Invoice No 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	06/06/23	B120	Preparation of tax materials for Puerto Rico counsel.	1.50	405.00
L. Humphries	06/07/23	B120	Assessed Scipio documents regarding potential tax return	1.20	324.00
L. Humphries	06/07/23	B120	Communicated with Z Iglesias regarding Scipio.	0.20	54.00
L. Humphries	06/07/23	B120	Emails with B Price.	0.20	54.00
L. Humphries	06/09/23	B120	Review of documents regarding taxable assets issue	0.30	81.00
L. Humphries	06/09/23	B120	Assessed engagement letter for Goldman Antonetti.	0.20	N/C
L. Humphries	06/09/23	B120	Communicated with Myrna Lozada regarding tax memorandum.	0.40	N/C
L. Humphries	06/14/23	B120	Review and assessment of B, Price memorandum on tax.	0.80	216.00
L. Humphries	06/14/23	B120	Phone conference with claimant.	0.30	81.00
L. Humphries	06/15/23	B120	Receiver phone conference regarding tax questions.	0.40	108.00
L. Humphries	06/20/23	B120	Emails with B Price regarding tax considerations	0.20	54.00
L. Humphries	06/22/23	B120	Communicated with B. Price on tax issues	0.30	81.00
L. Humphries	06/23/23	B120	Draft Motion for Third Interim Distribution to investors.	0.80	216.00
L. Humphries	06/26/23	B120	Draft memorandum regarding distribution.	0.40	108.00
L. Humphries	06/26/23	B120	Communicated with Receiver's CPA professionals in preparing pro rata exhibits for distribution.	0.30	81.00
L. Humphries	06/27/23	B120	Communicated with counsel regarding upcoming motion filing.	0.20	54.00
L. Humphries	06/29/23	B120	Follow up emails with tax professionals	0.20	54.00
L. Humphries	06/29/23	B120	Preparation of edits to Motion for Third Interim Distribution.	0.40	108.00
L. Humphries	06/29/23	B120	Conference with Receiver regarding reserves, tax issues, administrative of final returns, and third distribution	0.70	189.00
L. Humphries	06/30/23	B120	Review and analysis of tax memorandum regarding implications of Scipio LLC tax obligations.	0.70	189.00
L. Humphries	06/30/23	B120	Emails with Receiver regarding distribution.	0.20	54.00

MARK KORNFELD, RECEIVER
 RE IN RE KINETICS
 0103373-000001

Page 13
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
Subtotal Asset Analysis and Recovery				38.20	9,594.25
Asset Disposition					
M. A. Kornfeld	05/18/23	B130	Review, analyze draft Motion for third distribution.	0.80	350.00
Subtotal Asset Disposition				0.80	350.00
Tax Issues					
M. A. Kornfeld	04/13/23	B240	Emails throughout day regarding tax issues, post-closing settlement with buyer of condos.	0.50	218.75
M. A. Kornfeld	05/01/23	B240	Emails, calls with L. Humphries, B. Price and counsel regarding 2023 taxes, third Interim Distribution.	1.00	437.50
M. A. Kornfeld	05/02/23	B240	Emails, confer with L. Humphries regarding local tax filings, memo on tax issues associated with both wind down of estate due to property sales commercial and residential.	0.50	218.75
M. A. Kornfeld	05/03/23	B240	Emails, calls to B. Price, Puerto Rico local counsel on tax questions, filings	0.50	218.75
M. A. Kornfeld	05/04/23	B240	Phone call with tax advisor B. Price regarding tax matters for sale of building, condos	1.00	437.50
M. A. Kornfeld	05/08/23	B240	Emails, confer with local Puerto Rico counsel on local tax issues	0.50	N/C
M. A. Kornfeld	05/09/23	B240	Review, analyze tax filing information.	0.40	175.00
M. A. Kornfeld	05/17/23	B240	Review, analyze memos, emails with L. Humphries, B. Price regarding same, regarding settlement fund/Scipio, withholdings, local filings	1.00	437.50
M. A. Kornfeld	05/18/23	B240	Phone calls with B. Price and L. Humphries regarding tax filings, capital gains, open questions for tax returns.	1.00	437.50
M. A. Kornfeld	05/19/23	B240	Emails to B. Price, L. Humphries, Z. Inglesias regarding call on 5-22, follow up on tax items	1.00	437.50

MARK KORNFELD, RECEIVER
 RE IN RE: KINETICS
 0103373-000001

Page 14
 July 28, 2023
 Invoice No. 12244802

Timekeeper	Date	Task	Narrative	Hours	Amount
M. A. Kornfeld	05/22/23	B240	Conference call with B Price, L. Humphries and Z. Inglesias regarding Puerto Rico filings and follow up emails, memos and calls with L. Humphries regarding same	1.70	743.75
M. A. Kornfeld	05/30/23	B240	Emails, confer with and direct tax advisors	0.40	175.00
M. A. Kornfeld	06/05/23	B240	Emails, confer with B. Price, Tax Advisor.	0.70	N/C
M. A. Kornfeld	06/07/23	B240	Calls, emails with L. Humphries, PR Law Firm, B. Price on tax advice, capital gains	1.00	437.50
M. A. Kornfeld	06/12/23	B240	Communications with L. Humphries, Puerto Rico counsel, Tax Advisors.	0.50	N/C
M. A. Kornfeld	06/15/23	B240	Emails, confer with B. Price regarding tax filings, supplements	0.50	218.75
M. A. Kornfeld	06/16/23	B240	Emails, analysis, confer with B Price regarding amended tax items	0.50	218.75
M. A. Kornfeld	06/20/23	B240	Emails, confer with B Price regarding advice, taxes, filings, Scipio, Il Morro	0.50	218.75
M. A. Kornfeld	06/21/23	B240	Emails, confer with B Price, outside counsel on tax items	0.50	218.75
M. A. Kornfeld	06/23/23	B240	Emails, confer with L. Humphries, B. Price, outside counsel regarding open tax questions for next distributions motion.	0.50	218.75
M. A. Kornfeld	06/29/23	B240	Review, analyze advice from B. Price.	0.40	175.00
M. A. Kornfeld	06/30/23	B240	Review, analyze tax memoranda, questions to be addressed for tax filings, next steps	1.00	437.50

Subtotal Tax Issues		13.90	6,081.25
----------------------------	--	--------------	-----------------

Total Hours	123.60
-------------	--------

Total Fees	\$36,165.75
------------	-------------

Amount Due This Invoice:	\$36,165.75
---------------------------------	--------------------

MARK KORNFELD, RECEIVER
RE. IN RE: KINETICS
0103373-000001

Page 15
July 28, 2023
Invoice No 12244802

TIMEKEEPER SUMMARY

Name	Title	Hours	Rate	Amount
L. Humphries	Associate	58.60	270.00	15,822.00
L. Humphries	Associate	5.50	N/C	N/C
M. A. Kornfeld	Partner	46.50	437.50	20,343.75
M. A. Kornfeld	Partner	3.90	N/C	N/C
	Total	114.50		36,165.75



TRUIST Place
401 E Jackson Street, Suite 2400
Tampa, FL 33602-5236

T 813 222 8180
F 813 222 8189
www.bipc.com

REMITTANCE STATEMENT

MARK KORNFELD, RECEIVER
C/O BUCHANAN INGERSOLL & ROONEY
SUNTRUST FINANCIAL CENTRE
401 E. JACKSON STREET, SUITE 240
ATTN. JORDAN MAGLICH, ESQUIRE
TAMPA, FL 33602

July 28, 2023
Invoice No 12244802

Our Reference.	0103373-000001
Client Name	MARK KORNFELD, RECEIVER
Invoice Date:	July 28, 2023
Invoice Number	12244802
Total Due This Invoice	\$36,165.75

Total Due All Invoices For this Matter:	\$36,165.75
--	--------------------

**PLEASE RETURN THIS REMITTANCE STATEMENT WITH YOUR PAYMENT
THANK YOU**

Make checks payable to: Buchanan Ingersoll & Rooney
Union Trust Building
Attn: Accounting Department
501 Grant Street – Suite 200
Pittsburgh, PA 15219-4413
Tax ID: 25-1381032

Wire / ACH Information
PNC Bank, N.A.
Buchanan Ingersoll & Rooney Operating Account
Account #: 1133081072
Routing#: 043000096
SWIFT CODE: PNCCUS33

Please Reference 0103373-000001 Invoice. 12244802

Amount remitted this payment: \$ _____

**RECENT FEES AND DISBURSEMENTS MAY NOT
YET BE ENTERED ON YOUR ACCOUNT AND
IF NOT, WILL BE SUBSEQUENTLY BILLED**

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “6(b)”



YIP ASSOCIATES

FORENSIC ACCOUNTING +
FINANCIAL INVESTIGATIONS

INVOICE DETAIL

Mark Kornfeld, Receiver
 Buchanan Ingersoll & Rooney PC
 401 E. Jackson Street
 Suite 2400
 Tampa, FL 33602

Invoice Number: 31961
 Date: July 11, 2023
 Matter ID: 291.0001

Re: Kinetic Investment Group, LLC

For Professional Services Rendered April 1, 2023 through June 30, 2023

Date	Initials	Description	Hours	Rate	Amount
04/05/2023	HW	Call with Receiver, Receiver's counsel and HAL re: tax work to be completed for the estate.	1.3	\$340	\$ 442.00
04/05/2023	KRB	Reviewed tax compliance for receivership estate.	0.5	\$340	\$ 170.00
04/05/2023	HAL	Conference call with Receiver, Receiver's counsel and HW re: work to be done.	1.3	\$295	\$ 383.50
04/06/2023	HW	Reviewed tax returns and workpapers (1.9); discussion with KRB re: same (.3).	2.2	\$340	\$ 748.00
04/06/2023	KRB	Prepared documents request list (1.1); discussion with HW re: same (.3).	1.4	\$340	\$ 476.00
04/09/2023	KRB	Reviewed filing protocols for form 1120-SF.	1.6	\$340	\$ 544.00
04/10/2023	KRB	Reviewed Puerto Rico property sales.	2.4	\$340	\$ 816.00
04/11/2023	KRB	Reviewed prior years tax returns.	1.8	\$340	\$ 612.00
04/12/2023	KRB	Continued review of prior years tax returns.	1.4	\$340	\$ 476.00
04/13/2023	HW	Researched form 1120 QF and reviewed records pertinent to tax return preparation.	2.3	\$340	\$ 782.00
04/14/2023	KRB	Meeting with HAL re: tax memo.	1.0	\$340	\$ 340.00



YIP ASSOCIATES

FORENSIC ACCOUNTING +
FINANCIAL INVESTIGATIONS

Invoice Number: 31962

Matter ID: 293.0000

Re: Kinetic Investment Group, LLC

For Professional Services Rendered April 1, 2023 through June 30, 2023

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
04/14/2023	HAL	Meeting with KRB re: tax memo.	1.0	\$295	\$ 295.00
04/18/2023	KRB	Prepared analysis of income tax.	2.6	\$340	\$ 884.00
04/19/2023	KRB	Draft memorandum (1.4); meeting with HAL re: same (.8).	2.2	\$340	\$ 748.00
04/19/2023	HAL	Reviewed and updated distribution analysis for third distribution (1.6); meeting with KRB re: tax memo (.8).	2.4	\$295	\$ 708.00
04/19/2023	NED	Prepared third interim distribution calculation.	0.7	\$245	\$ 171.50
04/20/2023	KRB	Continued draft memorandum re: tax findings.	1.5	\$340	\$ 510.00
04/20/2023	NED	Finalized third interim distribution calculation.	0.4	\$245	\$ 98.00
04/21/2023	HAL	Reviewed third claims distribution summary with NED (.2); reviewed and updated tax memo prepared by KRB (2.1).	2.3	\$295	\$ 678.50
04/21/2023	NED	Discussion with HAL re: third distribution (.2); prepared deliverable and email communication with Receiver's counsel (.5).	0.7	\$245	\$ 171.50
04/22/2023	KRB	Prepared for conference call with Receiver and Receiver's counsel.	1.1	\$340	\$ 374.00
04/24/2023	KRB	Conference call L. Humphries, Receiver, and HAL.	0.9	\$340	\$ 306.00



YIP ASSOCIATES

FORENSIC ACCOUNTING +
FINANCIAL INVESTIGATIONS

Invoice Number: 31962
Matter ID: 293.0000

Re: Kinetic Investment Group, LLC

For Professional Services Rendered April 1, 2023 through June 30, 2023

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
04/24/2023	HAL	Conference call L. Humphries, Receiver, and KRB.	0.9	\$295	\$ 265.50
04/25/2023	HAL	Meeting with NED and L. Humphries re: third distribution to creditors.	0.1	\$295	\$ 29.50
04/25/2023	NED	Conference call with HAL and L. Humphries.	0.1	\$245	\$ 24.50
			Total Fees	34.1	\$ 11,053.50
Total Amount Due					\$ 11,053.50

Please remit payment by mail to:

Yip Associates
2 South Biscayne Blvd., Suite 2690
Miami, FL 33131

Or, via ACH / wire transfer to:

FIRST HORIZON BANK
165 Madison Avenue
Memphis, TN 38103

ABA Number: **084000026**
Bank SWIFT / BIC Code: **FTBMUS44**

FIRST HORIZON BANK Credit Account
Information

FHB Customer Name: **YIPCPA, LLC d/b/a YIP ASSOCIATES**
FHB Account Number: **4400000149**
Amount of Wire: \$11,053.50

For Credit to:

Yip Associates
2 South Biscayne Blvd., Suite 2690
Miami, FL 33131

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “6(c)”



Invoice for Services

All funds payable to:

E-Hounds, Inc.

32815 US 19 North Suite 100
 Palm Harbor, Florida 34684
 support@ehounds.com (727) 726-8985

Open Date	Close Date	Invoice #	Balance Due	Case Reference (E9578)	Terms
04/01/2023	04/30/2023	43866	\$495.00	in RE: Kinetic	Due on Receipt

Invoice to:
 BIPC
 in RE: Kinetic
 401 E. Jackson St
 Suite 2400
 Tampa, FL 33602-5236

Case Contact:
 Buchanan Ingersoll
 Lauren V Humphries
 813-222-1141

Q	Date	Expedited	All quantities are based Hourly unless otherwise noted	Tech	Price	Ext
1	04/05/2023		E-Hounds Review Platform (incl 1 user seat) Courtesy Rate Monthly		\$495.00	\$495.00

All balances are due upon receipt. Thank you!

Payments Applied

--	--

SUBTOTAL **\$495.00**

TOTAL **\$495.00**

Balance Due \$495.00

Please note: Our fees are subject to change annually. Last change: 2/1/2022

Statement of Limited Liability and Financial Responsibility

E-Hounds, Inc. shall not be liable under any circumstances for any special, consequential, or exemplary damages arising from the use or misuse of data or equipment after it has been returned to the client and/or owner(s). E-Hounds shall not be liable for the continued storage of recovered data for more than 30 days unless otherwise specified in writing by the client. Any problems with recovered data must be reported to E-Hounds within 5 business days of receipt. Property and/or equipment held for legal matters is held for 1 Year at the client's request or upon case closure. Additional storage fees may apply to extended storage/maintenance. **ABSOLUTELY NO REFUNDS.** This invoice is made under the fee agreement signed on behalf of the above listed client. As stated in the Fee Agreement for E-Hound's services, Final billing must be satisfied before the final release of equipment or findings/reporting. All billing is DUE ON RECEIPT, unless stated otherwise above. All unpaid balances over 30 days will be subject to a 1.5% fee per month. Any unpaid balances over 60 days will be subject to equipment liquidation, collection process and reasonable attorney's fees incurred in collection. Services by E-Hounds is rendered on behalf of the agency, agent, or party contracting for the services, and payment for such services is the sole liability and responsibility of that agency, agent, or party, and is not transferrable or assignable.

E-Hounds also accepts:



Venmo: @ehounds

Zelle: support@ehounds.com



venmo



PayPal



Invoice for Services

All funds payable to:

E-Hounds, Inc.

32815 US 19 North Suite 100
 Palm Harbor, Florida 34684
 support@ehounds.com (727) 726-8985

Open Date	Close Date	Invoice #	Balance Due	Case Reference (E9578)	Terms
05/01/2023	05/31/2023	44724	\$495.00	in RE: Kinetic	Due on Receipt

Invoice to:
 BIPC
 in RE: Kinetic
 401 E. Jackson St
 Suite 2400
 Tampa, FL 33602-5236

Case Contact:
 Buchanan Ingersoll
 Lauren V Humphries
 813-222-1141

Q	Date	Expedited	All quantities are based Hourly unless otherwise noted	Tech	Price	Ext
1	05/05/2023		E-Hounds Review Platform (incl 1 user seat) Courtesy Rate Monthly		\$495.00	\$495.00

All balances are due upon receipt. Thank you!

Payments Applied

--	--

SUBTOTAL **\$495.00**

TOTAL **\$495.00**

Balance Due \$495.00

Please note: Our fees are subject to change annually. Last change: 2/1/2022

Statement of Limited Liability and Financial Responsibility

E-Hounds, Inc. shall not be liable under any circumstances for any special, consequential, or exemplary damages arising from the use or misuse of data or equipment after it has been returned to the client and/or owner(s). E-Hounds shall not be liable for the continued storage of recovered data for more than 30 days unless otherwise specified in writing by the client. Any problems with recovered data must be reported to E-Hounds within 5 business days of receipt. Property and/or equipment held for legal matters is held for 1 Year at the client's request or upon case closure. Additional storage fees may apply to extended storage/maintenance. ABSOLUTELY NO REFUNDS. This invoice is made under the fee agreement signed on behalf of the above listed client. As stated in the Fee Agreement for E-Hound's services, Final billing must be satisfied before the final release of equipment or findings/reporting. All billing is DUE ON RECEIPT, unless stated otherwise above. All unpaid balances over 30 days will be subject to a 1.5% fee per month. Any unpaid balances over 60 days will be subject to equipment liquidation, collection process and reasonable attorney's fees incurred in collection. Services by E-Hounds is rendered on behalf of the agency, agent, or party contracting for the services, and payment for such services is the sole liability and responsibility of that agency, agent, or party, and is not transferrable or assignable.

E-Hounds also accepts:



Venmo: @ehounds

Zelle: support@ehounds.com



venmo



PayPal



Invoice for Services

All funds payable to:

E-Hounds, Inc.

32815 US 19 North Suite 100
 Palm Harbor, Florida 34684
 support@ehounds.com (727) 726-8985

Open Date	Close Date	Invoice #	Balance Due	Case Reference (E9578)	Terms
06/01/2023	06/30/2023	45703	\$495.00	in RE: Kinetic	Due on Receipt

Invoice to:
 BIPC
 in RE: Kinetic
 401 E. Jackson St
 Suite 2400
 Tampa, FL 33602-5236

Case Contact:
 Buchanan Ingersoll
 Lauren V Humphries
 813-222-1141

Q	Date	Expedited	All quantities are based Hourly unless otherwise noted	Tech	Price	Ext
1	06/05/2023		E-Hounds Review Platform (incl 1 user seat) Courtesy Rate Monthly		\$495.00	\$495.00

All balances are due upon receipt. Thank you!

Payments Applied

--	--

SUBTOTAL **\$495.00**

TOTAL **\$495.00**

Balance Due \$495.00

Please note: Our fees are subject to change annually. Last change: 2/1/2022

Statement of Limited Liability and Financial Responsibility

E-Hounds, Inc. shall not be liable under any circumstances for any special, consequential, or exemplary damages arising from the use or misuse of data or equipment after it has been returned to the client and/or owner(s). E-Hounds shall not be liable for the continued storage of recovered data for more than 30 days unless otherwise specified in writing by the client. Any problems with recovered data must be reported to E-Hounds within 5 business days of receipt. Property and/or equipment held for legal matters is held for 1 Year at the client's request or upon case closure. Additional storage fees may apply to extended storage/maintenance. **ABSOLUTELY NO REFUNDS.** This invoice is made under the fee agreement signed on behalf of the above listed client. As stated in the Fee Agreement for E-Hound's services, Final billing must be satisfied before the final release of equipment or findings/reporting. All billing is DUE ON RECEIPT, unless stated otherwise above. All unpaid balances over 30 days will be subject to a 1.5% fee per month. Any unpaid balances over 60 days will be subject to equipment liquidation, collection process and reasonable attorney's fees incurred in collection. Services by E-Hounds is rendered on behalf of the agency, agent, or party contracting for the services, and payment for such services is the sole liability and responsibility of that agency, agent, or party, and is not transferrable or assignable.

E-Hounds also accepts:



Venmo: @ehounds

Zelle: support@ehounds.com



venmo



PayPal

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “6(d)”



4023 Tampa Road, Suite 2000
 Oldsmar, FL 34677
 Phone (727) 785-4447 Fax (727) 784-5491
www.pdr-cpa.com

Mark A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC
April 1, 2023 through April 30, 2023

Date	Activity Category	Timekeeper	Description	Hours	Rate	Amount
4/3/2023	Accounting & Auditing	TMW	Downloaded statements, entered transactions & reconciled account	1.50	\$ 125.00	\$ 187.50
4/4/2023	Accounting & Auditing	TMW	Completed reconciling accounts and sent deposits to client for review	1.50	\$ 125.00	\$ 187.50
4/7/2023	Accounting & Auditing	TMW	Followed up on deposit, emailed client on deposit and settlement statements	0.75	\$ 125.00	\$ 93.75
4/12/2023	Accounting & Auditing	TMW	Completed 1st Quarter accounting, prepared Quickbooks reports and court report for review	1.00	\$ 125.00	\$ 125.00
4/13/2023	Accounting & Auditing	GAH	Reviewed and updated changes to reports	1.75	155.00	\$ 271.25
4/13/2023	Accounting & Auditing	TMW	Voided uncleared check as it was re-issued, re-printed reports and updated court report	0.50	125.00	\$ 62.50
4/17/2023	Accounting & Auditing	WEP	Reviewed Fund Accounting report	1.00	335.00	\$ 335.00
	Total Accounting & Auditing			8.00		\$ 1,262.50
4/5/2023	Tax	WEP	Gathered tax data	0.75	\$ 335.00	\$ 251.25
4/11/2023	Tax	LH	Uploaded Federal & Florida extension to tax software	0.50	\$ 165.00	\$ 82.50
	Total Tax			1.25		\$ 333.75

Total Mark. A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC

9.25

\$ 1,596.25



4023 Tampa Road, Suite 2000
 Oldsmar, FL 34677
 Phone (727) 785-4447 Fax (727) 784-5491
www.pdr-cpa.com

**Mark A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC
 May 1, 2023 through May 31, 2023**

Date	Activity Category	Timekeeper	Description	Hours	Rate	Amount
5/17/2023	Accounting & Auditing	TNJ	Printed check	0.25	\$ 125.00	\$ 31.25
5/17/2023	Accounting & Auditing	TMW	Prepared check for invoice per Sabrina and Lauren	0.25	\$ 125.00	\$ 31.25
5/17/2023	Accounting & Auditing	WEP	Completed memo	0.75	\$ 335.00	\$ 251.25
5/23/2023	Accounting & Auditing	TMW	Downloaded Servis 1st statements, entered missing transactions, reconciled the accounts, reconciled April balances	1.50	\$ 125.00	\$ 187.50
	Total Accounting & Auditing			2.75		\$ 501.25
5/22/2023	Tax	WEP	Initiated tax planning	0.75	\$ 335.00	\$ 251.25
	Total Tax			0.75		\$ 251.25
5/15/2023	Consulting	PDR	BDO Invoice #002003499 - Conference with Bill Price & Javier Zuniga to discuss procedural and substantive issues for qualified settlement funds		\$ 978.25	\$ 978.25
5/16/2023	Consulting	WEP	Initiated call and followed up with PR CPA	0.75	\$ 335.00	\$ 251.25
	Total Consulting			0.75		\$ 1,229.50

Total Mark. A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC

4.25

\$ 1,982.00



4023 Tampa Road, Suite 2000
 Oldsmar, FL 34677
 Phone (727) 785-4447 Fax (727) 784-5491
www.pdr-cpa.com

**Mark A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC
 June 1, 2023 through June 30, 2023**

Date	Activity Category	Timekeeper	Description	Hours	Rate	Amount
6/1/2023	Accounting & Auditing	TMW	Downloaded statements and reconciled accounts for May	1.00	\$ 125.00	\$ 125.00
	Total Accounting & Auditing			1.00		\$ 125.00
6/13/2023	Tax	LH	Updated data for tax preparation	0.25	\$ 165.00	\$ 41.25
	Total Tax			0.25		\$ 41.25
6/15/2023	Consulting	WEP	Prepared memo regarding taxation in Puerto Rican company	1.00	\$ 335.00	\$ 335.00
	Total Consulting			1.00		\$ 335.00
Total Mark. A. Kornfeld, Esq. Receiver for Kinetic Investment, LLC				<u>2.25</u>		<u>\$ 501.25</u>

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT "6e"

INVOICE

PMB 721
 1353 Ave Luis Vigoreaux
 Guaynabo, PR 00966
 USA

 irwlawoffice@me.com
 O: 7877750624

Number	201906676
Issue Date	7/7/2023
Due Date	7/22/2023
Email	lauren.humphries@bipc.com

Bill To:

Buchanan Ingersoll & Rooney
 O: 813-222-2098

Legal Consultation

Time Entries

Time Entries	Billed By		Hours	Sub
Time 4/3/2023 Call with Lauren regarding amounts owed by Allan Rothstein.	ZMI	\$250.00	0.25	\$62.50
Time 4/4/2023 Email exchange with Lauren, Email exchange with Allan Rothstein and Email exchange with Allan Rivera. Draft Excel with final payments and send to all parties.	ZMI	\$250.00	0.50	\$125.00
Time 5/8/2023 Email exchange with Lauren Humphries and conference call with Lauren and Mark regarding filing of tax returns in Puerto Rico.	ZMI	\$250.00	0.50	\$125.00
Time 5/16/2023 Conference call with Lauren Humphries, Mark, Bill Price regarding filing of tax returns in Puerto Rico.	ZMI	\$250.00	0.75	\$187.50
Time 5/16/2023 Call with Bill Price to set up next steps to complete Mark's request.	ZMI	\$250.00	0.25	\$62.50
Time 5/22/2023 Call with Mark, Bill, Lauren and Yahaira regarding Puerto Rico Tax Filings.	ZMI	\$250.00	0.75	\$187.50
			Time Entries Total	3.00
				\$750.00
Total for Legal Consultation				\$750.00

Legal Services

Time Entries

Time Entries	Billed By		Hours	Sub
Time 4/26/2023 Send email to Bill Price with all Deeds and Closing Statements from the sales of all of the PR Properties.	ZMI	\$250.00	0.50	\$125.00
			Time Entries Total	0.50
				\$125.00

Expenses

Expenses	Price	Qty	Sub
Other 5/16/2023 Bank Chages - 5.16.2023 payment and future invoice	\$30.00	1.00	\$30.00
		Expenses Total:	1.00
			\$30.00
			Total for Legal Services
			\$155.00
			Total (USD)
			\$905.00
			Paid
			\$0.00
			Balance
			\$905.00

Terms & Conditions

Payments can be made by credit cards, check, and/or ACH transfer.
 BY CREDIT CARD: A 3% service charge will be added to the total amount of the invoice.
 BY CHECK: Please make check payable to IRW and send to: PMB 721, #1353 Ave. Luis Vigoreaux, Guaynabo, PR 00966
 Payments made through wire-transfer must include an additional \$15.00, which is the fee charged by the bank.
 BY ACH TRANSFER:

Bank Name	Banco Popular de Puerto Rico (BPPR)
Routing number	021502011
Account Name	IRW Concierge Services
Account Holder's Address	PMB 721, #1353 Luis Vigoreaux Ave. Guaynabo, PR 00966
Account Number	367-107158
Additional information	Please contact Ms. Rosaymar Berrios at 787-775-0624 or 787-590-7070, or by email at rosaymar@irwlaw.com , should you encounter any difficulties.

Thank you!

SEC vs. Kinetic Investment Group, LLC, et al
CASE NO.: 8:20-cv-394

EXHIBIT “7”

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KINETIC INVESTMENT GROUP, LLC
and MICHAEL SCOTT WILLIAMS,

CASE NO.: 8:20-cv-394-MSS-SPF

Defendants, and

KINETIC FUNDS I, LLC, KCL SERVICES,
LLC d/b/a LENDACY, SCIPIO, LLC,
LF 42, LLC, EL MORRO FINANCIAL
GROUP, LLC, and KIH, INC., f/k/a
KINETIC INTERNATIONAL, LLC,

Relief Defendants.

ORDER GRANTING RECEIVER'S FOURTEENTH INTERIM OMNIBUS
APPLICATION FOR ALLOWANCE AND PAYMENT OF
PROFESSIONALS' FEES AND REIMBURSEMENT OF EXPENSES
FOR APRIL 1, 2023 – JUNE 30, 2023

THIS CAUSE came before the Court on the Receiver's (the "**Receiver**") Fourteenth Interim Omnibus Application for Allowance and Payment of Professionals' Fees and Reimbursement of Expenses for April 1, 2023 through June 30, 2023 (Doc. __) (the "**Application**"). With the Court having considered the Application, reviewed the file, and finding that cause exists to grant the Application, it is hereby **ORDERED** as follows:

1. The Application is **GRANTED**.

2. The Court awards the following sums and directs that payment be made from Receivership assets:

Mark A. Kornfeld, Esq. and Buchanan Ingersoll	\$36,603.25
YIP	\$11,053.50
E-Hounds	\$ 1,485.00
PDR CPAs + Advisors	\$ 4,079.50
IRW Law Offices	\$ 905.00

DONE and ORDERED this ____ day of _____, 2023 in Tampa,
Florida.

**UNITED STATES DISTRICT COURT
JUDGE**