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Michele Vives

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

ZACHARY J. HORWITZ; and 1inMM
CAPITAL, LLC,

Defendants.

Case No. 2:21-cv-02927-CAS(GJSx)

**QUARTERLY REPORT OF
RECEIVER MICHELE VIVES
(SECOND QUARTER 2023)**

Judge: Hon. Christina A. Snyder
Courtroom: 8D

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1 Michele Vives, the duly appointed permanent receiver (the “Receiver”) of
 2 1inMM Capital, LLC and its subsidiaries and affiliates (“1inMM”), and over assets
 3 that are attributable to funds derived from investors or clients of the Defendants or
 4 were fraudulently transferred by the Defendants (collectively, the “Receivership
 5 Estate”), pursuant to Local Rule 66-6 and the *Order on Appointment of a Permanent*
 6 *Receiver* (“Order of Appointment”) entered on January 14, 2022, hereby submits
 7 this quarterly report (the “Report”) for the period April 1, 2023 through June 30,
 8 2022 (the “Second Quarter 2023”). The Report details the Receiver’s activities and
 9 findings during the Second Quarter 2023 to protect and administer the receivership
 10 estate, identify new assets and lay out the Receiver’s general strategy to maximize
 11 the recovery for the benefit of harmed investors.

12 **I. GENERAL RECEIVERSHIP UPDATE**

13 **A. Settlement Activity During the Second Quarter 2023**

14 The Receiver previously reported that, during the First Quarter 2023, she
 15 reached three major settlements that, if approved by the Court, would yield a total
 16 of \$14.35 million in settlement value for the Estate, before payment of certain
 17 administrative claims. These settlements are with the former principals of JJMT
 18 Capital, LLC (“JJMT”), which consists of two separate settlement agreements; and
 19 a law firm that represented 1inMM, the name of which the Receiver agreed to keep
 20 confidential (the “Law Firm”). The Court has since approved one of those three
 21 settlements, and the cash consideration has been fully paid to the Estate. The other
 22 two settlements are in advanced states of documentation.

23 During the Second Quarter 2023, the Receiver reached a settlement with a
 24 professional services firm that worked with 1inMM, the name of which the Receiver
 25 also agreed to keep confidential (the “Professional Services Firm”). The settlement
 26 with the Professional Services Firm, if approved, would yield additional cash for the
 27 Estate.

28 All of these settlements are significant because they simultaneously resolve

1 pending or threatened litigation by groups of net losing investors in 1inMM.

2 Although the Receiver will address these proposed settlements in greater
3 detail in motions for their approval (which she expects to file in the coming weeks),
4 the Receiver now explains how these hard-fought compromises came about,
5 summarizes their basic terms and provides an update of their status through the
6 Second Quarter 2023.

7 **1. Settlement of JJMT-Related Claims**

8 *a. The Investor Claims and the Receiver Claims*

9 As the Receiver discussed in each of her prior quarterly reports, several
10 1inMM investors commenced numerous lawsuits in courts across the country
11 alleging claims associated with Defendants’ fraudulent scheme (defined in the first
12 quarter 2022 report as the “Investor Actions”). It quickly became apparent to the
13 Receiver that the Investor Actions against JJMT and its organizers—all of which are
14 pending in federal and state courts in Chicago—were the most numerous, complex
15 and in need of immediate attention. The principals of JJMT are Joseph deAlteris
16 (“deAlteris”), Jacob Wunderlin (“Wunderlin”) and Matthew Schweinzger
17 (“Schweinzger,” and collectively with deAlteris and Wunderlin, “JJ&M”) and Tyler
18 Crookston (“Crookston”).¹

19 The plaintiffs in the Investor Actions (collectively, the “Investor Plaintiffs”)
20 claimed tens of millions of dollars in damages on various legal theories generally
21 asserting that JJ&M and Crookston are liable to them in connection with the 1inMM
22 Ponzi Scheme (collectively, the “Investor Claims”). Crookston and JJ&M
23 vigorously defended the Investor Actions, and asserted several defenses to the
24 Investor Claims that, if sustained, may have resulted in the Investor Plaintiffs taking
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28 ¹ The Receiver addresses JJ&M and Crookston separately because they had separate counsel and their settlements are structured differently.

1 nothing. The Receiver, meanwhile, asserted that she may avoid and recover certain
 2 transfers of money from 1inMM to JJ&M and Crookston as fraudulent transfers
 3 under the California Uniform Voidable Transactions Act, Cal. Civ. Code § 3439 et
 4 seq. (“UVTA”) (the “Receiver Claims”).

5 Early on, counsel for the Investor Plaintiffs sought to work with the Receiver
 6 to the extent she had claims against the same defendants, and the Receiver entered
 7 into common interest agreements with them. At the same time, JJ&M and Crookston
 8 expressed interest in settling the Receiver’s potential claims against them, but only
 9 so long as the Receiver could somehow concurrently resolve or eliminate the
 10 Investor Actions. The Receiver pursued a collaborative approach, spending several
 11 months working with the lawyers for all of those parties about ways she might help
 12 coordinate and resolve them.

13 *b. The JJMT Mediation*

14 Ultimately, the result was that the Receiver and those litigants agreed to
 15 participate in a formal mediation process with the goal of reaching a global
 16 settlement of all claims in the Investor Actions as well as any claims the Receiver
 17 may have against the same defendants (the “JJMT Mediation”). The parties selected
 18 the mediator to be Hon. Sidney I. Schenkier, United States Magistrate Judge for the
 19 Northern District of Illinois (retired), and now a neutral with JAMS. The JJMT
 20 Mediation occurred in Chicago on January 30-31, 2023, and was successful.

21 To prepare for the JJMT Mediation, the Receiver and her professional staff
 22 had to review and analyze tens of thousands of banking transactions and hundreds
 23 of financial records associated with 1inMM, JJMT, JJ&M, Crookston and Horwitz
 24 covering a several-year period, and then verify those transactions against the 1inMM
 25 financial transactions and banking records already in the Receiver’s possession. The
 26 verification step ensured that the final net-profit liability numbers were the product
 27 of fully vetted records that reflected no material discrepancies. The Receiver’s
 28 forensic accounting analysis also required a lot of back-and-forth with counsel for

1 JJ&M and Crookston to request banking documents, wire detail and other
2 information. Fortunately, JJ&M. Crookston and their respective counsel were
3 cooperative and responsive throughout and provided the Receiver with the
4 documents necessary for her to complete this analysis.

5 The Receiver submitted lengthy mediation statements to Judge Schenkier that
6 included a detailed discussion of the applicable legal principles under UVTA and
7 explained why, in the Receiver’s view, JJ&M and Crookston had several million
8 dollars of liability to the estate under UVTA.

9 *c. Settlement with Tyler Crookston*

10 In the week preceding the JJMT Mediation, the Receiver and the Investor
11 Plaintiffs opened negotiations with Crookston (through his counsel) in an attempt to
12 reach a pre-mediation settlement. Those discussions—while hard-fought and
13 sometimes tense—were ultimately successful.

14 As the Receiver described in her motion to approve the settlement with
15 Crookston [ECF #218], Crookston agreed to pay the \$3.85 million to the Estate to
16 resolve the Investor Claims and the Receiver Claims, as well as all potential claims
17 that could be filed against him arising out of or relating to the 1inMM Ponzi Scheme.
18 Even though part of the settlement consideration is to settle the Investor Claims, the
19 Investor Plaintiffs agreed that the entire settlement consideration should be paid into
20 the Estate for the benefit of all creditors. A critical component of the settlement
21 consideration is that the Court enters a “bar order” in Crookston’s favor—essentially
22 a permanent injunction barring any other person or entity from suing him on any
23 claim pertaining to the 1inMM Ponzi Scheme, which is a common component of
24 these sorts of settlements. Any such claim that an allegedly aggrieved 1inMM
25 investor might have would be channeled to the claim process that the Receiver will
26 in the future ask this Court to approve.

27 As of the end of the Second Quarter 2023, the Receiver was awaiting the
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1 Court’s ruling on the Crookston settlement motion.²

2 *d. Settlement with JJ&M*

3 The Investor Plaintiffs, the Receiver and JJ&M mediated their respective
4 claims with Judge Schenkier over two marathon in-person mediation sessions in
5 Chicago on January 30 and 31, 2023. Due in no small part to Judge Schenkier’s
6 persistence and wisdom, as well as the parties’ creativity and willingness to
7 compromise, the JJMT Mediation was a success.

8 Again as a result of her team’s searching and thorough forensic accounting
9 analysis, the Receiver determined that JJ&M received net profits (including
10 commissions) as a result of the 1inMM Ponzi Scheme, which are transfers from
11 1inMM subject to avoidance under UVTA, in the following approximate amounts:
12 \$6.63 million (Schweinzger); \$8.30 million (deAlteris); and \$9.35 million
13 (Wunderlin), for a total of about \$24 million. JJ&M vigorously challenged the
14 Receiver Claims against them on multiple grounds, raising complex and serious
15 issues principally about the Receiver’s legal ability to recover the transfers from
16 them on a “mere conduit” theory and the potential expiration of the applicable statute
17 of limitations, among other defensive positions. JJ&M also sharply contested their
18 liability to the Investor Plaintiffs for a multitude of reasons. The basic terms of the
19 settlement with JJ&M follow.

20 As a result of the JJMT Mediation, JJ&M jointly agreed to pay the \$9 million
21 to the Estate to resolve the Investor Claims and the Receiver Claims, as well as all
22 potential claims that could be filed against them arising out of or relating to the
23 1inMM Ponzi Scheme, which is more than JJ&M would have paid to resolve only
24 the Receiver Claims. Consistent with the Crookston settlement, the Investor
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28 ² The Court granted the motion on July 5, 2023. The Receiver will report on this and related
developments in her report for the third quarter 2023.

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1 Plaintiffs again agreed that the entire \$9 million of settlement consideration should
 2 be paid into the Estate for the benefit of all creditors. So the Receiver agreed to seek
 3 approval to pay certain negotiated amounts to counsel for the Investor Plaintiffs in
 4 recognition of their assistance in creating a common fund in, and for making a
 5 substantial contribution to, the Estate. In exchange, the parties will exchange mutual
 6 general releases, and the Receiver will ask this Court to enter a bar order enjoining
 7 any person or entity from commencing or continuing any claim against JJ&M arising
 8 out of or relating to the 1inMM Ponzi Scheme.

9 During the Second Quarter 2023, counsel for the Receiver, the Investor
 10 Plaintiffs JJ&M worked on drafting the settlement agreement and related
 11 documentation. The Receiver expects to file a motion to approve the settlement with
 12 JJ&M during the third quarter of 2023.

13 2. *Settlement with the Law Firm*

14 As the Receiver previously reported, during the First Quarter 2023, she and
 15 certain net losing investors in 1inMM (represented by Loftus & Eisenberg, Ltd.
 16 (“L&E”), of Chicago, Illinois, the same lawyers who also represented certain
 17 Investor Plaintiffs in the JJMT litigation discussed above) (the “Claimant
 18 Investors”), jointly reached a settlement with the Law Firm that will result in a
 19 payment of \$1.5 million to the Estate. A critical component of this settlement is the
 20 Receiver’s agreement to keep the identity of the Law Firm strictly confidential, so
 21 the Receiver must keep her public comments about this settlement general and brief.

22 the Law Firm represented 1inMM for approximately one year. The Claimant
 23 Investors asserted—in private correspondence with the Law Firm as well as its
 24 malpractice insurer—that the Law Firm is liable for their losses on theories of
 25 malpractice, negligence and aiding and abetting the 1inMM Ponzi Scheme. They
 26 threatened legal action against the Law Firm if the parties did not settle. Although
 27 the Receiver did not threaten to sue the Law Firm, the Law Firm opened negotiations
 28 with the Receiver about the Claimant Investors’ potential litigation, as the Law Firm

1 made clear that any settlement must include a bar order enjoining any similar actions
2 against it. Discussions between the Law Firm, its insurer and the Claimant Investors
3 continued for the better part of a year. The parties eventually agreed to mediate
4 before Bruce Friedman, a JAMS neutral located in Los Angeles. The mediation with
5 Mr. Friedman took place in Los Angeles on March 15, 2023, and was successful.

6 The essential terms of the settlement are that the Law Firm will pay \$1.5
7 million to the Estate to settle both the Claimant Investors' asserted claims as well as
8 any claims that the Estate may have against the Law Firm, in exchange for mutual
9 general releases and a bar order. The bar order would enjoin any person or entity
10 from commencing or continuing any claim against the Law Firm arising out of or
11 relating to the 1inMM Ponzi Scheme. And, as with the JJMT-related settlements
12 discussed above, because the Claimant Investors have agreed that the entire amount
13 of the settlement consideration should be paid to the Estate for the benefit of all
14 creditors, the Receiver agreed to seek approval to pay certain negotiated amounts to
15 L&E, as counsel for the Claimant Investors, in recognition of their assistance in
16 creating a common fund in, and for making a substantial contribution to, the Estate.

17 During the Second Quarter 2023, counsel for the Receiver, the Claimant
18 Investors and the Law Firm worked on drafting the settlement agreement and related
19 documentation. The Receiver expects to file a motion (under seal) to approve the
20 settlement with the Law Firm during the third quarter of 2023.

21 **3. Settlement with the Professional Services Firm**

22 During the Second Quarter 2023, the Receiver reached a settlement with the
23 Professional Services Firm which, previously worked with 1inMM. The parties
24 eventually agreed to a mediation, which took place on May 3, 2023 before Judge
25 Schenkier of JAMS. This mediation was successful as well. As part of the settlement,
26 it was critical to the Professional Services Firm that the Receiver keep its identity
27 confidential, and that she agree not to disclose any of the settlement's specific
28 financial terms in a quarterly report. Rather, the Receiver will disclose the details of

1 this settlement in a motion for its approval, which she expects to file in the third
2 quarter of 2023. During the Second Quarter 2023, counsel for the Professional
3 Services Firm worked on the basic settlement documentation.

4 **B. Forensic Accounting Background and Update**

5 Throughout the duration of the Ponzi scheme, 1inMM engaged in tens of
6 thousands of transactions totaling over \$2 billion (receipts and disbursements). As
7 there were no accounting records, the Receiver has had to reconstruct 1inMM’s
8 transaction history from scratch. To do so has required a continuous forensic
9 accounting analysis involving the review of over 2,965 bank statements and
10 encompassing over 24,800 transactions, to date. The Receiver and her team continue
11 to analyze additional records as she uncovers more detail behind the Ponzi scheme
12 and identifies other potential sources of recovery.

13 The forensic accounting analysis has been a fundamental element to
14 navigating the best path towards maximizing the estate’s recovery. It has provided
15 the foundation for determining who may be liable to the Estate for receiving
16 fraudulent transfers, identifying previously unknown assets and obtaining
17 information about 1inMM’s investors.

18 During the Second Quarter 2023, the Receiver and her team obtained
19 additional records from a series of sub-aggregators – investment feeder funds that
20 invested into other aggregators – which they then had to analyze. This process has
21 helped identify both net winners and net losers, and will thus facilitate the recovery
22 of additional dollars and assist the Receiver’s team for the claims process.

23 The Receiver believes her and her team are in the final phase of the forensic
24 accounting. Nearly all transactions of importance are believed to have been mapped,
25 and the Receiver has initiated efforts to begin reconciling and verifying amounts
26 invested by certain investors. This will assist with the investor claims process that is
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1 anticipated to take place later on in the receivership.³

2 **C. Current and Pending Settlements with Transfer Recipients and**
3 **Net Winners**

4 Through the Receiver’s forensic accounting, the Receiver has identified
5 investors who were significant net winners (receiving payments far in excess of the
6 amounts they invested) as well as various persons and entities who were transferred
7 very large sums from 1inMM but do not appear to have been investors in the 1inMM
8 Ponzi scheme. By identifying these recipients, the Receiver has been able to
9 determine potential fraudulent transfers to both investors and non-investors alike,
10 thereby increasing the pool of potential recovery to the Estate. Settlements that the
11 Receiver reaches with such transferees have been very significant estate assets. The
12 Receiver and her professional staff have, therefore, devoted considerable time and
13 attention to reviewing and analyzing tens of thousands of banking transactions and
14 associated records associated with 1inMM and Horwitz to identify those persons and
15 entities who may have received transfers that are subject to avoidance and recovery.

16 **1. Prior Settlements**

17 As has been previously reported, the Receiver has entered into a number of
18 settlements with net winners and various persons and entities who may have profited
19 from the 1inMM scheme. These prior settlements, separate from those discussed in
20 Section I. A. Settlement of JJMT-Related Claims above, include Susan Kozlowski
21 who agreed to pay \$300,000 to settle the Estate’s claims, and James Dainard, who
22 agreed to pay \$353,034.17 to settle the Estate’s claims. Further detail about these
23 settlements can be found in the Receiver’s prior quarterly report. The Estate received
24 the settlement payment from Ms. Kozlowski on January 31, 2023. The Estate
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28 ³ The Receiver will, at the appropriate time, propose a claims reconciliation, allowance and
payment process for the Court’s consideration and approval.

1 received the settlement payment from Mr. Dainard on March 15, 2023

2 **2. Other Net Winners and Settlement Negotiations**

3 As of this writing, the Receiver and her team have identified approximately
4 100+ net winners from the 1inMM Ponzi scheme. The Receiver has been reviewing
5 the financial details of these identified net winners and anticipates initiating
6 settlement conversations and potentially issuing settlement demand letters to some
7 of these newly identified net winners.

8 Exact details surrounding the negotiations of these transfers, while ongoing
9 and in order to not jeopardize these good-faith discussions, will remain confidential
10 from public filings. However, once a settlement is reached, the Receiver will petition
11 the Court to approve any agreement. Further, should the Receiver determine that a
12 lawsuit need be filed to recoup fraudulent transfer monies, the Receiver will provide
13 additional information in future reports.

14 **D. Asset Updates**

15 In addition to the cash on hand detailed in paragraph II.C. (below), the
16 receivership assets, not including litigation claims, currently consist of: (1) Rogue
17 Black, LLC ("Rogue Black"), (2) LayJax Ventures, LLC ("LayJax"), (3)
18 investments made into sixteen entities controlled by Jacob Wunderlin, a principal of
19 JJMT (the sixteen entities are referenced as the "Additional Investments") and (4)
20 investments made in potentially eight additional films. The updated details to each
21 of these is outlined below.

22 **1. Rogue Black**

23 Rogue Black was a film finance and production company in which Horwitz
24 owned a membership interest and invested using 1inMM funds. Ultimately, 1inMM
25 invested approximately \$20 million with Rogue Black, which went on to produce
26 and complete a total of eight films (collectively, the "Produced Films"). The
27 Receiver continues to collect on monies owed to Rogue Black in relation to the
28 Produced Films and pursue monies that are owed but have not yet been paid.

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a. Payment Dispute and Demand for Arbitration

Through an investigation, it was discovered that Rogue Black is owed a significant amount of money related to distribution rights on one of its films. The Receiver attempted to resolve the issue through discussions with the relevant parties. However, when it became apparent those discussions were no longer making progress, the Receiver initiated a demand for arbitration as granted under the acquisition agreement entered into by the relevant parties. The Receiver decided it was best to assign the legal work associated with this project to Katten Muchin Rosenman LLP lawyers resident in its Century City office who practice in the area of entertainment law.

An arbitrator has been selected and the first arbitration management conference with the arbitrator was scheduled for July 17, 2023. Given the preliminary phase of the arbitration, and to allow for good faith negotiations to continue, the Receiver is not ready to publicly disclose additional details but will provide updates in future reports as warranted.

2. LayJax

LayJax is an angel investment company which invested in early startup business ventures. Using 1inMM funds, Horwitz caused LayJax to invest \$2.5 million with twelve separate startup business ventures that LayJax had sourced. The businesses in which LayJax invested are broad and diverse.

a. Update on Recovery Potential

As previously reported, only two or three of LayJax’s twelve investments hold a moderate chance of producing a recovery. One investment, made with a company that sells skincare treatments, had been acquired on October 21, 2022. A second company, a canned adult beverage company, was recently acquired on May 20, 2023. While the skincare treatment investment brought in a sizeable recovery to the estate – approximately \$450,000 – the recovery from the canned adult beverage company is much more modest. With only a 0.889 percent ownership, the

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1 receivership estate is anticipated to initially receive approximately \$40,000 from the
2 initial purchase price of the canned adult beverage company. Over the next few
3 years, there are additional yearly earn-out distributions that may potentially add up
4 to a further \$130,000. These future earn-out distributions are dependent upon future
5 sales growth and may be difficult to fully exploit.

6 The Receiver continually monitors each investment for progress, as well as
7 for potential opportunities to generate recoveries. Additional updates will be
8 provided as new or meaningful activity occurs.

9 **3. The Additional Investments**

10 As a part of the Receiver’s forensic accounting analysis, the Receiver
11 identified investments of more than \$5.6 million made by ZJH Enterprises, LLC
12 (“ZJH”) or 1inMM into Additional Investments, sixteen (16) investment vehicles.
13 ZJH’s sole source of funding came from 1inMM. The entities comprising the
14 Additional Investments are each investment vehicles made for the sole purpose of
15 investing into third party start-up companies. Importantly, however, the Additional
16 Investments are all managed or controlled by a principal of one of the aggregators.
17 On September 8, 2022, the Receiver’s professional staff issued a letter to the
18 managing member requesting various documents such as financial statements,
19 agreements, and other supporting documents relating to the Additional Investments.

20 In reviewing the production of records from this request, the Receiver
21 discovered that ZJH was the largest investor in the Additional Investments.
22 According to bank records, ZJH invested over \$5.6 million (“Invested Funds”) into
23 the Additional Investments. Additional questions remain, compelling the Receiver
24 to continue her investigation into these entities and make additional document and
25 information requests. With the forensic accounting project wrapping up and
26 achieving multiple settlements, the Receiver is now able to focus on making further
27 progress on this potential asset.

28 **4. Additional Film Investments**

1 As a result of the Receiver’s forensic accounting investigation, the Receiver
2 and her staff identified five additional entities that received more than \$13.1 million
3 from 1inMM. These entities are believed to have funded the production of an
4 additional eight films. The Receiver continues to investigate these entities, films and
5 the best avenue to efficiently maximize the recovery from these investments. The
6 Receiver has begun to shift more resources to this potential asset and, pending
7 additional investigation, continues to believe it prudent not to include any additional
8 details on these entities and films in this report so as not to impede, jeopardize or
9 hamper her investigation.

10 **E. Potential Litigation and Engagement of Conflicts Counsel**

11 As noted in previous reports, the Receiver moved the Court to authorize her
12 to engage Raines Feldman as conflict counsel, and the Court granted that motion on
13 January 3, 2023. [ECF #166]

14 The Receiver continues to explore identifying potential causes of action
15 whereby the Receiver may seek to recover funds or assets for the benefit of the
16 estate. To that end, the Receiver has issued subpoenas to investigate potential
17 litigation claims. A subpoena respondent filed a motion to quash, which is now fully
18 briefed and awaiting decision by Magistrate Judge Patricia Donahue. [ECF #206]

19 **II. ACCOUNTING OF RECEIPTS AND DISBURSEMENTS**

20 Attached as Exhibit “A” is a copy of the Standard Fund Accounting Report.
21 Below is a summary of the cash receipts and disbursements from the estate on a cash
22 accounting basis.

23 **A. Cash Receipts**

24 During the Second Quarter 2023, the receivership estate had cash receipts of
25 \$21,517.41. These cash receipts were comprised of (i) \$17,842 related to a Rogue
26 Black film receivable, and (ii) \$3,676 related to interest income.

27 **B. Cash Disbursements**

28 During the Second Quarter 2023, cash disbursements totaled \$738,500. These

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1 disbursements were comprised of (i) \$343,662 of attorney’s fees, (ii) \$363,724 of
2 Receiver’s fees, (iii) \$16,672 of consulting fees for Rogue Black, (iv) \$7,134 of
3 travel costs for mediation, (v) \$4,020 of court and research costs, (vi) \$3,110 of tax
4 and related fees, and (vi) \$273 of bank and other miscellaneous charges.

5 **C. Cash on Hand**

6 As of June 30, 2023, the receivership estate held an ending balance of
7 \$692,973.

8 **III. CONCLUSION**

9 The Receiver respectfully requests that the Court grant the motion to approve
10 this Report and award the related relief requested therein.

11
12 Dated: August 2, 2023

Respectfully submitted,

13 By: */s/Michele Vives*
14 Michele Vives, Receiver

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PROOF OF SERVICE

STATE OF ILLINOIS, COUNTY OF COOK

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Cook, State of Illinois. My business address is 525 W. Monroe St., Chicago, IL 60661.

On August 2, 2023, I served the following document(s) described as:

QUARTERLY REPORT OF RECEIVER MICHELE VIVES (SECOND QUARTER 2023)

as follows:

BY MAIL: I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed above and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Katten Muchin Rosenman LLP practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused the document(s) to be sent from e-mail address terence.banich@katten.com to the persons at the e-mail addresses listed above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

BY OVERNIGHT MAIL (FedEx): I enclosed said document(s) in an envelope or package provided by FEDEX and addressed to the persons at the addresses listed above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of FEDEX or delivered such document(s) to a courier or driver authorized by FEDEX to receive documents.

BY PERSONAL SERVICE: I caused said document to be personally delivered the document(s) to the person at the addresses listed above by leaving the documents in an envelope or package clearly labeled to identify the attorney being served with a receptionist or an individual in charge of the office.

E-FILING: By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

I declare under penalty of perjury under the laws of the State of Illinois that the foregoing is true and correct.

Executed on August 2, 2023, at Winnetka, Illinois.

/s/Terence G. Banich
Terence G. Banich

KATTEN MUCHIN ROSENMAN LLP
525 W. MONROE ST.
CHICAGO, IL 60661
(312) 902-5200

**STANDARDIZED FUND ACCOUNTING REPORT (CASH BASIS) for
ZACHARY J. HORWITZ; and 1inMM CAPITAL, LLC
RECEIVERSHIP; CIVIL COURT DOCKET NO. 2:21-CV-02927-CAS
REPORTING PERIOD from April 1, 2023 through June 30, 2023**

FUND ACCOUNTING (See Instructions):			
	DETAIL	SUBTOTAL	GRAND TOTAL
Line 1	Beginning Balance of the Fund as of April 1, 2023		\$1,409,956
	<i>Increases in Fund Balances:</i>		
Line 2	Business Income (Receipts)		17,842
Line 3	Cash and Securities		0
Line 4	Interest / Dividend Income		3,676
Line 5	Business Asset Liquidation		0
Line 6	Personal Asset Liquidation		
Line 7	Third-Party Litigation		0
Line 8	Miscellaneous - Other		0
	Total Funds Available (Lines 1-8)		1,431,473
	<i>Decreases in Fund Balance:</i>		
Line 9	Disbursements to Investors		0
Line 10	Disbursements for Receivership Operations		
Line 10a	<i>Disbursements to Receiver or Other Professionals</i>	387,149.10	0
Line 10b	<i>Business Asset Expenses</i>	4,297	
Line 10c	<i>Personal Asset Liquidation</i>		
Line 10d	<i>Investment Expenses</i>	282	
Line 10e	<i>Third-Party Litigation Expenses</i>		
	1. Attorney Fees	343,661.94	
	2. Litigation Expenses	0	
	<i>Total Third-Party Litigation Expenses</i>		
Line 10f	<i>Tax Administrator Fees and Bonds</i>		0
Line 10g	<i>Federal and State Tax Payments</i>	3,110	
	Total Disbursements for Receivership Operations	343,662	738,500
Line 11	Disbursements for Distribution Expenses Paid by the Fund:		
Line 11a	<i>Distribution Plan Development Expenses:</i>		
	1. Fees:		
	Fund Administrator	0	
	Independent Distribution Consultant (IDC)	0	
	Distribution Agent	0	
	Consultants	0	
	Legal Advisors	0	
	Tax Advisors	0	
	2. Administrative Expenses	0	
	3. Miscellaneous	0	
	<i>Total Plan Development Expenses</i>		0
Line 11b	<i>Distribution Plan Implementation Expenses:</i>		
	1. Fees:		
	Fund Administrator	0	
	Independent Distribution Consultant (IDC)	0	
	Distribution Agent	0	
	Consultants	0	
	Legal Advisors	0	
	Tax Advisors	0	
	2. Administrative Expenses	0	
	3. Investor Identification:		
	Notice/Publishing Approved Plan	0	
	Claimant Identification	0	
	Claims Processing	0	
	Web Site Maintenance / Call Center	0	
	4. Fund Administrator Bond	0	
	5. Miscellaneous	0	
	6. Fair Account for Investor Restitution (FAIR) Reporting Expenses	0	
	<i>Total Plan Implementation Expenses</i>		0
	Total Disbursements for Distribution Expenses Paid by the Fund		0
Line 12	Disbursements to Court / Other:		
Line 12a	<i>Investment Expenses / Court Registry Investment System (DRIS) Fees</i>	0	
Line 12b	<i>Federal Tax Payments</i>	0	
	Total Disbursements to Court / Other		0
	Total Funds Disbursed (Lines 9-12)		738,500
Line 13	Ending Balance of the Fund as of June 30, 2023		\$692,973
Line 14	Ending Balance of Fund - Net Assets:		
Line 14a	<i>Cash & Cash Equivalents</i>		692,973
Line 14b	<i>Investments</i>		0
Line 14c	<i>Other Assets or Uncleared Funds</i>		0
	Total Ending Balance of Fund - Net Assets		\$692,973

**STANDARDIZED FUND ACCOUNTING REPORT (CASH BASIS) for
ZACHARY J. HORWITZ; and 1inMM CAPITAL, LLC
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REPORTING PERIOD from April 1, 2023 through June 30, 2023**

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	<i>Plan Development Expenses Not Paid by the Fund</i>		
	1. Fees:		
	Fund Administrator	\$0	
	Independent Distribution Consultant (IDC)	0	
	Distribution Agent	0	
	Consultants	0	
	Legal Advisors	0	
	Tax Advisors	0	
	2. Administrative Expenses	0	
	3. Miscellaneous	0	
	Total Plan Development Expenses Not Paid by the Fund		\$0
Line 15b	<i>Plan Implementation Expenses Not Paid by the Fund</i>		
	1. Fees:		
	Fund Administrator	0	
	Independent Distribution Consultant (IDC)	0	
	Distribution Agent	0	
	Consultants	0	
	Legal Advisors	0	
	Tax Advisors	0	
	2. Administrative Expenses	0	
	3. Investor Identification:		
	Notice/Publishing Approved Plan	0	
	Claimant Identification	0	
	Claims Processing	0	
	Web Site Maintenance / Call Center	0	
	4. Fund Administrator Bond	0	
	5. Miscellaneous	0	
	6. FAIR Reporting Expenses	0	
	Total Plan Implementation Expenses Not Paid by the Fund		0
Line 15c	<i>Tax Administrator Fees & Bonds Not Paid by the Fund</i>		
			0
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund		
			\$0
Line 16	Disbursements to Court / Other Not Paid by the Fund:		
Line 16a	<i>Investment Expenses / CRIS Fees</i>		
		\$0	
Line 16b	<i>Federal Tax Payments</i>		
		0	
	Total Disbursements to Court / Other Not Paid by the Fund:		
			\$0
Line 17	DC & State Tax Payments		
			\$0
Line 18	Number of Claims:		
Line 18a	Number of Claims Received This Reporting Period		0
Line 18b	Number of Claims Received Since Inception of Fund		0
Line 19	Number of Claimants / Investors:		
Line 18a	Number of Claimants / Investors Paid This Reporting Period		0
Line 18b	Number of Claimants / Investors Paid Since Inception of Fund		0

Receiver:

By: _____
(signature)

(printed name)

Date: _____