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7
8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 v.

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

15 Defendants.

Case No. 2:21-cv-02927-CAS-PD

**QUARTERLY REPORT OF
RECEIVER MICHELE VIVES
(FIRST QUARTER 2026)**

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

KATTEN MUCHIN ROSENMAN LLP

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- I. GENERAL RECEIVERSHIP UPDATE2
 - A. Settlement Activity During the First Quarter 2026.....2
 - 1. Jeremy Salvador, James Russell and Grant Witcher2
 - 2. Movie Fund Litigation and Romik Yeghnazary3
 - 3. Confidential Settlement with 1inMM Aggregator4
 - 4. Pure Health Enterprises, Laura Levesque and Related Parties5
 - 5. Settlement Efforts with Other Net Winners5
 - B. Litigation Against City National Bank6
 - C. The Claims Process.....8
 - 1. The Claims Notice Package8
 - 2. The Receiver’s Determined Claim Amount9
 - 3. Timing.....10
 - 4. Post-Bar Date Claims Analysis.....10
 - 5. Next Steps for Court Approval11
 - D. Asset Updates.....12
 - 1. Rogue Black.....12
 - 2. LayJax.....13
 - 3. Investments in Four Film Projects14
- II. ACCOUNTING OF RECEIPTS AND DISBURSEMENTS15
 - A. Cash Receipts.....15
 - B. Cash Disbursements.....15
 - C. Cash on Hand.....15
- III. CONCLUSION.....15

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1 Michele Vives, the duly appointed permanent receiver (the “Receiver”) of
2 1inMM Capital, LLC and its subsidiaries and affiliates (“1inMM”), and over assets
3 that are attributable to funds derived from investors or clients of the above-captioned
4 defendants (“Defendants”) or were fraudulently transferred by the Defendants
5 (collectively, the “Estate”), pursuant to Local Rule 66-6 and the *Order on*
6 *Appointment of a Permanent Receiver* (“Order of Appointment”) entered on January
7 14, 2022, hereby submits this quarterly report (the “Report”) for the period January
8 1, 2026 through March 31, 2026 (the “First Quarter 2026”). This Report details the
9 Receiver’s principal activities during the First Quarter 2026 to protect and
10 administer the Estate and to identify new assets and lays out the Receiver’s general
11 strategy to maximize the recovery for the benefit of investors harmed by the Ponzi
12 scheme perpetrated by Defendants (the “1inMM Ponzi Scheme”).

13 **I. GENERAL RECEIVERSHIP UPDATE**

14 **A. Settlement Activity During the First Quarter 2026**

15 **1. Jeremy Salvador, James Russell and Grant Whitcher**

16 As the Receiver has previously reported, the Receiver determined that
17 Horwitz raised investor funds mostly using certain entities that pooled large amounts
18 of money from many individual investors for upstream loans to, or investments in,
19 1inMM. One of these entities was Movie Fund, LLC (“Movie Fund”), of which
20 Jeremy Salvador (“Salvador”), James Russell (“Russell”), Grant Whitcher
21 (“Whitcher”) and others were members. The purpose of Movie Fund was to be a
22 vehicle for its members to contribute and aggregate money for loans to 1inMM and
23 profit from their transactions with 1inMM.

24 After the 1inMM Ponzi Scheme became public knowledge, and after
25 receiving other information, the Movie Fund members realized that they had been
26 investors in the 1inMM Ponzi Scheme and that all of the distributions of profits
27 Movie Fund made to its members were likely fictitious profits. This resulted in
28 various inter-Movie Fund disputes, one of which was between Salvador, on the one

1 hand, and Russell and Whitcher, on the other. Whitcher and Russell contended that
2 Salvador was liable to them because he (and/or various entities he owned) received
3 distributions from Movie Fund in excess of the amounts permissible under Movie
4 Fund’s operating agreement, allegations which Salvador denied.

5 The Receiver determined that Salvador was a net winner of \$1,077,744, and
6 Russell and Whitcher were net losers, of the 1inMM Ponzi Scheme. As the Receiver
7 previously reported in her First Quarter 2025 report, she reached a settlement with
8 Salvador the Receiver released her potential claims against Salvador, while
9 Whitcher and Russell agreed that their receipt of the settlement payment from
10 Salvador will reduce their claims against the Estate on a dollar-for-dollar basis. The
11 Receiver expects this settlement to be implemented as to Whitcher and Russell
12 during the claims process.

13 **2. Movie Fund Litigation and Romik Yeghnazary**

14 Relatedly, there is litigation pending in Nevada state court against Movie
15 Fund commenced by Lending Arena, LLC (“Lending Arena”), one of Movie Fund’s
16 members, that has been pending for a number of years (the “Movie Fund
17 Litigation”). The Movie Fund Litigation generally involves claims relating to how
18 Movie Fund made distributions to its members and alleged violations of the
19 applicable operating agreement. Movie Fund filed multiple counterclaims against
20 Lending Arena under various theories of recovery, but the Nevada state court
21 dismissed those counterclaims with prejudice. The Receiver understands that the
22 Movie Fund Litigation is now on a trial setting for later this year, and that Movie
23 Fund intends to appeal the dismissal of its counterclaims.

24 As Movie Fund existed principally—if not solely—as a vehicle for its
25 members to invest in 1inMM, the Movie Fund Litigation inherently involves the
26 1inMM Ponzi Scheme, and, as a result, this receivership. Moreover, as discussed
27 below in more detail, the Receiver has been engaged in settlement negotiations with
28 the principal of Lending Arena, Romik Yeghnazary (“Yeghnazary”), to resolve his

1 potential liability to the estate. It has proven difficult to separate the Receiver’s
2 efforts to settle with Yeghnazary from Movie Fund’s counterclaims against his
3 entity, Lending Arena. Plus, given the upcoming trial and potential appeal, the
4 Movie Fund Litigation will likely remain active for the foreseeable future.

5 For those reasons, the Receiver devoted a significant amount of time during
6 the First Quarter 2026 continuing her settlement discussions with Yeghnazary while
7 balancing the countervailing pressures presented by the Movie Fund Litigation.

8 For the last several calendar quarters, the Receiver has been engaged in
9 settlement discussions with Yeghnazary, who the Receiver alleges is a net winner of
10 the 1inMM Ponzi Scheme. As of the end of the Second Quarter 2024, the Receiver
11 had entered into a tolling agreement with Yeghnazary. The parties then had
12 substantive settlement negotiations from time to time during the Third and Fourth
13 Quarters 2024, 2025 and the First Quarter 2026. These negotiations have been more
14 protracted than might ordinarily be the case because of the interplay between
15 Yeghnazary’s potential dual liability to the estate and to the defendants in the Movie
16 Fund Litigation, as discussed above.

17 While the Receiver is hopeful that these discussions will result in a settlement
18 (with or without the assistance of a mediator), some form of court action by the
19 Receiver is a realistic possibility. The Receiver expects that, during the coming
20 calendar quarters, the Receiver’s course of action on this front will become clearer.

21 **3. Confidential Settlement with 1inMM Aggregator**

22 Beginning during the Third Quarter 2023, the Receiver engaged in settlement
23 discussions with a large aggregator (the “Subject Aggregator”) of the 1inMM Ponzi
24 Scheme. The Receiver’s forensic accounting analysis indicated that the insiders of
25 the Subject Aggregator (together, the “Net Winner Insiders”) were significant net
26 winners (in that they received payments far in excess of the amounts they invested),
27 and thus liable to the Estate under the Uniform Voidable Transactions Act, Cal. Civ.
28 Code §§ 3439-3439.14 (“UVTA”), and common law unjust enrichment for receiving

1 fraudulent transfers.

2 The Receiver has described the background and progress of her claims against
3 and attempts to settle with the Net Winner Insiders in her quarterly reports filed
4 during 2023, 2024 and 2025. In short, during the Fourth Quarter 2024, the parties
5 reached a confidential settlement that the Court ultimately approved in October
6 2025. The settling parties made the initial installment of the settlement payment in
7 November 2025, and the remaining installments are due in 2026 and 2027, though
8 the settling parties have the option of prepaying those amounts.

9 **4. Pure Health Enterprises, Laura Levesque and Related Parties**

10 One of the entities that pooled large amounts of money from many individual
11 investors or lenders for upstream loans to, or investments in, 1inMM was Pure
12 Health Enterprises, Inc. (“Pure Health”), which Laura Levesque (“Levesque”) and
13 her then-husband, Jason Page (“Page”), operated in conjunction with Pure Health’s
14 affiliate, Movie Matrix, LLC (“Movie Matrix” and together with Pure Health and
15 Levesque, the “Pure Health Parties”). The Receiver determined that, between
16 January 30, 2015 and November 29, 2019, 1inMM made avoidable transfers to
17 Levesque via Pure Health, Movie Matrix and other affiliates, resulting in a net profit
18 of over \$5.9 million.

19 As the Receiver discussed in her prior reports (particularly in her Fourth
20 Quarter 2025 report), the Receiver reached a settlement with the Pure Health Parties
21 whereby they agreed to pay the estate a total of \$1,800,000 over a period of one year,
22 in exchange for releases and a bar order. The Court approved the settlement at the
23 end of December 2025.

24 On December 30, 2025, Levesque, on behalf of herself and the Pure Health
25 Parties, made the initial installment of the settlement payment. The remaining
26 installment is due in late 2026, though the Pure Health Parties have the option of
27 prepaying some or all of that amount.

28 **5. Settlement Efforts with Other Net Winners**

1 Through the Receiver’s forensic accounting, the Receiver has identified
2 several investors who were significant net winners and sent demand letters to them.
3 During the Third and Fourth Quarters of 2025, and through the First Quarter of 2026,
4 the Receiver escalated her efforts to resolve these claims. The status of the
5 Receiver’s settlement negotiations with these net winners are presently at various
6 stages, as discussed below.

7 During the First Quarter 2026, the Receiver reached settlements in principle
8 with three other net winners, and those settlements will be submitted to the Court for
9 approval once documentation is completed. The Receiver is pleased with these
10 outcomes, as the settlements have resulted in positive returns for the estate. Two of
11 those settlements are with Neal Hochberg and Josh Hochberg, both of whom are net
12 winners. As of the end of the First Quarter 2026, the Receiver was in the final stages
13 of preparing the motions to approve those settlements for filing. Those motions are
14 set to be heard during the second quarter 2026.

15 For the last several calendar quarters, the Receiver has been engaged in
16 settlement discussions Yeghnazary, who the Receiver alleges is a net winner of the
17 1inMM Ponzi Scheme. As of the end of the Second Quarter 2024, the Receiver had
18 entered into a tolling agreement with Yeghnazary. The parties then had substantive
19 settlement negotiations from time to time during the Third and Fourth Quarters 2024,
20 2025 and the First Quarter 2026. These negotiations have been more protracted than
21 might ordinarily be the case because of the interplay between Yeghnazary’s potential
22 dual liability to the estate and to the defendants in the Movie Fund Litigation, as
23 discussed above.

24 The Receiver is engaged in settlement discussions at various stages with other
25 net winning transferees. To avoid jeopardizing these good-faith negotiations, details
26 must remain confidential at this time. If proposed settlements are reached, the
27 Receiver will seek Court approval.

28 **B. Litigation Against City National Bank**

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

4 On February 16, 2024, the Receiver commenced a civil action against City
5 National Bank (“CNB”) by the filing of a complaint in this Court, assigned No. 2:24-
6 cv-01317-CAS-PVCx. On April 19, 2024, City National Bank filed a Motion to
7 Compel Judicial Reference under Cal. Code of Civil Procedure Section 638 [No.
8 2:24-cv-01317 ECF #16], which the Receiver opposed. On July 25, 2024, the Court
9 granted that motion [No. 2:24-cv-01317 ECF #30] and the parties later selected Hon.
10 Ann Jones as the referee to oversee the matter, who the Court then appointed (the
11 “Judicial Referee”). [No. 2:24-cv-01317 ECF #32, 33]

12 Over the next year, the case proceeded before the Judicial Referee. During
13 that time, the Receiver amended her complaint [No. 2:24-cv-01317 ECF #48], and
14 the parties engaged in discovery and motion practice on various issues. On April 7,
15 2025, CNB filed a motion to dismiss the Receiver’s first amended complaint. [No.
16 2:24-cv-01317 ECF #79] The Receiver opposed the motion to dismiss, and CNB
17 filed a reply. [No. 2:24-cv-01317 ECF #92, 105] Ultimately, on July 1, 2025, the
18 Judicial Referee granted the motion to dismiss and dismissed all counts of the first
19 amended complaint with prejudice. [No. 2:24-cv-01317 ECF #108]

20 On July 9, 2025, the Receiver filed a motion asking this Court to review the
21 Judicial Referee’s order, arguing that the Judicial Referee erred in various respects.
22 [No. 2:24-cv-01317 ECF #114] Following briefing and a hearing, this Court denied
23 the Receiver’s motion for review but invited the Receiver to raise her arguments
24 following entry of judgment pursuant to Federal Rules of Civil Procedure 59(e) and
25 60(b). [No. 2:24-cv-01317 ECF #121]

26 On October 9, 2025, the Court entered judgment against the Receiver
27 consistent with the Judicial Referee’s decision (the “CNB Judgment”). [No. 2:24-
28 cv-01317 ECF #126]

1 On October 22, 2025, the Receiver filed a motion to reconsider the CNB
2 Judgment, raising many of the same arguments as she had previously. [No. 2:24-cv-
3 01317 ECF #127]. During the Fourth Quarter 2025 and the First Quarter 2026, the
4 parties brief the Receiver’s motion to reconsider. [No. 2:24-cv-01317 ECF
5 #130,131].

6 On January 26, 2026, the Court heard argument on the Receiver’s motion to
7 reconsider and took the motion under advisement. [No. 2:24-cv-01317 ECF #134].
8 On February 26, 2026, the Court entered an order vacating the CNB Judgment and
9 directing the Receiver to re-file her motion to reconsider with the Judicial Referee.
10 [No. 2:24-cv-01317 ECF #135].

11 As of the end of the First Quarter 2026, the parties were in the process of
12 coordinating with the Judicial Referee about further proceedings regarding the
13 motion to reconsider.

14 **C. The Claims Process**

15 The investor claims process is an integral step in determining and confirming
16 the full scope of losses incurred by victims of the 1inMM Ponzi Scheme. This figure,
17 in conjunction with the ultimate recovery from assets, forms the fundamental
18 calculation necessary to determine a comprehensive distribution plan for investor
19 victims.

20 In December 2024, the Receiver finalized the proposed structure of the claims
21 process and thereafter filed a motion with the Court requesting approval to
22 implement the intended claims process (the “Claims Process Motion”). On January
23 9, 2025, the Court granted the Receiver’s unopposed Claims Process Motion [ECF
24 #397], and the Receiver immediately thereafter initiated the approved claims
25 procedure. This included compiling and mailing a claims notice package to each
26 known investor and claimant as detailed below.

27 ***1. The Claims Notice Package***

28 The claims notice package consisted of: (a) a notice outlining the deadline of

1 when all claims would need to be submitted by; (b) a link to the proof of claim form
2 on the receivership website; (c) a letter outlining the Receiver’s Determined Claim
3 Amount (defined below), (d) a W9 Form; (e) a copy of the order granting the Claims
4 Process Motion; and (f) contact information so prospective claimants may reach the
5 Receiver for further assistance (collectively the “Claims Notice Package”).

6 The Receiver sent out the Claims Notice Package to claimants on
7 approximately March 25, 2025. [ECF #417]

8 **2. The Receiver’s Determined Claim Amount**

9 The Claims Notice Package included a letter from the Receiver outlining her
10 calculation of the individual claimant’s respective claim, along with details
11 supporting that calculation. The Receiver calculated all investor claims using a
12 standard “net investment” method, which takes the total principal amount the
13 investor invested in the 1inMM Ponzi Scheme and subtracts that amount by the total
14 amount of distributions the investor received. Through her comprehensive forensic
15 accounting analysis, the Receiver compiled detailed logs of each investor’s
16 investment amounts and distributions received, which she then used to calculate the
17 claim amount to which she believes each investor is entitled (each, a “Determined
18 Claim Amount”).

19 A Determined Claim Amount does not incorporate interest, points, premiums,
20 attorney’s fees, damages or any other investment adjustments. If an investor rolled
21 over any investment that matured, only the principal that was originally invested was
22 used and counted once. The Receiver considered each investor on a holistic basis,
23 meaning that even if an investor invested in the 1inMM Ponzi Scheme through one
24 or more entities, the Receiver consolidated those investments to an individual
25 investor level. Therefore, each individual investor has just one Determined Claim
26 Amount, no matter how many channels they used to invest in the 1inMM Ponzi
27 Scheme.

28 Importantly, even if a claimant has agreed with the Receiver’s calculation for

1 their claim, any investor or other claimant still needed to complete and submit a
2 claim form. Failure to do so would result in the Receiver recommending that the
3 Court disallow that investor’s claim. If a claimant agrees with the Determined Claim
4 Amount, however, they needed only submit the form and check the box indicating
5 they agree with the Receiver’s calculations. No additional supporting documentation
6 was required.

7 **3. Timing**

8 Under the Claims Process Motion, the Receiver was required to send the
9 Claims Notice Package to all prospective claimants within 90 days following entry
10 of the Court’s order approving it. The Receiver sent out the Claims Notice Package
11 to claimants on approximately March 25, 2025 (the 90-day deadline was calculated
12 as being April 7, 2025). [ECF #417]

13 Following the noticing of the Claims Notice Package, claimants then had 90
14 days thereafter to file their claim. The deadline for claimants to file their claim was
15 July 8, 2025 (the “Claims Bar Date”). [ECF #418, 421]

16 **4. Post-Bar Date Claims Analysis**

17 Following the expiration of the Claims Bar Date on July 8, 2025, the Receiver
18 and her team commenced a thorough review of all investor claims submitted in
19 connection with the 1inMM Capital Ponzi scheme. Prior to the bar date, the Receiver
20 issued a total of 391 Claims Notice Packages to individuals who were identified as
21 potential claimants based on the Receiver’s review of records and supporting
22 documentation received from investors, aggregators and sub-aggregators.

23 Of the 391 Claims Notice Packages that the Receiver served, the Receiver
24 received a total of 368 timely submitted claims. Despite multiple outreach efforts—
25 including emails and other written correspondence from the Receiver’s staff
26 reminding those creditors of the Claims Bar Date and the need to file a claim—23
27 investors failed to submit a completed claim form prior to the deadline. The
28 Receiver’s team made reasonable and diligent efforts to encourage full participation

1 in the claims process and considers the final participation rate to be a strong
2 indication of widespread investor engagement.

3 The Receiver is pleased by the high level of consensus among the investor
4 claimants with respect to the Receiver’s calculation of net losses. Of the 368 timely
5 submitted claims, 359 investor claimants—i.e., 97.55 percent of the total—
6 confirmed that they agreed with the Receiver’s determination of their loss amounts.
7 Only nine investor claimants initially disagreed with the Receiver’s calculation. In
8 response, the Receiver and her team undertook a detailed, individualized review of
9 all documentation submitted in connection with each of the disputed claims. This
10 thorough review involved evaluating the supporting materials provided by the
11 investor claimants and reconciling them with the Receiver’s own records and
12 calculations.

13 As a result of this process, the Receiver has successfully resolved all nine
14 disputes in their entirety, reaching a mutual agreement with each investor claimant
15 regarding the appropriate allowed claim amount. The Receiver is pleased to report
16 that these resolutions reflect the reliability of the Receiver’s claims reconciliation
17 process and the integrity of the underlying calculations.

18 In addition to the investor claims discussed above, the Receiver has also
19 received five claims from individuals/entities associated with 1inMM. Of these
20 claims, three have been reviewed and resolved. Two are still currently under
21 evaluation by the Receiver’s team to determine factual and legal bases and work
22 with these claimants toward potential resolution. Once this review is complete, the
23 Receiver will proceed with the next steps to gain court approval for all approved
24 claims.

25 **5. Next Steps for Court Approval**

26 Once the Receiver reaches agreements or otherwise finalizes all outstanding
27 and pending claims, she intends to file a motion (or motions) requesting that the
28 Court (a) allow the investor claims in their Determined Claim Amount (or such other

1 amount that the Receiver and the claimant mutually agree); (b) allow or disallow the
2 non-investor claims as the Receiver will recommend as to each such specific claim;
3 and (c) disallow any late-filed or unfiled claims and those claims submitted by
4 individuals or entities who could not be located. In instances where the Receiver is
5 unable to reach an agreement with a claimant, those matters will also be presented
6 to the Court for determination. Once the claims allowance and disallowance process
7 is complete, the Receiver will file a motion proposing a plan of distribution.

8 The Receiver’s team has been actively engaged in compiling the necessary
9 supporting documentation required to prepare these motions for submission to the
10 Court. However, further work on these motions has been paused temporarily, as they
11 cannot be submitted until the remaining disputes and settlements have been fully
12 finalized or otherwise brought to a close.

13 The Receiver remains optimistic that these outstanding matters will be
14 resolved in the near future. Upon their completion, the Receiver intends to promptly
15 resume efforts and move forward with submitting the motions to the Court for
16 review and approval.

17 **D. Asset Updates**

18 In addition to the cash on hand detailed in Section II.C. (below), the
19 receivership assets, not including litigation claims, consist of: (1) Rogue Black, LLC
20 (“Rogue Black”), (2) LayJax Ventures, LLC (“LayJax”) and (3) investments made
21 by 1inMM in four films. The updated details to each of these is outlined below.

22 **1. Rogue Black**

23 Rogue Black was a film finance and production company in which Horwitz
24 owned a membership interest and invested using 1inMM funds. Ultimately, 1inMM
25 invested approximately \$21.5 million with Rogue Black, which went on to produce
26 and complete a total of eight films (collectively, the “Rogue Black Films”). The
27 Receiver continues to collect monies owed to Rogue Black in relation to the Rogue
28 Black Films and pursue monies that are owed but have not yet been paid. As noted

1 below, potential further recoveries may be obtained through an eventual sale of the
2 film library.

3 To maximize the monetary recovery of the estate, the Receiver has a
4 commenced a process to bundle and sell the Rogue Black Films. The Receiver
5 obtained permission from the Court to engage Resurgence Media Group
6 (“Resurgence”), a full-service distribution company that specializes in film library
7 sales, to act as a broker to market and sell the library.

8 Resurgence initiated its marketing efforts for the Rogue Black film library
9 toward the end of the Third Quarter 2024 and has continued these efforts through
10 the Second Quarter 2025. Over this period, Resurgence has actively explored
11 potential opportunities for monetizing the film assets through outreach to a variety
12 of parties within the entertainment and media industry.

13 The Receiver had initiated preliminary discussions with a reputable film
14 production company that expressed interest in acquiring the Rogue Black film
15 library. Although those discussions remained in the early stages, the Receiver
16 elected to temporarily pause the sale process pending the resolution of certain
17 receivables related to the films and in light of new developments concerning the film
18 investments and ownership of the assets.

19 In addition, the Receiver is evaluating the potential to combine the Rogue
20 Black Films with other film assets (discussed herein) to create a larger, more
21 comprehensive portfolio. The Receiver believes that such a strategy could enhance
22 the overall value of the films and potentially result in greater returns for the estate.
23 The Receiver will provide further updates as additional information becomes
24 available.

25 **2. LayJax**

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

1 businesses in which LayJax invested are broad and diverse. The Receiver continually
2 monitors each investment in LayJax for progress, as well as for opportunities to
3 generate recoveries—including a sale. However, these investments will likely prove
4 difficult to monetize. The Receiver will provide additional updates as new or
5 meaningful activity occurs.

6 **3. Investments in Four Film Projects**

7 As a result of a diligent investigation, the Receiver determined that Horwitz
8 caused 1inMM or certain of its affiliates to transfer approximately \$9,450,000.00
9 (the “Motion Picture Transfers”) to certain special-purpose limited liability
10 companies for the purpose of funding the production of four feature-length motion
11 pictures (collectively, the “Motion Pictures”). The limited liability companies that
12 received the \$9,450,000.00 (collectively, the “Production Companies”) functioned
13 as the production companies for, and own and/or control all right, title and interest,
14 including all rights under copyright, in and to the Motion Pictures.

15 Because the Production Companies made the Motion Pictures using funds
16 transferred to them from 1inMM, the Receiver contends that the Motion Pictures and
17 their proceeds are property of the Receivership Estate, in whole or in part. The
18 Receiver has thoroughly investigated the matter, both directly and through her
19 retained consultants, and determined that the Motion Pictures have been earning
20 revenue since their respective releases and have market value. So, the Receiver has
21 been focusing on how she might monetize the Motion Pictures for the benefit of the
22 estate and its creditors.

23 However, the principal insider of the Production Companies (the “Production
24 Companies Insider”) also claims an interest in the Motion Pictures. The estate’s
25 rights in and to the Motion Pictures is complicated by the absence of complete
26 corporate records for the Production Companies. Further complicating matters is the
27 fact that the Receiver believes she may have claims against the Production
28 Companies and the Production Companies Insider arising under UVTA, as well as

1 other applicable California law, pertaining to the Motion Picture Transfers.

2 The Receiver devoted a considerable amount of time during the First Quarter
3 2026 to evaluating how to proceed, conferring with her professionals and negotiating
4 with counsel for the Production Companies Insider. As of the end of the First Quarter
5 2026, those efforts were still underway. The Receiver anticipates reaching a
6 definitive decision on this during the coming quarters of 2026.

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

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

11 **A. Cash Receipts**

12 During the First Quarter 2026, the receivership estate had total cash receipts
13 of \$114,780. These cash receipts were comprised of interest income (\$114,780).

14 **B. Cash Disbursements**

15 During the First Quarter 2026, cash disbursements totaled \$1,230,219.00.
16 These disbursements included (i) \$447,258.00 paid to Loftus & Eisenberg, LLC, (ii)
17 \$138,900.00 paid to Armstrong Teasdale, LLP, (iii) \$225,000.00 paid to Howard &
18 Howard Attorneys PLLC, all three of the previously mentioned disbursements were
19 related to litigation settlements, (iv) \$334,540.62 of fees and costs paid to Katten
20 Muchin Rosenman LLP, the Receiver’s counsel, (v) \$36,912.60 of fees and costs of
21 the Receiver, (vi) \$20,925.00 paid to Ray Reyes for consulting services, (vii)
22 \$7,000.00 in fees for third party litigation, (viii) \$1,450.00 for tax prep services, (ix)
23 \$17,324.00 to Franchise Tax Board related to current and past due taxes, and (x) \$
24 908.76 related to banking and other miscellaneous expenses.

25 **C. Cash on Hand**

26 As of March 31, 2026, the receivership estate held an ending balance of
27 \$17,643,422.00.

28 **III. CONCLUSION**

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

3
4 Dated: May 6, 2026

Respectfully submitted,

5 By: */s/Michele Vives*
6 Michele Vives, Receiver

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KATTEN MUCHIN ROSENMAN LLP

PROOF OF SERVICE

STATE OF ILLINOIS, COUNTY OF COOK

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

On May 6, 2026, I served the following document(s) described as:

QUARTERLY REPORT OF RECEIVER MICHELE VIVES (FIRST QUARTER 2026)

as follows:

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

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

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

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

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

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

Executed on May 6, 2026 at New York, New York.

/s/Terence G. Banich
Terence G. Banich

KATTEN MUCHIN ROSENMAN LLP

**STANDARDIZED FUND ACCOUNTING REPORT (CASH BASIS) for
ZACHARY J. HORWITZ; and 1inMM CAPITAL, LLC
RECEIVERSHIP; CIVIL COURT DOCKET NO. 2:21-CV-02927-CAS
REPORTING PERIOD from January 1, 2026 through March 31, 2026**

FUND ACCOUNTING (See Instructions):		DETAIL	SUBTOTAL
Line 1	Beginning Balance of the Fund as of January 1, 2026		
	<i>Increases in Fund Balances:</i>		
Line 2	Business Income (Receipts)		
Line 3	Cash and Securities		
Line 4	Interest / Dividend Income		
Line 5	Business Asset Liquidation		
Line 6	Personal Asset Liquidation		
Line 7	Third-Party Litigation		
Line 8	Miscellaneous - Other		
	Total Funds Available (Lines 1-8)		
	<i>Decreases in Fund Balance:</i>		
Line 9	Disbursements to Investors		
Line 10	Disbursements for Receivership Operations		
Line 10a	<i>Disbursements to Receiver or Other Professionals</i>		66,654
Line 10b	<i>Business Asset Expenses</i>		0
Line 10c	<i>Personal Asset Liquidation</i>		
Line 10d	<i>Investment Expenses</i>		542
Line 10e	<i>Third-Party Litigation Expenses</i>		
	1. Attorney Fees	334,541	
	2. Litigation Expenses	811,158	
	<i>Total Third-Party Litigation Expenses</i>		1,145,699
Line 10f	<i>Tax Administrator Fees and Bonds</i>		0
Line 10g	<i>Federal and State Tax Payments</i>		17,324
	Total Disbursements for Receivership Operations		
Line 11	Disbursements for Distribution Expenses Paid by the Fund:		
Line 11a	<i>Distribution Plan Development Expenses:</i>		
	1. Fees:		
	Fund Administrator	0	
	Independent Distribution Consultant (IDC)	0	
	Distribution Agent	0	
	Consultants	0	
	Legal Advisors	0	
	Tax Advisors	0	
	2. Administrative Expenses	0	
	3. Miscellaneous	0	
	<i>Total Plan Development Expenses</i>		0
Line 11b	<i>Distribution Plan Implementation Expenses:</i>		

	1. Fees:		
		Fund Administrator	0
		Independent Distribution Consultant (IDC)	0
		Distribution Agent	0
		Consultants	0
		Legal Advisors	0
		Tax Advisors	0
	2. Administrative Expenses		0
	3. Investor Identification:		
		Notice/Publishing Approved Plan	0
		Claimant Identification	0
		Claims Processing	0
		Web Site Maintenance / Call Center	0
	4. Fund Administrator Bond		0
	5. Miscellaneous		0
	6. Fair Account for Investor Restitution (FAIR) Reporting Expenses		0
	<i>Total Plan Implementation Expenses</i>		0
	Total Disbursements for Distribution Expenses Paid by the Fund		
Line 12	Disbursements to Court / Other:		
	Line 12a	<i>Investment Expenses / Court Registry Investment System (DRIS) Fee</i>	0
	Line 12b	<i>Federal Tax Payments</i>	0
	Total Disbursements to Court / Other		
	Total Funds Disbursed (Lines 9-12)		
Line 13	Ending Balance of the Fund as of March 31st, 2026		
Line 14	Ending Balance of Fund - Net Assets:		
	Line 14a	<i>Cash & Cash Equivalents</i>	
	Line 14b	<i>Investments</i>	
	Line 14c	<i>Other Assets or Uncleared Funds</i>	
	Total Ending Balance of Fund - Net Assets		

OTHER SUPPLEMENTAL INFORMATION:		
	DETAIL	SUBTOTAL
	Report of Items NOT to be Paid by the Fund:	
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:	
	Line 15a	<i>Plan Development Expenses Not Paid by the Fund</i>
		1. Fees:
		Fund Administrator
		Independent Distribution Consultant (IDC)
		Distribution Agent
		Consultants
		Legal Advisors
		\$0
		0
		0
		0
		0

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

Receiver:

By: _____
(signature)

(printed name)

Date: _____

GRAND TOTAL
\$18,758,861
0
0
114,780
0
0
0
18,873,641
0
0
1,230,219

\$0

0

0

\$0

\$0

\$0

0

0

0

0