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**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-PD

**NOTICE OF MOTION AND
UNOPPOSED MOTION OF
RECEIVER MICHELE VIVES FOR
ORDER APPROVING
SETTLEMENT WITH PURE
HEALTH ENTERPRISES, INC.,
MOVIE MATRIX, LLC AND
LAURA LEVESQUE, AND FOR
RELATED RELIEF;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT
THEREOF**

Date: January 26, 2026
Time: 10:00 a.m. PT
Judge: Hon. Christina A. Snyder
Courtroom: 8D

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1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE THAT, on January 26, 2026, at 10:00 a.m., or as
3 soon thereafter as the matter may be heard in Courtroom 8D, located at the United
4 States Courthouse, 350 West First Street, Los Angeles, California 90012, Michele
5 Vives, not individually, but solely as the federal equity receiver (the “Receiver”) of
6 defendant 1inMM Capital, LLC and its subsidiaries, affiliates and over the assets
7 more particularly described in the *Order on Appointment of Permanent Receiver*,
8 dated January 14, 2022 [ECF #70] (the “Receiver Order”), will and hereby does
9 move the Court for entry of an order approving the settlement with Pure Health
10 Enterprises, Inc., Movie Matrix, LLC and Laura Levesque, individually and as
11 trustee of the LHJ Integrity Trust and trustee of the JLO Legacy Trust, and for related
12 relief (the “Motion”).

13 The Motion is based on the Memorandum of Points and Authorities below
14 and is supported by: (a) the *Settlement Agreement and Mutual Release*, dated
15 October 3, 2025 (the “Settlement Agreement”), copy attached as **Exhibit 1**; (b) the
16 *Declaration of Michele Vives*, dated December 1, 2025 (“Vives Decl.”), copy
17 attached as **Exhibit 2**; and (c) the *Declaration of Craig M. Finger*, dated December
18 1, 2025 (“Finger Decl.”), copy attached as **Exhibit 3**.

19 This Motion is made following the Local Rule 7-3 conference of counsel
20 which took place on December 1, 2025.

21 Dated: December 9, 2025

Respectfully submitted,

22 **KATTEN MUCHIN ROSENMAN LLP**

23 By: /s/*Terence G. Banich*
24 Terence G. Banich

25 *Attorneys for the Receiver*
26 Michele Vives
27
28

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MEMORANDUM OF POINTS AND AUTHORITIES

Factual Background

A. The Receiver; investigation of transfers

On April 5, 2021, the SEC commenced this action against Zachary J. Horwitz (“Horwitz”) and 1inMM Capital, LLC (“1inMM”; together, “Defendants”), alleging that they committed an offering fraud and Ponzi scheme in violation of the federal securities laws (“Ponzi Scheme”). On January 14, 2022, the Court entered the Receiver Order, appointing Ms. Vives as receiver of 1inMM, its subsidiaries, affiliates and the assets that are attributable to funds derived from investors or clients of Defendants or were fraudulently transferred by Defendants (the “Estate”). The Receiver Order authorizes the Receiver, among other things, to prosecute claims.

B. The Transfers and the Claims

The Receiver determined that Horwitz raised investor funds mostly using certain entities that pooled large amounts of money from many individual investors or lenders for upstream loans to, or investments in, 1inMM. One of these entities was Pure Health Enterprises, Inc. (“Pure Health”), which Laura Levesque (“Levesque”) and her then-husband, Jason Page (“Page”), operated in conjunction with Pure Health’s affiliate, Movie Matrix, LLC (“Movie Matrix” and together with Pure Health and Levesque, the “Pure Health Parties”). (Vives Decl. ¶9.)

Levesque and Page were the sole members of Pure Health, which they formed in 2011. Later, Pure Health became a vehicle for Levesque and Page to aggregate investments in 1inMM from themselves and other persons and entities. Levesque and Page were also the sole members of Movie Matrix, which they formed in 2018 to finance 1inMM’s acquisition of movie licensing rights. Movie Matrix was a vehicle for Levesque and Page to aggregate money from other persons and entities for eventual upstream investment into 1inMM so that Levesque and Page could profit therefrom. Pure Health and Movie Matrix were also investors in Movie Fund,

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1 LLC (“Movie Fund”), which, in turn, invested in 1inMM.¹ Page was a member of
2 Movie Fund. Through their participation in the 1inMM Ponzi Scheme generally and
3 their retention of returns specifically, Pure Health, Movie Matrix, Page and
4 Levesque realized significant fictitious profits. (*Id.* ¶¶10-13.)

5 Page died unexpectedly in March 2020. Levesque thereafter transferred the
6 Pure Health Parties’ fictitious profits to two trusts of which she is the trustee and
7 sole beneficiary: LHJ Integrity Trust and JLO Legacy Trust (the “Trusts”).² (*Id.*
8 ¶14.)

9 The Receiver investigated 1inMM’s transactions with third parties and
10 discovered that the Pure Health Parties may have received avoidable transfers. In
11 March 2022, the Receiver issued a subpoena to Pure Health and Levesque requesting
12 documents relevant to Pure Health’s dealings with 1inMM. The Pure Health Parties
13 and their counsel worked cooperatively with the Receiver and produced a large
14 volume of financial documents and related information. In July 2022, the parties
15 entered into a tolling agreement, which they have subsequently amended several
16 times (the “Tolling Agreement”). (*Id.* ¶¶15-16.)

17 Ultimately, the Receiver determined that, between January 30, 2015 and
18 November 29, 2019, 1inMM made avoidable transfers to Levesque via Pure Health,
19 Movie Matrix, Movie Fund and Page, resulting in a net profit of \$5,903,740.04 (the
20 “Transfers”). (*Id.* ¶17.)

21 The Receiver asserted that she may avoid and recover the Transfers as actual
22 fraudulent transfers pursuant to § 3439.04(a)(1) of the California Uniform Voidable
23 Transactions Act, Cal. Civ. Code §§ 3439 *et seq.* (“UVTA”), as well as under
24

25
26 ¹ The Court previously approved a settlement the Receiver reached with Movie Fund and certain
27 of its members. [ECF #396]

28 ² The Trusts are included within the definition of the “Pure Health Parties” for purposes of the
Settlement and this Motion.

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1 common law principles of unjust enrichment/restitution (the “Claims”). In support
2 of the Claims, the Receiver contended that 1inMM and Horwitz made the Transfers
3 with the actual intent to hinder, delay, or defraud their creditors, as Horwitz pled
4 guilty and admitted that he used 1inMM to operate a Ponzi scheme, which
5 conclusively establishes intent for purposes of a UVTA actual fraudulent transfer
6 claim. Even though 1inMM made many of the Transfers to Levesque indirectly
7 through Movie Fund, Pure Health and/or Movie Matrix, the Receiver asserted
8 Levesque was a first transferee under UVTA § 3439.08(b)(1)(A) because Movie
9 Fund was a mere conduit that had no dominion over the money 1inMM transferred
10 to it, and Pure Health and Movie Matrix were Levesque’s alter egos. (*Id.* ¶18.) The
11 Pure Health Parties asserted several defenses (discussed *infra*).

12 **C. The Settlement**

13 Months after an inconclusive mediation before retired U.S. Magistrate Judge
14 Sidney I. Schenkier, Judge Schenkier brokered a settlement to resolve the Claims
15 (“Settlement”) whereby the Pure Health Parties agreed to pay the sum of \$1,800,000
16 to the Estate (“Settlement Payment”) within one year. The Settlement Payment is
17 approximately 30.5% of the Transfers. (*Id.* ¶19.)

18 The parties also agreed to exchange mutual general releases, and the Receiver
19 will ask the Court to enter an order permanently barring and enjoining all persons
20 and non-governmental units from suing the Pure Health Parties on any claim arising
21 out of or relating to the Ponzi Scheme (“Bar Order”). The validity of the Settlement
22 Agreement is subject to the condition precedent that the Court approves it. (*Id.* ¶20.)

23 **D. Assessment of the Settlement**

24 The Receiver believes the Settlement is in the best interest of the Estate and
25 the net losing investors in the Ponzi Scheme. (*Id.* ¶21.) The Settlement Payment
26 constitutes a substantial recovery for the Estate without the expense and risk of
27 litigation, and the Settlement represents an equitable, good-faith resolution of all
28 Claims. While the Receiver was confident in her Claims, the risk of an adverse result

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1 always loomed. As discussed below, the Pure Health Parties asserted multiple
2 meaningful defenses that, if successful, may have resulted in the Receiver recovering
3 nothing. The Settlement thus avoids protracted and expensive litigation, thereby
4 avoiding litigation risk and conserving Estate resources. (*Id.* ¶22.)

5 The Settlement Payment also exceeds what the Pure Health Parties would
6 have paid to resolve the Claims alone without a bar order. (*Id.* ¶23; Finger Decl. ¶5.)
7 A critical component of the consideration is that the Court enters the Bar Order,
8 which is a common term in settlements of fraudulent transfer cases arising out of
9 Ponzi schemes. The Pure Health Parties wanted to achieve finality, which they really
10 could only accomplish through a settlement with the Receiver. At the same time, the
11 Pure Health Parties made clear that any settlement with the Receiver must include a
12 bar order enjoining any further creditor suits against them arising from or relating to
13 the Ponzi Scheme, so the Receiver continually focused on achieving a settlement
14 that met the legal requirements for a bar order. (*Vives Decl.* ¶23.)

15 Another issue the Receiver had to consider was the Pure Health Parties’
16 financial condition. The Pure Health Parties represented that they were unable to pay
17 the full amount of the Transfers and that they had already consumed most of the cash
18 associated therewith. The Receiver conducted reasonable diligence and concluded
19 that the available primary-source documentation corroborated the Pure Health
20 Parties’ representations as to their financial condition. Moreover, the Receiver was
21 mindful that Levesque is a widow raising two young children and has ordinary
22 expenses to meet on a recurring basis. These factors influenced the Receiver’s
23 assessment of the relative value of the Settlement Payment to the Estate. (*Id.* ¶24.)

24 **Legal Standards**

25 District courts have “extremely broad” power and “wide discretion” in
26 overseeing the administration of a receivership. *Sec. & Exch. Comm’n v. Peterson*,
27 129 F.4th 599, 608 (9th Cir. 2025); *Sec. & Exch. Comm’n v. Hardy*, 803 F.2d 1034,
28 1037 (9th Cir. 1986). The Ninth Circuit “affords ‘broad deference’ to the [district]

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1 court’s supervisory role” in receivership cases, and “generally uphold[s] reasonable
2 procedures instituted by the district court that serve th[e] purpose of orderly and
3 efficient administration of the receivership for the benefit of creditors.” *Commodity*
4 *Futures Trading Comm’n v. Topworth Int’l, Ltd.*, 205 F.2d 1107, 1115 (9th Cir.
5 1999) (cleaned up).

6 That broad authority to oversee the administration of a receivership extends
7 to approving settlements. “[N]o federal rules prescribe a particular standard for
8 approving settlements in the context of an equity receivership; instead, a district
9 court has wide discretion to determine what relief is appropriate.” *Gordon v.*
10 *Dadante*, 336 F. App’x 540, 549 (6th Cir. 2009) (citing *Liberte Cap. Grp., LLC v.*
11 *Capwill*, 462 F.3d 543, 551 (6th Cir. 2006)); *see also Sec. & Exch. Comm’n v.*
12 *Kaleta*, 530 F. App’x 360, 362 (5th Cir. 2013) (“because this is a case in *equity*, it is
13 neither surprising nor dispositive that there is no case law directly controlling” the
14 district court’s order approving receiver’s settlement).

15 Local Rule 66-8 directs a receiver to “administer the estate as nearly as
16 possible in accordance with the practice in the administration of estates in
17 bankruptcy.” District courts sitting in receivership may look to bankruptcy law for
18 guidance about the administration of a receivership. *See, e.g., Sec. & Exch. Comm’n*
19 *v. Cap. Consultants, LLC*, 397 F.3d 733, 745 (9th Cir. 2005) (bankruptcy law
20 “analogous” and therefore persuasive in administration of receivership estates). This
21 is largely because “the purpose of bankruptcy [cases] and equity receiverships is
22 essentially the same—to marshal assets, preserve value, equally distribute to
23 creditors, and, either reorganize, if possible, or orderly liquidate.” *Sec. & Exch.*
24 *Comm’n v. Stanford Int’l Bank, Ltd.*, 927 F.3d 830, 841 (5th Cir. 2019) (internal
25 citation and quotations omitted).

26 Courts in this circuit typically apply bankruptcy principles to evaluate
27 approval of settlements in receivership cases. *Sec. & Exch. Comm’n v. Champion-*
28 *Cain*, 2022 WL 126114, at *1 (S.D. Cal. Jan. 13, 2022) (applying bankruptcy

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1 principles to approval of settlement in receivership); *Sec. & Exch. Comm’n v. Total*
2 *Wealth Mgmt., Inc.*, 2019 WL 13179068, at *2 (S.D. Cal. Sept. 18, 2019) (same).
3 Bankruptcy courts evaluate whether a compromise is “fair and equitable,”
4 considering “[a] the probability of success in litigation, [b] any difficulties that may
5 be encountered in collection, [c] the complexity of the litigation, the expense,
6 inconvenience, and delay necessarily attending, and [d] the interest of the
7 receivership entities’ creditors and their reasonable views.” *Champion-Cain*, 2022
8 WL 126114, at *1 (quoting *In re Woodson*, 839 F.2d 610, 620 (9th Cir. 1988)); *see*
9 *also Martin v. Kane (In re A&C Props.)*, 784 F.2d 1377, 1381 (9th Cir. 1986)).
10 Applying those factors, “courts need not conduct a mini trial on the merits, but need
11 only canvass the issues.” *In re TBH19, LLC*, 2022 WL 16782946, at *6 (B.A.P. 9th
12 Cir. Nov. 8, 2022).

13 “The analysis under these factors is holistic; the Court must canvass the issues
14 and see whether the settlement falls below the lowest point in the range of
15 reasonableness...[I]t is not necessary to satisfy each of these factors provided that
16 the factors as a whole favor approving the settlement.” *Total Wealth*, 2019 WL
17 13179068, at *3 (internal citations and quotations omitted); *accord In re Open Med.*
18 *Inst., Inc.*, 639 B.R. 169, 185 (B.A.P. 9th Cir. 2022) (“a settlement can satisfy the
19 *A&C Properties* test even if the evidence supporting one or more of the four factors
20 is relatively weak”). The Court should consider these factors “as a whole, and not
21 individually in a vacuum, to ascertain whether the settlement is a good deal
22 compared to litigation.” *Open Med. Inst.*, 639 B.R. at 185. Further, when assessing
23 a settlement, the Court need not decide issues of disputed fact or questions of law
24 raised in the controversies sought to be settled. *Burton v. Ulrich (In re Schmitt)*, 215
25 B.R. 417, 423 (B.A.P. 9th Cir. 1997).

26 Ultimately, “courts generally should give deference to a [receiver’s] business
27 judgment in deciding whether to settle a matter for the benefit of the estate.” *In re*
28 *Douglas J. Roger, M.D., Inc., APC*, 393 F. Supp. 3d 940, 961 (C.D. Cal. 2019)

1 (cleaned up); *see also In re Lahijani*, 325 B.R. 282, 289 (B.A.P. 9th Cir. 2005).
2 “Approving a proposed compromise is an exercise of discretion that should not be
3 overturned except in cases of abuse leading to a result that is neither in the best
4 interests of the estate nor fair and equitable for the creditors.” *In re MGS Mktg.*, 111
5 B.R. 264, 266-67 (B.A.P. 9th Cir. 1990).

6 **Argument**

7 **I. The Settlement is fair, equitable and in the best interests of the Estate.**

8 The Receiver believes the Settlement satisfies the *A&C Properties* test. (Vives
9 Decl. ¶25.)

10 **A. Probability of success**

11 The probability of success litigating the Claims is mixed. *See, e.g., Total*
12 *Wealth Mgmt.*, 2019 WL 13179068, at *3 (court must determine whether settlement
13 amount is commensurate to litigation risk). Assessing risk here is largely a function
14 of evaluating the Pure Health Parties’ asserted defenses to the Claims.

15 **1. The Claims**

16 The Receiver’s potential claims against the Pure Health Parties arise under
17 UVTA, the purpose of which is “to prevent debtors from placing, beyond the reach
18 of creditors, property that should be made available to satisfy a debt by transferring
19 that property to others.” *RPB SA v. Hyla, Inc.*, 2021 WL 4980092, at *4 (C.D. Cal.
20 June 24, 2021) (cleaned up). UVTA enables a creditor to bring an action to avoid a
21 fraudulent transfer of an asset to the extent necessary to satisfy its claim. UVTA
22 §3439.07(a)(1). A transfer is fraudulent—and thus avoidable—if the debtor
23 transferred the asset either (1) with actual intent to hinder, delay, or defraud any of
24 its creditors (i.e., “actual fraud”), or (2) without receiving reasonably equivalent
25 value in exchange therefor when it had unreasonably small capital or was insolvent
26 (i.e., “constructive fraud”). *Id.* §§3439.04(a)(1)-(2). A creditor may bring an action

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1 under UVTA against the “first transferee” of the asset, the person for whose benefit
2 the transfer was made or any subsequent transferees. *Id.* §§3439.08(b)(1)(A)-(B).

3 Fraudulent transfer claims are among a receiver’s most important tools to
4 recover monies lost by Ponzi-scheme investors. *Donell v. Kowell*, 533 F.3d 762, 767
5 (9th Cir. 2008). The Ponzi-scheme operator is the “debtor” and each investor is a
6 “creditor,” although the investors who profited from the scheme on a net basis—
7 sometimes called “net winners”—are the recipients of the Ponzi-scheme operator’s
8 fraudulent transfers, and are thus liable under UVTA. *Id.* at 767-71. An equity
9 receiver has standing to pursue fraudulent transfer claims “to redress injuries that
10 [the receivership entity] suffered when its managers caused [it] to commit waste and
11 fraud.” *Id.* at 777; *see also Winkler v. McCloskey*, 83 F.4th 720, 727 (9th Cir. 2023)
12 (“[A] receiver has standing to pursue a fraudulent transfer claim because the receiver
13 is acting on behalf of the receivership entity, seeking to claw back transfers that the
14 perpetrator of the scheme fraudulently made to the net winners.”) A receiver may
15 assert that a transfer was actually or constructively fraudulent. *Donell*, 533 F.3d at
16 770. But the debtor’s admission that it operated a Ponzi scheme *conclusively*
17 establishes fraudulent intent for a UVTA actual fraud claim (*In re Slatkin*, 525 F.3d
18 805, 814 (9th Cir. 2008)), as well as financial distress for a UVTA constructive fraud
19 claim (*Donell*, 533 F.3d at 770-71).

20 To determine whether a Ponzi-scheme investor is liable to the estate for
21 receiving fraudulent transfers, courts apply the “netting rule,” where “[a]mounts
22 transferred by the Ponzi-scheme perpetrator to the investor are netted against the
23 initial amounts invested by that individual. If the net is positive, the receiver has
24 established liability[.]” *Donell*, 533 F.3d at 771. Generally, “innocent” investors may
25 retain the payments they received up to the amount invested but must disgorge the
26 “profits” received from the Ponzi scheme as they “do not represent a return on
27 legitimate investment activity.” *Id.* at 772, 777.

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2. Defenses

The Pure Health Parties argued the Claims were untimely under the UVTA limitations period. The Pure Health Parties asserted, for example, UVTA’s one-year discovery rule was triggered no later than July 28, 2022, when they entered into the Tolling Agreement. The Receiver countered with cases holding that UVTA’s discovery rule is only triggered when a receiver discovers, or reasonably could have discovered, both (1) the transfer itself and (2) its fraudulent nature. See, e.g., In re Ezra, 537 B.R. 924, 933 (B.A.P. 9th Cir. 2015); Donell v. Mojtahedian, 976 F. Supp. 2d 1183, 1187 (C.D. Cal. 2013) (a receiver’s “knowledge of an individual’s status as an investor is insufficient to begin running the statute of limitations” under UVTA, as a defendant’s “receipt of funds, alone, could not establish whether she received a net profit or a net loss from the Ponzi scheme”); Gill v. Blessing, 2014 WL 12573667, at *3 (C.D. Cal. Oct. 6, 2014) (UVTA discovery rule focuses on “the diligence of the receivers’ investigations, not merely [on] the date that they obtain records”).

Moreover, the Receiver has an independent, court-ordered duty to investigate the strength of her claims, which California federal courts have recognized.³ See, e.g., Seaman v. Sedgwick, 2011 WL 13393442, at *5 (C.D. Cal. Aug. 31, 2011) (receivers must have opportunity to develop “comprehensive understanding of the situation,” as “it can take a significant amount of time...to trace funds and conclusively determine...the strength of any third party claims”); Fed. Deposit Ins. Co. v. O’Melveny & Myers, 61 F.3d 17, 19 (9th Cir. 1995) (receiver should not be “punish[ed]” or prohibited from asserting certain arguments simply because she was thrust into the wrongdoer’s shoes); Gill v. Blessing, 2014 WL 12579788, at *1 (C.D.

³ The Receiver Order directed the Receiver to “investigate and, where appropriate, institute, prosecute and pursue all claims” that the Estate may have. ECF #70, § II(I) (emphasis added).

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1 Cal. June 2, 2014) (denying motion to dismiss UVTA claims where receiver received
2 only some records from defendants but could not discover fraudulent nature of
3 transfers until conducting “massive undertaking” involving review of “a multitude
4 of papers and documents...in a state of shambles”).

5 The Receiver asserted that, as of the date of the Tolling Agreement, she did
6 not yet have enough information to reasonably discover her claims. Thus, the one-
7 year “clock” could not start until she was able to conduct a diligent investigation,
8 including pursuing additional information from the Pure Health Parties, to trace
9 funds and determine the strength of her potential claims. (Vives Decl. ¶26.)

10 Even if the Receiver’s UVTA claims were time-barred, she argued that she
11 could still recover the Transfers on an unjust enrichment theory under California
12 common law, which would be subject to a different statute of limitations with a
13 three-year discovery period. Cal. Code Civ. Proc. § 338(d) (statute of limitations for
14 “[a]n action for relief on the ground of fraud” is three years from “the discovery, by
15 the aggrieved party, of the facts constituting fraud or mistake”); *Macedo v. Bosio*,
16 86 Cal. App. 4th 1044, 1051 (1st Dist. 2001) (holding that if plaintiff uses common
17 law unjust enrichment theory to avoid fraudulent transfer, “the applicable statute of
18 limitations is section 338(d),” which accrues “depending upon the belated discovery
19 issue”).

20 California common law recognizes a cause of action for unjust enrichment “as
21 an independent cause of action or as a quasi-contract for restitution,” which requires
22 the plaintiff to show (1) “the receipt of a benefit” and (2) the “unjust retention of the
23 benefit at the expense of another.” *ESG Cap. Partners, LP v. Stratos*, 828 F.3d 1023,
24 1038-39 (9th Cir. 2016); *Bhatia v. Silvergate Bank*, 725 F. Supp. 3d 1079, 1126
25 (S.D. Cal. 2024). UVTA § 3439.12 permits receivers to pursue both UVTA claims
26 and unjust enrichment claims against the same defendants to recover the same
27 fraudulent transfers. UVTA § 3439.12 (“the principles of law and equity,
28 including...the law relating to...fraud...*supplement* [the] provisions” of UVTA)

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1 (emphasis added); *Donell v. Keppers*, 835 F. Supp. 2d 871, 879 (S.D. Cal. 2011) (“a
2 suit under [UVTA] is not the exclusive remedy by which fraudulent transfers may
3 be attacked” because common law remedies, such as unjust enrichment, remain
4 available); *Damian v. A-Mark Precious Metals, Inc.*, 2017 WL 6940515 (C.D. Cal.
5 Aug. 28, 2017) (considering UVTA and unjust enrichment claims filed by receiver,
6 and acknowledging the latter as separate cause of action based on same transfers).
7 So even if the Pure Health Parties were correct that the Receiver should have
8 discovered her claims by July 2022, she could still pursue the Transfers via unjust
9 enrichment claims, which would not expire until July 2025 at the earliest.

10 In addition to the limitations issues above, the Receiver asserted that she could
11 recover the Transfers 1inMM made to the Pure Health Parties indirectly because
12 Movie Fund was a “mere conduit” rather than a transferee. While UVTA authorizes
13 plaintiffs to recover an avoided transfer from the “first transferee” of the asset
14 transferred, it does not define that term. The Ninth Circuit has observed that
15 “[t]ransferee’ is not a self-defining term; it must mean something different from
16 ‘possessor’ or ‘holder’ or ‘agent,’” and that “treating anyone who touches the money
17 as a ‘transferee’ could lead to absurd results...” *In re Walldesign, Inc.*, 872 F.3d
18 954, 962 (9th Cir. 2017). The Ninth Circuit applies the “dominion test” to determine
19 whether a party is a first transferee or a mere conduit. *In re Incomnet, Inc.*, 463 F.3d
20 1064, 1071 (9th Cir. 2006). Under that test, the “minimum requirement [for] status
21 as a ‘transferee’ is dominion over the money or other asset,” i.e., “the *right* to put
22 the money to one’s own purposes.” *Walldesign*, 872 F.3d at 962. Thus, Movie Fund
23 would be deemed the first transferee if it had dominion over the money 1inMM
24 transferred to it earmarked for the Pure Health Parties on account of their
25 investments; otherwise, Movie Fund was merely a conduit for 1inMM to transfer the
26 money to the Pure Health Parties, the first transferees.

27 Here, the conduit issue was particularly complex because of Levesque and
28 Page’s use of Movie Matrix, the Transfers passing through Movie Fund and the

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1 existence of the Trusts. This situation resulted in a veritable web of conduit problems
2 to resolve. The Pure Health Parties argued that Movie Fund had dominion over the
3 Transfers, thereby making it the first transferee, as it had discretion to put those funds
4 to other uses. The Receiver, however, countered that the express language from
5 Movie Fund’s operating agreement, plus Movie Fund’s actual course of
6 performance, showed that Movie Fund was contractually bound to disburse the
7 Transfers immediately to the Pure Health Parties and other investors. The Ninth
8 Circuit has held that a recipient’s contractual obligation to disburse money to another
9 constitutes a lack of dominion. *See, e.g., Danning v. Miller (In re Bullion Reserve of*
10 *N. Am.)*, 922 F.2d 544, 549 (9th Cir. 1991); *Northpoint Commc’ns Grp., Inc.*, 2007
11 WL 7541001, at *4-5 (B.A.P. 9th Cir. Nov. 7, 2007). The Receiver asserted that
12 Movie Fund’s role in receiving repayments of loans from 1inMM was akin to a bank,
13 merely holding funds for the benefits of specific, named “depositors.” *Bullion*
14 *Reserve*, 922 F.2d at 549.

15 The Pure Health Parties further contested the Receiver’s assertion that Pure
16 Health and Movie Matrix are “alter egos” of Levesque. A receiver may bring actions
17 against defendants based on an alter ego theory to set aside fraudulent transfers.
18 *Shaoxing Cnty. Huayue Imp. & Exp. v. Bhaumik*, 191 Cal. App. 4th 1189, 1198-99
19 (2d Dist. 2011). To satisfy the alter ego doctrine under California law, a plaintiff
20 must show “(1) that there is such unity of interest and ownership that the separate
21 personalities of the two entities no longer exist, and (2) that failure to disregard their
22 separate entities would result in fraud or injustice.” *Motul S.A. v. USA Wholesale*
23 *Lubricant, Inc.*, 2023 WL 5061945, at *5 (N.D. Cal. Aug. 8, 2023) (quoting *Ranza*
24 *v. Nike, Inc.*, 793 F.3d 1059, 1073 (9th Cir. 2015)). This is a fact-intensive analysis
25 based on the totality of the circumstances. *Prompt Staffing, Inc. v. United States*, 321
26 F. Supp. 3d 1157, 1175 (C.D. Cal. 2018).

27 The Receiver’s analysis showed that Levesque had sufficient ownership of,
28 and involvement in, both Pure Health and Movie Matrix to expose her to alter ego

1 liability. Moreover, from 2018 onward, neither entity conducted any business,
2 adhered to corporate formalities or made any legitimate transactions aside from
3 investing in 1inMM. This argument was complicated by the lack of relevant
4 corporate documents for Pure Health and Movie Matrix as well as Page’s untimely
5 death in March 2020. Based on the totality of the circumstances, however, the
6 Receiver asserted that both Pure Health and Movie Matrix were nothing but sham
7 entities that served as vehicles for investments in 1inMM, and that failing to
8 disregard their separate existences would result in fraud or injustice to the determine
9 of all creditors of the Estate.

10 Given these arguments and their various complications, the issues raised by
11 the Pure Health Parties presented an important litigation risk for the Receiver. The
12 Receiver believes the Pure Health Parties are liable as net winners, but litigation may
13 not have resulted in the Receiver avoiding and recovering *all* of the Transfers. *Cf. In*
14 *re ISE Corp.*, 2012 WL 1377085, at *8 (Bankr. S.D. Cal. Apr. 13, 2012) (“the
15 success of litigation also entails consideration of the risk of uncertainty and the desire
16 for expediency”). The Court may have sustained some of the Pure Health Parties’
17 defenses, which would be an outcome worse than the Settlement. Rather than take
18 that risk, the Receiver compromised. (Vives Decl. ¶27.) *See, e.g., Sec. & Exch.*
19 *Comm’n v. Cap. Cove Bancorp LLC*, 2016 WL 11752897, at *2 (C.D. Cal. Dec. 15,
20 2016) (approving settlement, reasoning it “provide[d] a recovery that is
21 proportionate to the successful prosecution of this action when discounts are
22 factored in for the risk, time, and expense of fully litigating the case, and
23 maximize[d] the funds available for distribution to creditors”); *Open Med. Inst.*, 639
24 B.R. at 183-84 (same, where trustee averred the odds of success as a “coin flip” and
25 “thought it was safer to settle”).

26 For these reasons—and informed by Judge Schenkier’s reactions to the
27 arguments discussed above during the parties’ mediation—the Receiver concluded
28

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1 that the Settlement appropriately takes into account the mixed probability of success
2 on the merits. (Vives Decl. ¶28.)

3 **B. Collection difficulties**

4 “Assessing the difficulties in collection is largely a bird-in-the-hand
5 consideration that weighs the certainty of settlement against the potential uncertainty
6 of collection even where a receiver secures a favorable judgment.” *Total Wealth*,
7 2019 WL 13179068, at *3.

8 The Pure Health Parties represented that they lack the financial resources or
9 ability to pay the full amount of the Transfers, and that they likely would have
10 exhausted most, if not all, available funds to litigate the Claims to judgment. (Finger
11 Decl. ¶6.) The Receiver has independently investigated these assertions and found
12 them to be credible. (Vives Decl. ¶29.) It was appropriate for the Receiver to
13 consider this fact in connection with her decision to settle. *See, e.g., New Cingular*
14 *Wireless Servs., Inc. v. McCormick*, 2008 WL 4283526, at *6 (E.D. Cal. Sept. 11,
15 2008) (collection may “prove difficult” where evidence shows settling defendant has
16 “limited resources”), *aff’d*, 373 F. App’x 707 (9th Cir. 2010); *In re Stewart*, 603 B.R.
17 138, 160 (Bankr. W.D. Okla. 2019) (difficulties-in-collection factor “militates
18 strongly in favor of the approval of [a] settlement” where, in contrast, winning
19 litigation without recovery would be “a Pyrrhic victory”).

20 The Receiver was also particularly mindful that Levesque is a widow who is
21 solely responsible for raising two young children. Her goal was thus to achieve a
22 reasonable recovery for the Estate without endangering Levesque’s ability to raise
23 and educate her children. (Vives Decl. ¶30.) The Settlement responsibly strikes this
24 balance. *Cf. In re Novak*, 383 B.R. 660, 670-71 (Bankr. W.D. Mich. 2008) (“[T]he
25 court’s focus should be on whether the [receiver], as the representative of the estate,
26 is making a responsible decision based upon the information available to h[er].”).
27 While the Receiver conceivably could have pressed Levesque to pay more, a
28 receiver has the “duty to act in the best interest of the [receivership] estate,” not “to

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1 punish...for punishment’s sake.” *McCord v. Agard (In re Bean)*, 251 B.R. 196, 203
2 (S.D.N.Y. 2000), *aff’d*, 252 F.3d 113 (2d Cir. 2001). The Receiver believes the
3 Settlement achieves an appropriate measure of restitution without being punitive.
4 (Vives Decl. ¶31.)

5 In short, the Receiver believes the Settlement Payment—which represents a
6 substantial percentage of the Transfers—reasonably accounts for the potential
7 uncertainty of collection that would result from litigation but also does not threaten
8 Levesque’s ability to care for her young family. (*Id.* ¶32.)

9 **C. Complexity/expense**

10 It would be complex, expensive and time-consuming for the parties to litigate
11 the Claims. (*Id.* ¶33.) This factor is particularly important in liquidations like here
12 where the goal is “obtaining the best possible realization upon the available assets
13 and without undue waste by needless or fruitless litigation.” *In re Law*, 308 F. App’x
14 152, 153 (9th Cir. 2009). For example, the Receiver’s knowledge under UVTA’s
15 discovery rule is a question of fact, which necessarily entails discovery and trial to
16 resolve, along with the associated time and expense.

17 Given the evidence and defense arguments, the Receiver believes litigation
18 against the Pure Health Parties would be expensive and time-consuming, requiring
19 extensive discovery, retention of experts and numerous witnesses. A trial and appeal
20 would likely take at least two years to complete and cost the Estate several hundred
21 thousand dollars in fees and expenses. (Vives Decl. ¶34.) This factor, therefore,
22 weighs heavily in favor of approving the Settlement. *See, e.g., In re TBH19, LLC*,
23 2022 WL 16782946, at *3 (B.A.P. 9th Cir. Nov. 8, 2022) (complexity element
24 weighed in favor of settlement where dispute would require extensive discovery,
25 cost the estate hundreds of thousands of dollars and take years to complete).

26 **D. Creditors**

27 “The opposition of the creditors of the estate to approval of a compromise
28 may be considered by the court, but is not controlling and will not prevent approval

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1 of the compromise where it is evident that the litigation would be unsuccessful and
2 costly...In short, creditors have a voice but not a veto.” *In re Bondanelli*, 2020 WL
3 1304140, at *4 (B.A.P. 9th Cir. Mar. 18, 2020). As discussed below, the Receiver is
4 giving notice of this Motion to all known creditors of the Estate.

5 In sum, the Receiver believes the Settlement is fair, equitable and adequate
6 under the circumstances to realize the value of the Claims. (Vives Decl. ¶35.)
7 Litigation is, certainly, an alternative course, but “while the [Receiver] might do
8 better in litigation, she is not likely to do so.” *In re Tidwell*, 2018 WL 1162511, at
9 *3 (Bankr. C.D. Cal. Mar. 1, 2018) (cleaned up).

10 **II. The Court should approve the Bar Order.**

11 **A. The Court has the power to enter the Bar Order.**

12 The Court’s “extremely broad” power and “wide discretion” to determine the
13 appropriate relief in an equity receivership includes the “inherent equitable authority
14 to issue a variety of ‘ancillary relief’ measures in actions brought by the SEC to
15 enforce the federal securities laws.” *Hardy*, 803 F.2d at 1037; *Sec. & Exch. Comm’n*
16 *v. Hickey*, 322 F.3d 1123, 1131 (9th Cir. 2003). “One way in which a district court
17 overseeing an equitable receivership may aid a receiver in gathering and distributing
18 the receivership’s assets equitably among defrauded investors is by issuing bar
19 orders[.]” *Peterson*, 129 F.4th at 608; *see also Sec. & Exch. Comm’n v. Wencke*, 622
20 F.2d 1363, 1369 (9th Cir. 1980) (“ancillary relief” in SEC enforcement actions may
21 include “injunctions to stay proceedings by nonparties against the receivership”).

22 “Courts use ancillary relief in the form of bar orders to secure settlements in
23 receivership proceedings and...to bar claims against third parties settling with
24 receiverships.” *Sec. & Exch. Comm’n v. Stanford Int’l Bank Ltd.*, 2017 WL 9989250,
25 at *2 (N.D. Tex. Aug. 23, 2017), *aff’d*, 945 F.3d 883 (5th Cir. 2019) (bar orders may
26 “foreclos[e] suit against third-party defendants with whom the receiver is also
27 engaged in litigation”). In fact, the Ninth Circuit recently upheld two bar orders as
28 part of a global settlement that a receiver reached with parties who were alleged to

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1 have aided a Ponzi scheme. *Peterson*, 129 F.4th at 608-16 (finding bar orders were
2 necessary to preserve receivership estate by preventing third-party litigation from
3 interfering with receiver’s efforts to recover from settling parties for same losses
4 arising from same fraudulent conduct).

5 Bar orders enable federal receivers “to curb investors’ individual advantage-
6 seeking in order to reach settlements for the aggregate benefit of investors under the
7 court’s supervision.” *Zacarias v. Stanford Int’l Bank, Ltd.*, 945 F.3d 883, 896 (5th
8 Cir. 2019). “The availability of such [bar] orders facilitates settlement, promotes
9 equitable recoveries by creditors, and maximizes assets available to creditors in the
10 aftermath of a Ponzi scheme.” *Sec. & Exch. Comm’n v. Aequitas Mgmt., LLC*, 2020
11 WL 7318305, at *1 (D. Or. Nov. 10, 2020); *see also Matter of Munford, Inc.*, 97
12 F.3d 449, 455 (11th Cir. 1996) (recognizing “[s]everal justifications for entering bar
13 orders in bankruptcy cases,” including encouragement of pretrial settlements,
14 avoidance of burdensome litigation costs to estate, and protection of settling
15 defendants against co-defendants’ efforts to shift losses); *Sec. & Exch. Comm’n v.*
16 *Adams*, 2023 WL 8483660 (S.D. Miss. Nov. 14, 2023) (bar orders are “sometimes
17 essential to guarantee finality during the receivership process” and effectuate
18 settlements enabling “sizable distribution[s]...to all victims”). Bar orders have
19 become a common feature in settlements with receivers in cases arising from
20 violation of the federal securities laws. *See, e.g., Sec. & Exch. Comm’n v. DeYoung*,
21 850 F.3d 1172, 1183 n.5 (10th Cir. 2017) (collecting cases); *Sec. & Exch. Comm’n*
22 *v. Nadel*, 2012 WL 12910648, at *1 (M.D. Fla. Feb. 10, 2012) (same).

23 Federal courts generally require that bar orders be (1) fair, just, equitable and
24 in the best interest of the estate, and (2) “necessary” to the proposed settlement. *See,*
25 *e.g., Peterson*, 129 F.4th at 608, 612; *DeYoung*, 850 F.3d at 1178, 1183; *Kaleta*, 530
26 F. App’x at 362-63; *Stanford*, 2017 WL 9989250, at *3; *Sec. & Exch. Comm’n v.*
27 *Alleca*, 2021 WL 4843987, at *12 (N.D. Ga. Sept. 9, 2021), *vacated on other*
28 *grounds*, 2022 WL 16631325 (11th Cir. Nov. 2, 2022); *Commodity Futures Trading*

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1 *Comm’n v. Blueprint LLC*, 2023 WL 5109447, at *3 (S.D. Fla. Aug. 2, 2023). The
2 Bar Order here satisfies both elements.⁴

3 **B. The Bar Order is fair, equitable and in the best interest of the**
4 **Estate.**

5 A bar order typically meets this first element if it facilitates a higher settlement
6 value and/or avoids protracted litigation. *See, e.g., Peterson*, 129 F.4th at 610;
7 *DeYoung*, 850 F.3d at 1178; *Nadel*, 2012 WL 12910648, at *1-2; *Sec. & Exch.*
8 *Comm’n v. Adams*, 2021 WL 8016843, at *2 (S.D. Miss. Feb. 25, 2021). A bar order
9 is in the best interest of the receivership estate if it resolves “complex claims” and
10 “rights and obligations of parties” that “are so inextricably intertwined that
11 resolution of the claims independently, as opposed to collectively, would be difficult
12 and inefficient, would substantially increase costs to the [r]eceivership [e]state, and
13 would likely reduce the ultimate recovery to the [investors].” *DeYoung*, 850 F.3d at
14 1178; *accord Alleca*, 2021 WL 4843987, at *13 (bar order was fair and equitable in
15 light of amount defendants agreed to pay, as well as receiver’s ability to avoid “the
16 litigation risk...and the expenses associated with it”); *Blueprint*, 2023 WL 51099447,
17 at *4-5 (bar order was fair and equitable where case was “extremely complex,”
18 involving “speculative” and “tenuous” claims that were interrelated with other
19 potential claims, and it was “extremely likely” that litigation of claims would require
20 substantial, lengthy discovery and greatly deplete estate resources). Finally, a bar
21 order is fair to creditors if it permits enjoined claims to be channeled to the
22 receivership’s claim process. *See, e.g., Peterson*, 2025 WL 556280, at *9; *Kaletka*,
23 530 F. App’x at 362-63; *Adams*, 2021 WL 8016843, at *2.

24 The Settlement meets these requirements. It avoids protracted litigation of the
25 Claims, the outcome of which was uncertain due to the Pure Health Parties’ defenses.

26 _____
27
28 ⁴ The Court has already approved bar orders in this case for similar reasons. [ECF #230 ¶ 4; ECF #273 ¶ 5]

1 By settling, the Estate avoided significant expenses and time associated with
2 litigating. (Vives Decl. ¶36.) *See, e.g., Peterson*, 129 F.4th at 610 (upholding bar
3 orders that “benefitted the receivership estate as a whole by bringing in more than
4 \$24 million to pay defrauded investors’ net losses”); *Nadel*, 2012 WL 12910648, at
5 *1 (bar order warranted in part because it “facilitate[d] a higher settlement value and,
6 therefore, a larger recovery for claimants tha[n] would otherwise be available
7 without the bar order”).

8 In addition, the Bar Order is fair to those 1inMM net losing investors who
9 would be enjoined from asserting claims against the Pure Health Parties. The scope
10 of the Bar Order is appropriately tailored because it does not enjoin “independent”
11 or “non-derivative” claims “that do not involve assets claimed by the receivership.”
12 *Peterson*, 129 F.4th at 607; *Zacarias*, 945 F.3d at 897. Instead, the Bar Order
13 expressly enjoins only those claims that arise out of or relate to the Ponzi Scheme,
14 as more fully described in the Settlement Agreement and the Bar Order. Such claims
15 are derivative of and dependent upon the Claims. *See, e.g., Peterson*, 129 F.4th at
16 612, 615 (approving bar orders where enjoined claims “substantially overlapped”
17 and “intertwined” with receiver’s claims and sought damages for same Ponzi scheme
18 losses); *Zacarias*, 945 F.3d at 897 (scope of bar order appropriate where enjoined
19 claims were “derivative of and dependent on the receiver’s claims, and their suits
20 directly affect[ed] the receiver’s assets”); *Stanford*, 2017 WL 9989250, at *2
21 (entering bar order permanently enjoining any other pending or future claims against
22 settling defendants “arising from their relationship with [the Ponzi-scheme
23 operator]”).

24 The Bar Order is also fair because it channels any future claims against the
25 Pure Health Parties to the Estate’s claims process, which safeguards creditors’ right
26 to be heard. *See, e.g., Peterson*, 129 F.4th at 613 (affirming bar orders that channeled
27 investors’ claims to estate’s claim process); *Zacarias*, 945 F.3d at 897 (same).

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C. The Bar Order is necessary to the Settlement.

A bar order is necessary if it is “essential,” meaning the parties otherwise would not have resolved their dispute without it. *See, e.g., Peterson*, 129 F.4th at 610; *DeYoung*, 850 F.3d at 1183; *Alleca*, 2021 WL 4843987, at *12; *Blueprint*, 2023 WL 51099447, at *3. Here, the Bar Order is necessary because the Pure Health Parties would not have settled with the Receiver without a bar order enjoining all future claims against them arising out of or relating to the Ponzi Scheme. (Vives Decl. ¶37; Finger Decl. ¶7.); Indeed, entry of the Bar Order is a condition precedent under the Settlement Agreement. (Ex. 1 ¶ 2.) The Bar Order is, therefore, necessary. *See, e.g., Peterson*, 129 F.4th at 610 (upholding bar orders that were “necessary condition” of global settlement between receiver and settling parties, and where, absent bar orders, receiver “would have had to continue to expend receivership resources litigating against them,” thus “depleting receivership resources”); *Gordon v. Dadante*, 2008 WL 1805787, at *14 (N.D. Ohio Apr. 18, 2008) (similar), *aff’d*, 336 F. App’x 540 (6th Cir. 2009); *Blueprint*, 2023 WL 51099447, at *3-4 (bar order necessary where settlement expressly stated it was “a necessary, integral, and essential” condition to agreement and that the parties’ intent was to fully and finally resolve all claims relating to fraudulent scheme); *VC Macon GA, LLC v. Va. Coll., LLC*, 2024 WL 5515288 (M.D. Ga. Jan. 4, 2024) (finding bar order necessary where it was “clear” that settling parties “would never agree” to terms of settlement “unless they were assured of global peace”).

Notice to Creditors

“Creditors are entitled to ‘notice reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections.’” *Perez v. Safety-Kleen Sys., Inc.*, 253 F.R.D. 508, 518 (N.D. Cal. 2008) (quoting *Mullane v. Central Hanover Trust Co.*, 339 U.S. 306, 314 (1950)). “[D]ue process...is not a technical conception with a fixed content unrelated to time, place and circumstances[.]” *Grimm v. City of*

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1 *Portland*, 971 F.3d 1060, 1065 (9th Cir. 2020). Instead, “due process is flexible and
2 calls for such procedural protections as the particular situation demands.” *Muñoz v.*
3 *United States Dep’t of State*, 50 F.4th 906, 922 (9th Cir. 2022). The Court may
4 “exercise[] significant control over the time and manner” of any proceeding to hear
5 a creditor’s objections. *Liberte*, 462 F.3d at 552.

6 The Receiver will give notice of the Motion by: (a) CM/ECF to
7 parties/interested parties; (b) email to all known creditors of the Estate (or, if
8 represented, their counsel) with a link to this Motion and supporting exhibits; and
9 (c) posting it on the receivership website. These communications will include
10 instructions on how to advise the Receiver of any objections to the Motion by no
11 later than seven days before the hearing. The Receiver will thereafter file a status
12 report. (Vives Decl. ¶38.)

13 The Court should deem this notice sufficient under the circumstances. *See*,
14 *e.g.*, *Fed. Trade Comm’n v. Cardiff*, 2020 WL 9938072, at *4 (C.D. Cal. Mar. 10,
15 2020) (receiver’s notice of settlement satisfied due process where receiver posted
16 motion to its website and served on all parties, known creditors and interested
17 parties); *Adams*, 2021 WL 8016843, at *2 (same, where receiver provided mail
18 notice to interested parties, publicized settlement on receivership website and gave
19 interested parties instructions how to submit comment or objection to settlement).

20 **WHEREFORE**, the Receiver respectfully requests the Court enter an order:
21 (a) granting the Motion; (b) finding notice of the Motion is sufficient under the
22 circumstances and satisfies due process, and waiving any further notice otherwise
23 required by Local Rule 66-7; (c) approving the terms of the Settlement memorialized
24 in the Settlement Agreement as fair and equitable, including without limitation, the
25 Bar Order; (d) authorizing the Receiver to take such further actions as may be
26 necessary to consummate the transactions in the Settlement Agreement; and (e)
27 granting such further relief as the Court deems necessary and appropriate.
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Dated: December 9, 2025

Respectfully submitted,

KATTEN MUCHIN ROSENMAN LLP

By: */s/Terence G. Banich*
Terence G. Banich

Attorneys for the Receiver
Michele Vives

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Certificate of Compliance with L.R. 11-6.2

The undersigned, counsel of record for the Receiver, Michele Vives, certifies that this brief contains 6,933 words, which complies with the word limit of L.R. 11-6.1.

Dated: December 9, 2025

Respectfully submitted,

/s/ Terence G. Banich
Terence G. Banich
Attorney for the 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, Illinois 60661. On December 9, 2025, I served the following document(s) described as:

UNOPPOSED MOTION OF RECEIVER MICHELE VIVES FOR ORDER APPROVING SETTLEMENT WITH PURE HEALTH ENTERPRISES, INC., MOVIE MATRIX, LLC AND LAURA LEVESQUE, AND FOR RELATED RELIEF

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 address(es) listed below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

Craig M. Finger – cfinger@bhfs.com
Carrie E. Johnson – cjohnson@bhfs.com

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.

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 December 9, 2025, at Chicago, Illinois.

/s/Terence G. Banich
Terence G. Banich

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CHICAGO, IL 60661
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SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (this “Agreement”) is made and entered into as of this 3rd day of October, 2025 (the “Effective Date”), between and among (a) Michele Vives, not individually, but solely as the receiver as more particularly described in the second recital of this Agreement (the “Receiver”), on the one hand, and (b) Pure Health Enterprises, Inc. (“Pure Health”), Movie Matrix, LLC (“Movie Matrix”) and Laura Levesque, individually and as trustee of the LHJ Integrity Trust and trustee of the JLO Legacy Trust (in all such capacities, “Levesque,” and collectively with Pure Health and Movie Matrix, the “Pure Health Parties”). The Receiver and the Pure Health Parties are referred to collectively herein as the “Parties.”

Recitals

WHEREAS, on April 6, 2021, the Securities and Exchange Commission commenced the civil action styled *Securities & Exchange Commission v. Horwitz*, No. 2:21-cv-02927-CAS(PDx) (the “Action”), in the United States District Court for the Central District of California (the “Court”) against Zachary J. Horwitz (“Horwitz”) and 1inMM Capital, LLC (“1inMM”) and its subsidiaries and affiliates (collectively with 1inMM, the “Receivership Entities,” and together with Horwitz, the “1inMM Defendants”), alleging that they conducted an offering fraud and Ponzi scheme in violation of federal securities laws (the “1inMM Ponzi Scheme”);

WHEREAS, on January 14, 2022, the Court entered the *Order on Appointment of Permanent Receiver* (the “Appointment Order”) in the Action that, among other things, appointed the Receiver to be the federal equity receiver of 1inMM and its subsidiaries and affiliates, as well as over the assets that are attributable to funds derived from investors or clients of the 1inMM Defendants or were fraudulently transferred by the 1inMM Defendants (the “Receivership Estate”);

WHEREAS, the Appointment Order authorizes the Receiver to, among other things, investigate and prosecute claims and causes of action against persons and entities who may be liable to the Receivership Estate;

WHEREAS, the Receiver and her professional staff conducted a forensic accounting of the Receivership Entities’ sources and uses of funds and the other assets of the Receivership Estate, including, without limitation, the amounts invested or deposited with the Receivership Entities by investors and other third parties and the amounts distributed or paid to or on behalf of investors, aggregators, insiders and other third parties;

WHEREAS, as a result of her forensic accounting analysis, the Receiver determined that Horwitz raised funds primarily from certain entities that aggregated large amounts of money from many individual investors for upstream loans to, or investments in, 1inMM, one of which was Pure Health, which Levesque’s late husband, Jason Page (“Page”), operated in conjunction with Movie Matrix;

WHEREAS, following a diligent investigation, including the review and analysis of the books and records of the 1inMM Defendants as well as documents and information provided by the Pure Health Parties, the Receiver determined that: (a) between January 30, 2015 and November 29, 2019, 1inMM made transfers to Pure Health, or for its benefit via Movie Fund, LLC (“Movie Fund”), Movie Matrix, and Page, resulting in a net profit of \$5,903,740.04 (the “Transfers”);

WHEREAS, the Receiver contends that the Transfers are subject to avoidance and recovery under the Uniform Voidable Transactions Act as enacted in California (California Civil Code §§ 3439-3439.14) (“UVTA”) as well as under common law principles of unjust enrichment/restitution, and that, consequently, she has, on behalf of the Receivership Estate, causes of action against the Pure Health Parties to avoid and recover the Transfers or their value (collectively, irrespective of how styled and inclusive of any and all

claims that could have been but were not asserted against the Pure Health Parties by the Receiver, the “Receiver Claims”);

WHEREAS, the Pure Health Parties have asserted various defenses to the Receiver Claims and deny that they are liable to the Receivership Estate on account of the Receiver Claims;

WHEREAS, on January 27, 2025, the Receiver and the Pure Health Parties attended a mediation before the Honorable Sidney I. Schenkier (Retired) (the “Mediation”), which eventually resulted in a settlement (the “Settlement”);

WHEREAS, the Pure Health Parties have represented to the Receiver that they lack the financial resources or ability to pay the full amount of the Transfers, and have exhibited to the Receiver documentation evidencing their sources and uses of cash, and Levesque has further represented to the Receiver certain particulars of her immediate family’s unique situation and needs;

WHEREAS, in agreeing to the Settlement, the Receiver considered, among other things, the relative strengths and weaknesses of the Receiver Claims and the asserted defenses thereto, as well as the Pure Health Parties’ remaining assets and Levesque’s ability to pay a settlement (or a judgment following litigation) in light of her family’s unique needs and usual expenses;

WHEREAS, the Receiver and the Pure Health Parties, wishing to avoid the expense, delay and uncertainty of litigation of the Claims and to document the Settlement that resulted from the Mediation, have agreed to settle and resolve all pending and potential future claims and disputes between them arising out of or relating to the Receivership Entities, the 1inMM Ponzi Scheme, the Transfers, and the Receiver Claims (collectively, the “Disputes”) on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which the Parties acknowledge, the Parties agree as follows:

Agreement

1. **Recitals Incorporated.** All of the foregoing recitals are true and correct and are incorporated herein as part of the Agreement for all purposes.

2. **Approval Order.** The validity of this Agreement, and the Parties’ obligations hereunder, are subject to the condition precedent that the Court enters an order approving the material terms of the settlement documented in this Agreement, including the Bar Order described in paragraph 4 hereof (the “Approval Order,” and the date that the Court enters the Approval Order on the docket of the Action, the “Approval Date”). If the Court declines to approve the settlement documented by this Agreement or declines to enter a Bar Order, then this Agreement (including the releases contained in paragraphs 5-6 hereof) will be void, and the Parties will retain all of their respective rights, claims and defenses as if this Agreement never existed.

3. **Settlement Payment; Asset Declaration.** In exchange for the Bar Order and the releases contained in paragraph 5 of this Agreement, the Pure Health Parties agree to pay the sum of \$1,800,000.00 (one million eight hundred thousand dollars and zero cents) to the Receivership Estate (the “Settlement Payment”). The Pure Health Parties shall remit the Settlement Payment in immediately available United States Dollars by wire transfer per instructions that the Receiver will provide, as follows:

(a) The Pure Health Parties shall remit (i) the sum of \$250,000 no later than the seventh day following the Approval Date (the “Initial Payment Date”) and (ii) the balance of the Settlement Payment (i.e., \$1,550,000) (the “Remaining Balance”) no later than the 365th day after the Approval Date (the “Final Payment Due Date,” and the date on which the Remaining Balance is actually paid, the “Final Payment Date”).

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(b) Notwithstanding paragraph 3(a)(ii), the Pure Health Parties may remit the Remaining Balance (i) in installments between the Initial Payment Date and the Final Payment Due Date or (ii) in full at any time prior to the Final Payment Due Date.

(c) If the Pure Health Parties fail to make any payment listed in paragraph 3(a) when due, the Receiver shall immediately or as soon as practicable notify the Pure Health Parties of such failure. Upon receipt of such notice, the Pure Health Parties shall have a five (5) calendar day grace period within which to cure the payment default (the “Cure Period”). If the Pure Health Parties fail to cure the payment default before the expiration of the Cure Period, then the Receiver may, in her sole and absolute discretion, declare the Pure Health Parties to be in material breach of this Agreement and apply to the Court for an order enforcing the Settlement, in which case paragraph 12 of this Agreement shall apply.

(d) The Pure Health Parties shall, no later than the seventh day following the date that the Receiver files the Approval Motion (as defined herein), provide the Receiver with a confidential declaration under 28 U.S.C. § 1746 summarizing their then-current assets and liabilities, including their sources and uses of cash (the “Financial Declaration”). The Pure Health Parties acknowledge and agree that the Receiver may (i) rely on the information in the Financial Declaration asking the Court to approve the Settlement and (ii) conduct a reasonable investigation to verify the accuracy of the information in the Financial Declaration, and in connection therewith, the Pure Health Parties will not unreasonably withhold documents or information from the Receiver. The Receiver may terminate or rescind this Agreement if she determines, in her sole and exclusive judgment and discretion, that the information in the Financial Declaration is materially inaccurate, in which case the last sentence of paragraph 2 of this Agreement shall apply. The Receiver agrees that she will not file the Financial Declaration in the Action or otherwise make it public without the Pure Health Parties’ written consent.

4. **Approval Motion; Bar Order.** The Receiver agrees to move the Court, as part of the relief requested in her motion to enter the Approval Order (the “Approval Motion”), to permanently enjoin and bar all persons, entities and non-governmental units from commencing or continuing a civil action or other proceeding against the Pure Health Parties in any jurisdiction alleging any claim, cause of action or request for relief arising out of or relating to the 1inMM Ponzi Scheme in the form of words appearing on, or substantially similar to, Schedule 1 hereto (the “Bar Order”). The Receiver is primarily responsible for prosecuting the Approval Motion and responding to any objections filed or asserted in opposition to it. The Pure Health Parties will support the entry of the Approval Order and will, upon the Receiver’s reasonable request, submit declarations in support of, and attend any hearing on, the Approval Motion.

5. **Release of the Pure Health Parties by Receiver; Covenant Not to Sue.** The Receiver, on behalf of herself, the Receivership Estate and their respective agents, employees, officers, partners, managers, parents, subsidiaries, affiliates, insurers and attorneys (collectively, the “Receiver Releasing Parties”), hereby forever releases, remises and discharges the Pure Health Parties as well as their respective heirs, nominees, assigns, agents, employees, officers, directors, shareholders, members, managers, parents, past and current predecessors, and past, current and future successors, purchasers, subsidiaries, affiliates, trustees, beneficiaries, insurers, spouses, heirs, representatives, and attorneys (collectively, the “Pure Health Released Parties”), from any and all claims, counterclaims, actions, causes of action, lawsuits, proceedings, adjustments, offsets, contracts, obligations, liabilities, controversies, costs, expenses, attorney’s fees and losses whatsoever, whether known or unknown, disclosed or concealed, asserted or unasserted, liquidated or unliquidated, contingent or absolute, accrued or unaccrued, matured or unmatured, insured or uninsured, joint or several, determined or undetermined, determinable or otherwise, whether in law, in admiralty, in bankruptcy, or in equity, and whether based on any federal law, state law, common law right of action or otherwise, from the beginning of time to the Effective Date of this Agreement arising out of or relating to the Disputes (collectively, the “Receiver Released Claims”), but specifically excluding any claims or causes of action arising out of or related to enforcement of this Agreement. The Receiver Releasing Parties hereby covenant not to sue any of the Pure Health Released Parties on account of any Receiver Released Claim.

6. **Release of the Receivership Estate by the Pure Health Parties; Covenant Not to Sue.**

The Pure Health Parties, on behalf of themselves and their respective heirs, nominees, assigns, agents, employees, officers, directors, shareholders, members, managers, parents, past and current predecessors, and past, current and future successors, purchasers, subsidiaries, affiliates, trustees, beneficiaries, insurers, spouses, heirs, representatives, and attorneys (collectively, the “Pure Health Releasing Parties”), hereby forever release, remise and discharge the Receiver, the Receivership Estate as well as their agents, employees, officers, shareholders, managers, parents, subsidiaries, affiliates, trustees, beneficiaries, insurers and attorneys (collectively, the “Receiver Released Parties”), from any and all claims, counterclaims, actions, causes of action, lawsuits, proceedings, adjustments, offsets, contracts, obligations, liabilities, controversies, costs, expenses, attorney’s fees and losses whatsoever, whether known or unknown, disclosed or concealed, asserted or unasserted, liquidated or unliquidated, contingent or absolute, accrued or unaccrued, matured or unmatured, insured or uninsured, joint or several, determined or undetermined, determinable or otherwise, whether in law, in admiralty, in bankruptcy, or in equity, and whether based on any federal law, state law, common law right of action or otherwise, from the beginning of time to the Effective Date of this Agreement arising out of or relating to the Disputes (collectively, the “Pure Health Released Claims”), but specifically excluding any claims or causes of action arising out of or related to enforcement of this Agreement. The Pure Health Releasing Parties hereby covenant not to sue any of the Receiver Released Parties on account of any Pure Health Released Claim.

7. **Section 1542 Waiver.** The Parties acknowledge that they have read and understand section 1542 of the California Civil Code (Cal. Civ. Code § 1542), which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties hereby expressly waive and relinquish all rights and benefits under California Civil Code section 1542 with respect to the Pure Health Released Claims and the Receiver Released Claims.

8. **Effectiveness of Releases; Exclusions.**

(a) The releases in paragraph 6 of this Agreement become effective on the Approval Date. The releases in paragraph 5 of this Agreement become effective on the Final Payment Date.

(b) The Receiver Released Claims exclude any claims or causes of action that the Receivership Estate may have against any other (i) member of Movie Fund or (ii) investor in or lender to 1inMM other than Pure Health, Movie Matrix or Levesque (collectively, “Other 1inMM Investors”).

9. **Waiver of Claim and Distribution.** The Pure Health Parties hereby waive any right to file, and covenant not to file, a Proof of Claim. If, notwithstanding the immediately previous sentence, any of the Pure Health Parties files a Proof of Claim in the Action, then the Receiver may apply to or move the Court to enter an order disallowing that Proof of Claim, and the Pure Health Parties hereby waive any notice or opportunity to be heard on any such application or motion. The Pure Health Parties acknowledge and agree that none of them is entitled to any distributions whatsoever from the Receivership Estate.

10. **Representations and Warranties.** The Parties warrant and represent to each other that: (a) each Party shall act in good faith seeking to accomplish the purpose of this Agreement; (b) each Party has not transferred, conveyed, released, pledged, assigned or made any other disposition of the claimed rights, interests, demands, actions or causes of action, obligations, or any other matter covered by this Agreement; (c) each Party has not relied upon any promises, agreements, representations, statements or warranties in entering into this Agreement, except those that are expressly set forth herein; (d) each

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signatory to this Agreement warrants that he, she or it has the authority to execute this Agreement and to bind the persons or entities on behalf of which he, she or it signs, including, without limitation, each of the Pure Health Releasing Parties and the Receiver Releasing Parties specified in paragraphs 5-6; and (e) EACH PARTY ACKNOWLEDGES THAT HE, SHE OR IT HAS READ THIS AGREEMENT IN ITS ENTIRETY AND THAT HE, SHE OR IT UNDERSTANDS AND APPRECIATES ITS CONTENTS AND SIGNIFICANCE AND HEREBY EXECUTES THE SAME AND MAKES THE RELEASE PROVIDED FOR IN THIS AGREEMENT VOLUNTARILY AND OF HIS, HER OR ITS OWN FREE WILL, HAVING FIRST HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL.

11. **Section 1341.** The Receiver will issue an appropriate written acknowledgement of her receipt of the Settlement Payment for purposes of the Pure Health Parties' claim to any tax benefits under Section 1341 of the Internal Revenue Code with respect to all or part of the Settlement Payment.

12. **Enforcement of this Agreement.** If the Pure Health Parties or the Receiver files a motion or pleading against the other to enforce the terms of this Agreement (an "Enforcement Proceeding"), in addition to any other relief to which the successful or prevailing party or parties (the "Prevailing Party") is entitled, the Prevailing Party is entitled to recover, and the non-Prevailing Party shall pay, all reasonable attorney's fees of the Prevailing Party, court costs, and expenses (even if not recoverable by law as court costs) incurred in that action, and all appellate proceedings related thereto. The Parties also agree that any dispute arising out of or related to this Agreement shall be decided only by the Court by application or motion filed in the Action. In connection with any action or proceeding to enforce, interpret or construe any provision of this Agreement, the Pure Health Parties hereby irrevocably and unconditionally (a) consent to the exercise of personal jurisdiction over her, him or it by the Court, and (b) waive any defense of improper venue or forum non conveniens. Furthermore, the Parties agree that the Court shall retain exclusive jurisdiction over all matters relating to this Agreement.

13. **Binding on Successors and Assigns.** This Agreement is and shall be binding upon: (a) the officers, directors, successors, heirs and assigns of each Party; (b) each past, present, direct or indirect parent, subsidiary, division or affiliated entity of each Party; and (c) each past or present agent, representative or shareholder of each Party. Any person executing this Agreement on behalf of a Party represents and warrants that he or she is duly authorized to enter into this Agreement on behalf of said Party.

14. **Fair Construction.** The Parties acknowledge that this Agreement is the manifestation of direct negotiation and represents the mutual and voluntary consent and understanding of each Party. As such, this Agreement shall be deemed to be the joint work product of the Parties without regard to the identity of the draftsman, and any rule of construction that a document shall be interpreted or construed against the drafting Party shall not be applicable.

15. **No Third-Party Beneficiaries.** Nothing in this Agreement benefits, or is intended to benefit, or confers the power to enforce or claim any benefit under this Agreement, on any third party, including without limitation, the Other linMM Investors.

16. **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions of this Agreement.

17. **Fees and Costs.** Each of the Parties will bear her, his or its own costs and attorney's fees incurred in connection with the negotiation and delivery of this Agreement.

18. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties with regard to all matters addressed herein. This Agreement supersedes and replaces all prior commitments, negotiations, and all agreements proposed or otherwise, if any, whether written or oral, concerning the subject matters contained in this Agreement. The Parties expressly acknowledge that

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they have not relied on any prior or contemporaneous oral or written representations or statements by another Party in connection with the subject matter of this Agreement, except as expressly set forth herein.

19. **No Collateral Representations.** The consideration provided herein consists of the entire consideration to which the Parties are entitled. The Parties acknowledge that none of the Parties, their agents, attorneys, insurers, representatives, successors, assigns, heirs, beneficiaries, executors, administrators, parents, subsidiaries, affiliates, current and former directors, officers, employees and representatives (as appropriate for each Party) has made any promise, representation or warranty, expressed or implied, not expressly set forth in this Agreement, which has induced any Party to execute this Agreement.

20. **Exculpation.** The Receiver is executing this Agreement solely in her representative capacity as the Receiver appointed by the Court, and the Receiver's liability hereunder shall be limited to the assets of the Receivership Estate. The Pure Health Parties shall not have or assert any claims against the Receiver in her personal capacity.

21. **Further Assurances.** The Parties will cooperate fully and execute all supplementary documents and take all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement.

22. **Modification.** This Agreement may only be modified by a writing signed by all Parties.

23. **Governing Law.** This Agreement and the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflict-of-laws rules thereof.

24. **Time.** Time is of the essence as to all dates and time periods specified in this Agreement. All time periods in this Agreement shall be computed pursuant to Federal Rule of Civil Procedure 6(a).

25. **Tax Implications.** Each Party shall be responsible for seeking her, his, or its own individual tax advice and shall bear whatever tax liability she, he or it incurs in connection with the transactions contemplated by this Agreement. The Parties make no representations to each other about what tax consequences, if any, result from the transactions contemplated by this Agreement.

26. **Waiver.** No waiver of any right, obligation, or duty imposed by or under this Agreement shall be effective unless such waiver is reflected in a writing duly executed by all parties hereto. No waiver shall be effective based on conduct or oral statements. Waiver by any Party of any breach of this Agreement shall not be a waiver by such Party of any other breach of this Agreement.

27. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one in the same instrument. Facsimile or PDF signatures shall be deemed to have the same effect as original signatures.

28. **Compromise.** The Parties agree and acknowledge that this Agreement is the result of a compromise and a decision to settle all disputes between them relating to the Disputes. The Parties expressly agree that this Agreement is a compromise of disputed claims for the purposes of avoiding the expense, delay, uncertainty and burden of litigation. This Agreement is inadmissible in any proceeding for any purpose other than to enforce its terms. The Parties further agree that executing this Agreement and making the Settlement Payment is not, and shall never be construed as, an admission by the Pure Health Parties of any fact, liability, wrongdoing or violation of any law, statute or regulation.

29. **Notices.** Any and all notices under this Agreement shall be in writing, and shall be transmitted to the Parties by electronic mail or express overnight delivery service as follows:

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| | |
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| <p>If to the Receiver:</p> <p>KATTEN MUCHIN ROSENMAN LLP Terence G. Banich 525 W. Monroe St. Chicago, IL 60661 (312) 902-5665 terence.banich@katten.com</p> <p>with a copy to:</p> <p>Michele Vives, Receiver 1620 Fifth Ave., Ste. 400 San Diego, CA 92101 mvives@douglaswilson.com</p> | <p>If to the Pure Health Parties:</p> <p>BROWNSTEIN HYATT FARBER SCHRECK Craig M. Finger Carrie E. Johnson 675 15th Street, Ste. 2900 Denver, CO 80202 (303) 223-1135 cfinger@bhfs.com cjohnson@bhfs.com</p> |
|--|--|

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IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the Effective Date.

| | |
|--|--|
| <p>MICHELE VIVES, Receiver, on behalf of herself and the Receiver Releasing Parties</p> <p><u>Michele A. Vives</u></p> | <p>PURE HEALTH ENTERPRISES, INC., on behalf of itself and its respective Pure Health Releasing Parties</p> <p>By: <u>Laura Levesque</u> Its: <u>President</u></p> |
| <p>MOVIE MATRIX, LLC, on behalf of itself and its respective Pure Health Releasing Parties</p> <p>By: <u>Laura Levesque</u> Its: <u>President</u></p> | <p>LAURA LEVESQUE, on behalf of herself individually and the Pure Health Releasing Parties</p> <p><u>Laura Levesque</u></p> |
| <p>LAURA LEVESQUE, on behalf of herself as trustee of the LHJ Integrity Trust and the Pure Health Releasing Parties</p> | <p>LAURA LEVESQUE, on behalf of herself as trustee of the JLO Legacy Trust and the Pure Health Releasing Parties</p> |

Schedule 1

Form of Bar Order

The Receiver shall insert the following decretal language in the proposed Approval Order (which shall state that all capitalized terms not defined therein shall have the meanings ascribed to them in the Agreement and Approval Motion):

“The Court hereby PERMANENTLY BARS, RESTRAINS and ENJOINS all persons and entities (except any governmental unit, as that term is defined by 11 U.S.C. § 101(27)), as well as their respective heirs, successors, assigns, officers, directors, representatives, agents and attorneys, from commencing or continuing any civil action, administrative proceeding, arbitration or other adversarial proceeding against Pure Health Enterprises, Inc. or Movie Matrix, LLC, including all of their respective parents, subsidiaries, affiliates, or related entities, and Laura Levesque, as well as her respective heirs, successors and assigns, asserting any claim or cause of action, whether directly or derivatively, arising out of, in connection with or relating in any way to: (1) the 1inMM Ponzi Scheme; (2) acts or omissions relating to Pure Health Enterprises, Inc. or Movie Matrix, LLC; (3) acts or omissions relating to the 1inMM Ponzi Scheme or the 1inMM Defendants; (4) acts or omissions relating to any investment, loan or transfer of money to Pure Health Enterprises, Inc. or Movie Matrix, LLC or 1inMM Capital, LLC and/or repayment or lack of repayment by Pure Health Enterprises, Inc. or Movie Matrix, LLC or the 1inMM Defendants (in whatever form and however denominated, a “1inMM Claim”). All 1inMM Claims are hereby channeled into the Receivership Estate’s claims distribution process that the Court will establish by separate order. *Provided, however,* this order does not bar, restrain or enjoin the Receiver from asserting any claim or cause of action against Other 1inMM Investors (as that term is defined in paragraph 8(b) of the Settlement Agreement).”

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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-PD

**DECLARATION OF MICHELE
VIVES**

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

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1 I, Michele Vives, declare as follows:

2 1. I am over the age of eighteen years, am under no disability and am
3 competent to testify to the matters set forth herein. Except as otherwise stated, all
4 facts set forth in this declaration are based upon my personal knowledge and/or my
5 review of documents. If called as a witness in this case, I could and would testify
6 competently to the facts set forth in this declaration.

7 2. I submit this declaration in support of the *Unopposed Motion of*
8 *Receiver Michele Vives for Order Approving Settlement with Pure Health*
9 *Enterprises, Inc., Movie Matrix, LLC and Laura Levesque, and for Related Relief*
10 (the “Motion”). Any capitalized terms not defined herein have the meanings ascribed
11 to them in the Motion.

12 3. I am the President of the Douglas Wilson Companies (“DWC”), an
13 advisory firm that assists companies and entities of all kinds, from financial
14 institutions to operating companies, law firms, state and federal courts, corporations,
15 partnerships, pension funds, REITs and more. DWC has been appointed as receiver
16 or otherwise involved in hundreds of receiver cases over the last 30 years, and has
17 served in other fiduciary roles, such as chapter 11 trustee, chapter 11 examiner,
18 special master, liquidating trustee, assignee for the benefit of creditors and chief
19 restructuring officer.

20 **A. The Receiver; investigation of transfers**

21 4. On January 14, 2022, this Court entered the *Order on Appointment of*
22 *a Permanent Receiver* [ECF #70] (the “Receiver Order”), which appointed me to be
23 the federal equity receiver of defendant 1inMM Capital, LLC (“1inMM”) as well as
24 assets that are attributable to investor or client funds or that were fraudulently
25 transferred by 1inMM or Zachary J. Horwitz (“Horwitz,” and together with 1inMM,
26 “Defendants”) (collectively, the “Estate”).

27 5. The Receiver Order confers on me “full powers of an equity receiver,”
28 and specifically authorizes and directs me to, among other things: take custody and

1 control over all assets of 1inMM and its subsidiaries and affiliates; conduct an
2 investigation and discovery as may be necessary to locate and account for the assets
3 of or managed by 1inMM and its subsidiaries and affiliates; and investigate and,
4 where appropriate, prosecute claims and causes of action that I may possess.

5 **B. The Transfers and the Claims**

6 6. Pursuant to the authority conferred on me by the Receiver Order, and
7 as I have discussed in my previous quarterly reports, my staff and I have devoted a
8 great deal of time and effort to conducting a forensic accounting analysis of the
9 financial transactions involving 1inMM, Horwitz and their respective insiders and
10 affiliates. This project is critical to determine who may be liable to the Estate for
11 receiving fraudulent transfers, to identify previously unknown assets and to obtain
12 information about 1inMM’s investors.

13 7. I have determined that 1inMM did not just transfer funds to investors
14 and their feeder funds; 1inMM also transferred very large sums to various persons
15 and entities who do not appear to have been investors and/or lenders in the Ponzi
16 Scheme. I am investigating both types of transfers. In doing so, I will be able to
17 identify potential fraudulent transfers to both investors and non-investors alike,
18 thereby increasing the pool of potential recovery to the Estate. Settlements that I
19 reach with such transferees are likely to be very significant Estate assets.

20 8. My professional staff and I have, therefore, devoted considerable time
21 and attention to reviewing and analyzing tens of thousands of banking transactions
22 and associated records associated with 1inMM and Horwitz to identify those persons
23 and entities who may have received transfers that are subject to avoidance and
24 recovery.

25 9. I determined, among other things, that Horwitz raised investor funds
26 mostly using certain entities that pooled large amounts of money from many
27 individual investors or lenders for upstream loans to, or investments in, 1inMM. One
28 of these entities was Pure Health Enterprises, Inc. (“Pure Health”), which Laura

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1 Levesque (“Levesque”) and her then-husband, Jason Page (“Page”), operated in
2 conjunction with Pure Health’s affiliate, Movie Matrix, LLC (“Movie Matrix” and
3 together with Pure Health and Levesque, the “Pure Health Parties”).

4 10. Levesque and Page were the sole members of Pure Health, which they
5 formed in 2011. Later, Pure Health became a vehicle for Levesque and Page to
6 aggregate investments in 1inMM from themselves and other persons and entities.

7 11. Levesque and Page were also the sole members of Movie Matrix, which
8 they formed in 2018 to finance 1inMM’s acquisition of movie licensing rights.
9 Movie Matrix was a vehicle for Levesque and Page to aggregate money from other
10 persons and entities for eventual upstream investment into 1inMM so that Levesque
11 and Page could profit therefrom.

12 12. Pure Health and Movie Matrix were also investors in Movie Fund, LLC
13 (“Movie Fund”), which, in turn, invested in 1inMM. Page was a member of Movie
14 Fund.

15 13. Through their participation in the 1inMM Ponzi Scheme generally and
16 their retention of returns specifically, Pure Health, Movie Matrix, Page and
17 Levesque realized significant fictitious profits.

18 14. Page died unexpectedly in March 2020. Levesque thereafter transferred
19 the Pure Health Parties’ fictitious profits to two trusts of which she is the trustee and
20 sole beneficiary: LHJ Integrity Trust and JLO Legacy Trust (the “Trusts”).

21 15. I investigated 1inMM’s transactions with third parties and discovered
22 that the Pure Health Parties may have received avoidable transfers. In March 2022,
23 I issued a subpoena to Pure Health and Levesque requesting documents relevant to
24 Pure Health’s dealings with 1inMM. The Pure Health Parties and their counsel
25 worked cooperatively with me and produced a large volume of financial documents
26 and related information.

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1 16. In July 2022, the Pure Health Parties and I entered into a tolling
2 agreement, which we have subsequently amended several times (the “Tolling
3 Agreement”).

4 17. Ultimately, I determined that, between January 30, 2015 and November
5 29, 2019, 1inMM made avoidable transfers to Levesque via Pure Health, Movie
6 Matrix, Movie Fund and Page, resulting in a net profit of \$5,903,740.04 (the
7 “Transfers”).

8 18. I asserted that I may avoid and recover the Transfers as actual
9 fraudulent transfers pursuant to § 3439.04(a)(1) of the California Uniform Voidable
10 Transactions Act, Cal. Civ. Code §§ 3439 *et seq.* (“UVTA”), as well as under
11 common law principles of unjust enrichment/restitution (the “Claims”). In support
12 of the Claims, I contended that 1inMM and Horwitz made the Transfers with the
13 actual intent to hinder, delay, or defraud their creditors, as Horwitz pled guilty and
14 admitted that he used 1inMM to operate a Ponzi scheme, which conclusively
15 establishes intent for purposes of a UVTA actual fraudulent transfer claim. Even
16 though 1inMM made many of the Transfers to Levesque indirectly through Movie
17 Fund, Pure Health and/or Movie Matrix, I asserted Levesque was a first transferee
18 under UVTA § 3439.08(b)(1)(A) because Movie Fund was a mere conduit that had
19 no dominion over the money 1inMM transferred to it, and Pure Health and Movie
20 Matrix were Levesque’s alter egos.

21 **C. The Settlement**

22 19. Months after an inconclusive mediation before retired U.S. Magistrate
23 Judge Sidney I. Schenkier, Judge Schenkier brokered a settlement to resolve the
24 Claims (“Settlement”) whereby the Pure Health Parties agreed to pay the sum of
25 \$1,800,000 to the Estate (“Settlement Payment”) within one year. The Settlement
26 Payment is approximately 30.5% of the Transfers.

27 20. The parties also agreed to exchange mutual general releases, and I will
28 ask the Court to enter an order permanently barring and enjoining all persons and

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1 non-governmental units from suing the Pure Health Parties on any claim arising out
2 of or relating to the Ponzi Scheme (“Bar Order”). The validity of the Settlement
3 Agreement is subject to the condition precedent that the Court approves it.

4 **D. Assessment of the Settlement**

5 21. I believe the Settlement is in the best interest of the Estate and the net
6 losing investors in the Ponzi Scheme.

7 22. The Settlement Payment constitutes a substantial recovery for the
8 Estate without the expense and risk of litigation, and the Settlement represents an
9 equitable, good-faith resolution of all Claims. While I was confident in my Claims,
10 the risk of an adverse result always loomed. As discussed in the Motion, the Pure
11 Health Parties asserted multiple meaningful defenses that, if successful, may have
12 resulted in me recovering nothing. The Settlement thus avoids protracted and
13 expensive litigation, thereby avoiding litigation risk and conserving Estate
14 resources.

15 23. The Settlement Payment also exceeds what the Pure Health Parties
16 would have paid to resolve the Claims alone without a bar order. A critical
17 component of the consideration is that the Court enters the Bar Order, which is a
18 common term in settlements of fraudulent transfer cases arising out of Ponzi
19 schemes. The Pure Health Parties wanted to achieve finality, which they really could
20 only accomplish through a settlement with me. At the same time, the Pure Health
21 Parties made clear that any settlement with me must include a bar order enjoining
22 any further creditor suits against them arising from or relating to the Ponzi Scheme,
23 so I continually focused on achieving a settlement that met the legal requirements
24 for a bar order.

25 24. Another issue I had to consider was the Pure Health Parties’ financial
26 condition. The Pure Health Parties represented that they were unable to pay the full
27 amount of the Transfers and that they had already consumed most of the cash
28 associated therewith. I conducted reasonable diligence and concluded that the

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1 available primary-source documentation corroborated the Pure Health Parties’
2 representations as to their financial condition. Moreover, I was mindful that
3 Levesque is a widow raising two young children and has ordinary expenses to meet
4 on a recurring basis. These factors influenced my assessment of the relative value of
5 the Settlement Payment to the Estate.

6 **E. The Settlement is fair, equitable and in the best interests of the**
7 **Estate.**

8 **1. Probability of success**

9 25. I believe the Settlement satisfies the *A&C Properties* test.

10 26. I asserted that, as of the date of the Tolling Agreement, I did not yet
11 have enough information to reasonably discover my UVTA claims. Thus, the one-
12 year “clock” could not start until I was able to conduct a diligent investigation,
13 including pursuing additional information from the Pure Health Parties, to trace
14 funds and determine the strength of my potential claims.

15 27. The Court may have sustained some of the Pure Health Parties’
16 defenses, which would be an outcome worse than the Settlement. Rather than take
17 that risk, I compromised.

18 28. For the reasons described in the Motion—and informed by Judge
19 Schenkier’s reactions to the arguments discussed therein during the parties’
20 mediation—I concluded that the Settlement appropriately takes into account the
21 mixed probability of success on the merits.

22 **2. Collection difficulties**

23 29. The Pure Health Parties represented that they lack the financial
24 resources or ability to pay the full amount of the Transfers, and that they likely would
25 have exhausted most, if not all, available funds to litigate the Claims to judgment. I
26 have independently investigated these assertions and found them to be credible.

27 30. I was also particularly mindful that Levesque is a widow who is solely
28 responsible for raising two young children. My goal was thus to achieve a reasonable

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1 recovery for the Estate without endangering Levesque’s ability to raise and educate
2 her children.

3 31. I believe the Settlement achieves an appropriate measure of restitution
4 without being punitive.

5 32. In short, I believe the Settlement Payment—which represents a
6 substantial percentage of the Transfers—reasonably accounts for the potential
7 uncertainty of collection that would result from litigation but also does not threaten
8 Levesque’s ability to care for her young family.

9 **3. Complexity/expense**

10 33. It would be complex, expensive and time-consuming for the parties to
11 litigate the Claims.

12 34. Given the evidence and defense arguments described in the Motion, I
13 believe litigation against the Pure Health Parties would be expensive and time-
14 consuming, requiring extensive discovery, retention of experts and numerous
15 witnesses. A trial and appeal would likely take at least two years to complete and
16 cost the Estate several hundred thousand dollars in fees and expenses.

17 **4. Creditors**

18 35. I believe the Settlement is fair, equitable and adequate under the
19 circumstances to realize the value of the Claims.

20 **F. The Court should approve the Bar Order**

21 36. The Settlement avoids protracted litigation of the Claims, the outcome
22 of which was uncertain due to the Pure Health Parties’ defenses. By settling, the
23 Estate avoided significant expenses and time associated with litigating.

24 37. The Bar Order is necessary because the Pure Health Parties would not
25 have settled with me without a bar order enjoining all future claims against them
26 arising out of or relating to the Ponzi Scheme.
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G. Notice to creditors

38. I will give notice of the Motion by: (a) CM/ECF to parties/interested parties; (b) email to all known creditors of the Estate (or, if represented, their counsel) with a link to the Motion and supporting exhibits; and (c) posting it on the receivership website. These communications will include instructions on how to advise me of any objections to the Motion by no later than seven days before the hearing. I will thereafter file a status report.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on December 1, 2025
in San Diego, California

/s/Michele Vives
Michele Vives

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Attorneys for the Receiver
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-PD

**DECLARATION OF CRAIG M.
FINGER**

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

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1 I, Craig M. Finger, declare as follows:

2 1. I am over the age of eighteen years, am under no disability and am
3 competent to testify to the matters set forth herein. Except as otherwise stated, all
4 facts set forth in this declaration are based upon my personal knowledge and/or my
5 review of documents. If called as a witness in this case, I could and would testify
6 competently to the facts set forth in this declaration.

7 2. I submit this declaration in support of the *Unopposed Motion of*
8 *Receiver Michele Vives for Order Approving Settlement with Pure Health*
9 *Enterprises, Inc., Movie Matrix, LLC and Laura Levesque, and for Related Relief*
10 (the "Motion"). Any capitalized terms not defined herein have the meanings ascribed
11 to them in the Motion.

12 3. I am an attorney licensed to practice law in the State of Colorado. As a
13 shareholder in Brownstein Hyatt Farber Schreck, LLP's litigation department, I am
14 a skilled commercial litigator with deep experience in a variety of industries and
15 practice areas, including employment, class actions, securities, general contracts,
16 breach of fiduciary duty and other business torts. In addition to my commercial
17 litigation work, I also have significant expertise helping businesses resolve pre-
18 litigation disputes.

19 4. I represent the Pure Health Parties with respect to the Claims, the
20 Settlement and other events described in the Motion.

21 5. The Settlement Payment exceeds what the Pure Health Parties would
22 have paid to resolve the Claims alone without a bar order.

23 6. The Pure Health Parties lack the financial resources or ability to pay the
24 full amount of the Transfers, and they likely would have exhausted most, if not all,
25 available funds to litigate the Claims to judgment.

26 7. The Bar Order is necessary because the Pure Health Parties would not
27 have settled with the Receiver without a bar order enjoining all future claims against
28 them arising out of or relating to the Ponzi Scheme.

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1 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the
2 foregoing is true and correct.

3 Executed on December 1, 2025
4 in Denver, Colorado

/s/ Craig M. Finger
Craig M. Finger

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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-PD

**[PROPOSED] ORDER
APPROVING SETTLEMENT
WITH PURE HEALTH
ENTERPRISES, INC., MOVIE
MATRIX, LLC AND LAURA
LEVESQUE**

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1 Upon consideration of the *Unopposed Motion of Receiver Michele Vives for*
2 *Order Approving Settlement with Pure Health Enterprises, Inc., Movie Matrix, LLC*
3 *and Laura Levesque, and for Related Relief*, dated December 9, 2025 (the
4 “Motion”), the Court, having jurisdiction to hear and determine the Motion, has
5 reviewed the Motion and accompanying memorandum of points and authorities and
6 declarations in support thereof, considered the exhibits to the Motion and the
7 objection(s) to the Motion, if any, and concluded that all parties in interest have due
8 and sufficient notice of the Motion; after due deliberation and consideration of the
9 Motion, and there being good cause to grant the relief provided herein; it is, pursuant
10 to the Court’s power to supervise equity receiverships and all other powers in that
11 behalf so enabling, hereby ORDERED:

12 1. The Motion is GRANTED. Capitalized terms not defined herein have
13 the meanings ascribed to them in the Motion or the Settlement Agreement.

14 2. Notice of the Motion is sufficient under the circumstances and satisfies
15 due process. Any further notice required by Local Rule 66-7 or otherwise is waived.

16 3. The terms of the Settlement with Pure Health Enterprises, Inc., Movie
17 Matrix, LLC and Laura Levesque (individually and as trustee of the LHJ Integrity
18 Trust and trustee of the JLO Legacy Trust) memorialized in the Settlement
19 Agreement are fair and equitable, including without limitation, the Bar Order, and
20 the Settlement Agreement and its terms are therefore APPROVED.

21 4. The Court hereby PERMANENTLY BARS, RESTRAINS and
22 ENJOINS all persons and entities (except any governmental unit, as that term is
23 defined by 11 U.S.C. § 101(27)), as well as their respective heirs, successors,
24 assigns, officers, directors, representatives, agents and attorneys, from commencing
25 or continuing any civil action, administrative proceeding, arbitration or other
26 adversarial proceeding against Pure Health Enterprises, Inc. or Movie Matrix, LLC,
27 including all of their respective parents, subsidiaries, affiliates, or related entities,
28 and Laura Levesque, as well as her respective heirs, successors and assigns, asserting

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1 any claim or cause of action, whether directly or derivatively, arising out of, in
2 connection with or relating in any way to: (1) the 1inMM Ponzi Scheme; (2) acts or
3 omissions relating to Pure Health Enterprises, Inc. or Movie Matrix, LLC; (3) acts
4 or omissions relating to the 1inMM Ponzi Scheme or the 1inMM Defendants; or (4)
5 acts or omissions relating to any investment, loan or transfer of money to Pure Health
6 Enterprises, Inc. or Movie Matrix, LLC or 1inMM Capital, LLC and/or repayment
7 or lack of repayment by Pure Health Enterprises, Inc. or Movie Matrix LLC or the
8 1inMM Defendants (in whatever form and however denominated, a “1inMM
9 Claim”). All 1inMM Claims are hereby channeled into the Receivership Estate’s
10 claims distribution process that the Court will establish by separate order. *Provided,*
11 *however,* this order does not bar, restrain or enjoin the Receiver from asserting any
12 claim or cause of action against Other 1inMM Investors (as that term is defined in
13 paragraph 8(b) of the Settlement Agreement).

14 5. The Receiver is AUTHORIZED to take such further actions as may be
15 necessary to consummate the transactions in the Settlement Agreement.

16 6. The Court retains exclusive jurisdiction to hear and determine any
17 disputes arising out of or relating to the settlement approved by this order.

18 Dated:

19 _____
United States District Judge

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