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15 Attorneys for Receiver
16 STEPHEN J. DONELL

17 UNITED STATES DISTRICT COURT
18 DISTRICT OF NEVADA

19 FEDERAL TRADE COMMISSION, and
20 STATE OF NEVADA,

21 Plaintiffs,

22 v.

23 AMERICAN TAX SERVICE LLC, a
limited liability company, et al.,

24 Defendants.
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Case No. 2:25-cv-01894-GMN-EJY

**FIRST INTERIM REPORT AND
PETITION FOR INSTRUCTIONS OF
RECEIVER, STEPHEN J. DONELL**

[Proposed] Order submitted concurrently
herewith]

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1 **TO THIS HONORABLE COURT AND ALL INTERESTED PARTIES:**

2 **PLEASE TAKE NOTICE THAT** Stephen J. Donell (the "Receiver"), the Court-
3 appointed receiver for defendants American Tax Service LLC, American Tax Solutions,
4 American Tax Solutions LLC, ATS Tax Group LLC, Elite Sales Solutions,
5 GetATaxLawyer.com LLC, TNT Holdings Group LLC, TNT Services Group LLC, TNT
6 Tax Associates Inc., and each of their respective subsidiaries, affiliates, successors, and
7 assigns (collectively, the "Receivership Entities" or "Entities"), hereby submits this *First*
8 *Interim Report and Petition for Instructions* (the "Report")¹ in order to detail the tasks
9 undertaken by the Receiver and his professionals for the period from the Receiver's
10 appointment on October 7, 2025 through November 30, 2025 (the "Reporting Period").

11 **I. PRELIMINARY STATEMENT.**

12 Pursuant to this Court's October 7, 2025 *Ex Parte Temporary Restraining Order*
13 *with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and*
14 *Order to Show Cause Why a Preliminary Injunction Should Not Issue* (the "Initial
15 Appointment Order") [ECF No. 9], as extended by subsequent orders of the Court,
16 including, most recently, the November 20, 2025 *Preliminary Injunction* (the "Preliminary
17 Injunction"), the Receiver has been charged with, among other things, assuming control
18 over the Receivership Entities and their assets ("Receivership Assets" or "Assets") and
19 taking those actions he deems necessary or appropriate to administer the Entities and their
20 Assets; performing an analysis of the business and financial activities of the Entities;
21 preparing an accounting; and preserving and marshaling Receivership Assets for the
22 benefit of the receivership estate established by the Initial Appointment Order and
23 Preliminary Injunction (the "Estate") and its potential creditors, including customers
24 harmed by the Entities' alleged tax resolution and preparation scheme.

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¹ This Report is preliminary and based upon the limited information presently available to the Receiver. It, and any conclusions presented herein, are subject to change as additional information is obtained.

1 As detailed below, and while the Receiver has made substantial progress in some of
2 the above areas – including assuming authority and control over the Entities, their offices,
3 and operations; commencing document recovery and review; commencing an accounting
4 analysis of the business and financial operations of the Entities; identifying and recovering
5 Assets; and undertaking efforts to mitigate harm to allegedly defrauded customers – his
6 investigative and Asset recovery efforts remain ongoing and the Receiver believes a
7 potentially significant amount of work remains to be completed. Because the Receiver's
8 efforts remain incomplete, the conclusions presented in this Report should be viewed as
9 preliminary, and may be affected by the discovery and review of additional relevant
10 information.

11 **II. GENERAL BACKGROUND.**

12 The Court and all interested parties are invited to review the following materials for
13 a more detailed summary of the relevant facts underlying the above-entitled action and the
14 instant receivership:

- 15 • *Complaint for Permanent Injunction, Monetary Judgment, and Other Relief*
16 (the "Complaint") [ECF No. 1], filed on October 6, 2025;
- 17 • *Ex Parte Motion for a Temporary Restraining Order* [ECF No. 4], filed on
18 October 6, 2025;
- 19 • *Initial Appointment Order* [ECF No. 9], entered on October 7, 2025;
- 20 • *Declaration of Receiver, Stephen J. Donell, Re: Commencement of Duties as*
21 *Identified in Ex Parte Temporary Restraining Order with Asset Freeze,*
22 *Appointment of a Temporary Receiver, and Other Equitable Relief, and*
23 *Order to Show Cause Why a Preliminary Injunction Should Not Issue* [ECF
24 No. 34] (the "Initial Declaration"), filed on October 17, 2025;
- 25 • *Supplemental Declaration of Receiver, Stephen J. Donell,*
26 *Re: Commencement of Duties as Identified in Ex Parte Temporary*
27 *Restraining Order with Asset Freeze, Appointment of a Temporary Receiver,*
28 *and Other Equitable Relief, and Order to Show Cause Why a Preliminary*

1 *Injunction Should Not Issue* [ECF No. 45] (the "Supplemental Declaration"),
2 filed on October 24, 2025;

- 3 • *Preliminary Injunction* [ECF No. 64], Entered on November 20, 2025; and
- 4 • *Second Supplemental Declaration of Receiver, Stephen J. Donell, Regarding*
5 *Status of Work as Temporary Receiver, Preliminary Observations and*
6 *Conclusions* [ECF No. 62] (the "Second Supplemental Declaration"), filed
7 on November 21, 2025.

8 As reflected in the above-identified pleadings and orders, the plaintiffs Federal
9 Trade Commission and State of Nevada (each a "Plaintiff" and collectively, the
10 "Plaintiffs") have alleged that the Receivership Entities and their principals engaged in a
11 fraudulent tax relief and preparation scheme whereby customers were solicited based on
12 misleading advertisements and correspondence, and subsequently induced to make (often
13 significant) monetary payments for services that were seldom, if ever, provided. On the
14 basis of their allegations, and on application to the Court, the Plaintiffs secured the
15 appointment of the Receiver, who has diligently pursued his objectives as set forth in the
16 Initial Appointment Order and Preliminary Injunction, including with respect to the
17 identification, preservation, and marshalling of available Assets, a preliminary analysis of
18 the business and financial activities of the Receivership Entities, the viability of their
19 business operations, and their use of funds paid by customers.

20 **III. SUMMARY OF RECEIVER'S ACTIVITIES AND EFFORTS.**

21 The following reflects a summary of the Receiver's activities and efforts since the
22 entry of the Initial Appointment Order:

23 **A. Engagement Of Receivership Professionals.**

24 In order to assist with the performance of his duties under the Initial Appointment
25 Order and Preliminary Injunction, the Receiver has engaged the services of the following
26 attorneys and forensic accounting specialists:

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1 1. Allen Matkins Leck Gamble Mallory & Natsis LLP.

2 The Receiver has engaged Allen Matkins Leck Gamble Mallory & Natsis LLP
3 ("Allen Matkins") as his lead receivership counsel for this matter. Allen Matkins was
4 selected as a result of its decades-long and successful history representing receivers
5 appointed in federal enforcement actions, including in actions brought by the Plaintiff
6 Federal Trade Commission and similar agencies. Moreover, Allen Matkins has
7 successfully represented the Receiver in multiple state and federal receivership matters
8 dating back to 2008, and is uniquely qualified to serve as lead receivership counsel here,
9 given its federal equity receivership experience and expertise. In addition, Allen Matkins
10 currently serves as lead receivership counsel in two unrelated federal enforcement actions
11 (including one in which the Federal Trade Commission is the plaintiff) pending before this
12 Court. These matters are *SEC v. Beasley, et al.*, USDC D. Nev. Case No. 2:22-cv-00612-
13 CDS-EJY and *FTC v. Superior Servicing LLC, et al.*, USDC D. Nev. Case No. 2:24-cv-
14 02163-GMN-MDC.

15 2. Semenza Rickard Law.

16 The Receiver selected Semenza Rickard Law ("SR Law") as his local Nevada
17 counsel due to SR Law's reputation in the Las Vegas legal community, its successful, prior
18 working relationship with the Receiver's lead counsel, and its familiarity with local
19 policies and procedures essential to the administration of receivership estates. SR Law is
20 presently serving as local Nevada counsel for the Receiver's lead counsel in at least three
21 other federal receivership matters, including one in which the Federal Trade Commission
22 is the plaintiff. With a combined 50 years of experience practicing in the Nevada Federal
23 District Court and before the State of Nevada's business courts, SR Law is ideally suited to
24 serving as the Receiver's local counsel.

25 3. Stapleton Group, a Part of JS Held.

26 The Receiver has engaged Stapleton Group, a part of JS Held ("Stapleton"), as his
27 forensic accountants for this matter. The Receiver selected Stapleton as his forensic
28 accountant due to Stapleton's longstanding expertise in forensic accounting analysis,

1 including specifically in the receivership context, which has made the firm an invaluable
2 asset for the Receiver's investigation of the numerous Entities and related accounts and
3 transactions involved in this matter. Stapleton integrates financial, operational, and digital
4 expertise to take control of assets and stabilize operations, while conducting thorough
5 forensic investigations.

6 4. SLBiggs, a Division of Singer Lewak.

7 The Receiver has engaged SLBiggs, a Division of SingerLewak ("SLBiggs") as his
8 tax accountants for this matter. SLBiggs is a leading professional services firm with
9 recognized expertise in financial consulting, tax preparation, insolvency, and litigation
10 matters. The firm has served receivers, trustees, attorneys, government agencies, and
11 financial institutions for over 40 years, handling hundreds of receivership and
12 bankruptcy matters, working for both federal and state court-appointed receivers, as well
13 as Chapter 7 bankruptcy trustees. Many of SL Biggs' cases involved tracing of funds,
14 fraudulent conveyance analysis, and determining and resolving tax obligations for
15 the parties involved. SLBiggs has served as accountants in multiple federal enforcement
16 actions, including *FTC v. John Beck Amazing Profits, LLC, et al* and the related
17 bankruptcy cases of the defendant entity's principals, which resulted in a judgment for the
18 plaintiff regulators in the amount of approximately \$500 million; the *SEC v. J T*
19 *Wallenbrock, et al*, involving a major Ponzi scheme approaching \$300 million; and
20 the *Hawaii Attorney General (Bennett) v. HGEA, UPW, et al* case involving
21 misappropriation of Hawaii State employee benefit payments related to certain union
22 health benefit programs. Most recently, SLBiggs served as the Receiver's forensic
23 accountant in the matter of *FTC v. Ascend Capventures, Inc., et al.*, USDC C.D. Cal., Case
24 No. 2:24-CV-07660-SPG-JPR.

25 **B. Establishment Of Receivership Website And Initial Customer Contacts.**

26 Upon the entry of the Initial Appointment Order, the Receiver established a website
27 specific to the above-entitled action (www.fedreceiver.com/case/american-tax-service/)
28 which he uses, among other things, to (1) provide access to case filings and updates to

1 interested parties; and, critically, (2) to communicate with interested parties and other
2 stakeholders, including customers injured as a consequence of the fraud alleged by the
3 Plaintiffs. On his website, in addition to being able to view Court filings, interested parties
4 can (1) review answers to "frequently asked questions" concerning the status and
5 administration of the receivership and the Estate; (2) register for updates from the Receiver
6 and his staff; (3) transmit information and inquiries to the Receiver; and (4) communicate
7 directly with the Receiver and his staff. As detailed further below, the Receiver's website
8 has already proven to be vital to the administration of this matter. As of the date of this
9 Report, approximately 482 interested parties have registered, and the Receiver has
10 received approximately 400 tips, updates, complaints, and other communications from
11 interested stakeholders, some of which were previously reported to or summarized for the
12 Court in his earlier filed Initial Declaration, Supplemental Declaration, and Second
13 Supplemental Declaration.

14 **C. Entity Office Visit And Takeovers.**

15 On October 10, 2025, accompanied by Plaintiffs and federal law-enforcement
16 personnel, the Receiver conducted simultaneous takeovers of the Receivership Entities'
17 Las Vegas and Los Angeles offices. On site, the Receiver and his professionals advised all
18 Entity employees present of the commencement of the receivership, made copies of the
19 Initial Appointment Order available, and requested immediate compliance therewith. The
20 Receiver and certain of his professionals, together with the Plaintiffs, then inspected each
21 office premises and identified company records, potential Assets, and other materials of
22 interest. Following his site visit and inspections, the Receiver secured both locations,
23 including by changing the locks on the premises.²

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26 ² After the Receiver had secured the premises and effectively restricted access to the
27 offices, he was advised of an attempted break-in at the Las Vegas office; at present, it
28 does not appear that any company records or items of value were removed. The office
has been re-secured, and the Receiver is working with the office building's security
team to review camera footage for additional information. If appropriate, the Receiver
will provide any relevant information to law enforcement.

1 **D. Document Recovery And Analysis.**

2 To maximize efficiency and reduce the cost of discovery, the Receiver has obtained
3 access to certain documents obtained by the Plaintiff regulators through its own document
4 requests. The Receiver understands that, collectively, the Receiver and Plaintiff regulators
5 have dispatched over thirty (30) demand letters to banks, billing platforms, tax software
6 service providers, and other entities, seeking the turnover of documents believed to be
7 related or critical to their respective investigations and document analysis. As of the date
8 of this report, the Receiver has recovered or been provided access to tens of thousands of
9 pages of documents, which materials are already under review by the Receiver and
10 Stapleton.

11 The Receiver has issued dozens of demand letters and subpoenas to entities
12 suspected of possessing Entity documents and materials, or information related to the
13 operations of the Receivership Entities. Responses to these demand letters and subpoenas
14 have begun to arrive, and the Receiver and Stapleton are currently processing and
15 reviewing the thousands of pages of responsive documents that have recently been turned
16 over. Thus far, the Receiver's analysis has confirmed the Receivership Entities maintained
17 a large number of bank accounts, which accounts were used both to receive consumer
18 funds and to transact with other Entity and non-Entity accounts. The Receiver's forensic
19 accountant is actively engaged in an extensive accounting analysis of these transactions
20 and, as a result and as further detailed below, has tentatively confirmed that funds
21 originating with Entity customers were subsequently diverted for purposes seemingly
22 unrelated to the business of the Entities, including as transfers to additional bank accounts
23 and the purchase of luxury vehicles, art, and multiple real properties in California and
24 Nevada, each of which were purchased or financed with Entity funds. The Receiver's
25 professionals continue to work diligently to identify additional potential Receivership
26 Assets and to confirm the Estate's interest in the identified Assets.

27 The Receiver's document recovery efforts also extend to entities believed to have
28 pre-receivership relationships with the Receivership Entities and to have received transfers

1 from Entity accounts. These entities include third party tax software platforms, payroll
2 processors, and a third-party, consumer-financing entity that appears to have offered
3 installment loans to Entity customers to finance the Entities' purported services. Though
4 the Receiver's document recovery efforts are ongoing, the Receiver has begun to receive
5 productions from a combination of these sources that have supplemented his understanding
6 of the Receivership Entities, their financial relationships with other entities, the business
7 operations of the Receivership Entities, and – critically – the nature and amounts of any
8 Assets recoverable for the benefit of the Estate.

9 **E. Accounting, Receivership Asset Identification, And Asset Recovery.**

10 Immediately upon his appointment, the Receiver transmitted notice of the Initial
11 Appointment Order (including the asset freeze and turnover provisions thereof) to multiple
12 banks and financial institutions, requesting the turnover of any accounts maintained by, in
13 the name of, or for the benefit of the Receivership Entities. To date, the funds recovered
14 from Entity accounts exceed \$2,000,000, not including more than approximately \$400,000
15 held in an account administered by Payliance (a payment management service) for the
16 benefit of the Receivership Entities, which funds the Receiver expects will be turned over
17 imminently in accordance with the provisions of the Preliminary Injunction.³

18 In addition to Assets identified and marshaled from various Receivership Entity
19 accounts, the Receiver's investigation has identified several works of art, vehicles, and real
20 properties in California and Nevada that appear to have been purchased or financed with
21 funds obtained from Entity customers. The vehicles and real property are described below.
22 The Receiver and his staff are presently evaluating the artwork, including its authenticity
23 and value, and will provide further detail in subsequent reports.

24
25 ³ Through counsel, Payliance committed to turning over the subject funds to the
26 Receiver. Recently, Payliance advised that, as a consequence of certain Nacha
27 (formerly, the National Automated Clearing House Association) rules, the turnover
28 could be delayed or reduced (depending on refunds processed within Nacha deadlines
post-receivership). The Receiver is presently working with Payliance in an effort to
expedite the turnover of available funds. Should the funds not be timely remitted to the
Receiver, the Receiver may petition this Court for an order to show cause re: civil
contempt to compel their turnover, and will in that event request appropriate sanctions.

Real Property Addresses

- 8184 Mannix Drive, Los Angeles, California 90046; and
- 2057 Troon Drive, Henderson, Nevada 89074.

Vehicle Information

Make	Model	Year	Vehicle Identification Number (Last 5 Digits)
Land Rover	Range Rover	2022	46989
Tesla	Cybertruck	2024	33929
Tesla	Model X	2023	06513
Jeep	Grand Cherokee	2024	16259
Tesla	Model X	2019	53592
Tesla	Model 3	2019	15700
Mercedes	G-Wagon	2022	46413

The Receiver's preliminary forensic analysis indicates that several mortgage payments on the real properties were made with Receivership Entity funds. Similarly, the analysis reflects Receivership Entity contributions toward the purchase or lease of the above-referenced vehicles. Should the Receiver determine, based on the Entities' books and records, that any equity in these properties or vehicles constitutes property of the Estate, he will promptly seek turnover of those Assets pursuant to the provisions of the Preliminary Injunction.

F. Review And Analysis Of Receivership Entities' Business And Financial Activities.

1. Analysis of Financial Documents and Other Records.

As noted above, the Receiver has served numerous demand letters and subpoenas on banks, financial institutions, tax software providers, and other entities believed to maintain accounts or records for, on behalf of, or transacting with, the Receivership

1 Entities and their principals and agents. The initial productions from these entities reflect
2 significant diversions of millions of dollars in Entity funds derived from customers to the
3 Entities' principals and agents, in a manner suggesting that the diversions were:
4 (1) inconsistent with the Entities' claimed business purposes and operations; and
5 (2) intended to benefit the recipients of the transfers unilaterally, with no corresponding
6 benefit to the Entities. The documents produced by various entities and individuals,
7 including the defendants, support the Receiver's preliminary determination that significant
8 amounts of Entity funds were diverted to the Entities' principals and agents in a manner
9 wholly inconsistent with the ordinary customs and practices of a legitimate commercial
10 enterprise.

11 Stapleton, the Receiver's forensic accountant, has been instrumental in analyzing the
12 financial records obtained by the Receiver thus far. Stapleton's analysis suggests a pattern
13 of unusual transfers from the Receivership Entities to their principals, executives, and
14 employees. Examples of these unusual transfers include, but are not limited to, the
15 following: (1) bank transfers and expenditures reflecting a lack of separation between
16 Receivership Entity accounts and personal accounts held by or for the benefit of the
17 Individual Defendants (as defined in the Preliminary Injunction); (2) over \$8 million in
18 Entity funds transferred to the Individual Defendants as so-called loans, but no
19 documented loan terms, including payment schedules and terms have been identified by
20 the Receiver to date; (3) so called "reimbursement" distributions from the Receivership
21 Entities to the Individual Defendants and other Entity executives that bear no apparent
22 relationship to the Entities' business operations; and (4) diversions of millions of dollars in
23 funds raised from Entity customers for purposes apparently unrelated to the Receivership
24 Entities' tax resolution business, including, as noted above, enabling the Receivership
25 Entities' principals, or their affiliates, to purchase vehicles, artwork, and multi-million-
26 dollar properties. On the basis of these findings, the Receiver has preliminarily (but not
27 definitively) concluded that the Receivership Entities were not engaged in a wholly
28 legitimate business enterprise. The Receiver and Stapleton continue their efforts to

1 document these transactions and will provide additional information to the Court, if and as
2 it is developed, in future interim reports.

3 2. Efforts to Access Pre-receivership Third-party Platforms.

4 The Receiver has undertaken targeted efforts to secure access to certain online
5 platforms used by the Entities, their principals, and employees in the pre-receivership
6 period. By way of example, these include Drake Software and IRSLogics (tax-preparation
7 platforms), as well as Paycom Software (payroll services). The Receiver has recently
8 obtained access to many relevant accounts and is in the process of analyzing the data
9 retrieved therefrom. As the Receiver continues his review, he will provide the Court with
10 material updates in subsequent interim reports.

11 3. Designation of Additional Receivership Entities.

12 To date, the Receiver's review of records relating to the Receivership Entities has
13 identified several non-party entities that may be undisclosed affiliates, potentially
14 controlled by the Entities' principals. If the Receiver determines that the Receivership
15 Entities or their principals conducted business-related activities – legitimate or otherwise –
16 through any such entities, he may designate them as additional Receivership Entities
17 pursuant to his authority under Section XII(U) of the Preliminary Injunction.

18 4. Evaluation of the Receivership Entities' Operations.

19 While the Receivership Entities appear to have provided limited tax services to
20 some customers, the information obtained and reviewed by the Receiver to date suggests a
21 number of fundamental problems with the Entities' operations, including, among other
22 things:

- 23 • Transfers exceeding \$8 million over less than two years from Receivership
24 Entity accounts to the Individual Defendants and Entity executives,
25 characterized as "loans" but lacking essential terms such as maturity dates,
26 interest rates, and supporting documentation.

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- Diversion of consumer-derived funds to pay personal expenses and to purchase or finance artwork, vehicles, and real properties owned personally by the Individual Defendants.
- Reports from customers and former employees corroborating the deceptive business practices alleged in the Complaint; and
- Reports from allegedly former employees that, post-receivership, personnel affiliated with the Entities solicited them to begin work at a new tax-resolution company purportedly controlled by the Individual Defendants and not subject to the Receiver's authority and control.

Based on the information obtained and reviewed to date, the Receiver does not presently believe that the Entities operated an entirely legitimate business, and remains unconvinced that their operations can be maintained as a legitimate going concern. Accordingly, as of the date of this Report, the Receiver does not anticipate continuing the operations of the Entities.

IV. OUTSTANDING MATTERS.

Notwithstanding the substantial progress the Receiver has made in the seven weeks since his initial appointment, and based on preliminary conclusions drawn from the above-identified efforts, the Receiver has determined that, at a minimum, the following matters remain unresolved or require additional attention:

A. Wage Claims.

The Receiver is aware that a number of former employees may hold claims for unpaid wages arising from services performed for the Receivership Entities. The Receiver is investigating these claims and will assess the allowance, priority, and amount of each in accordance with applicable law, subject to any applicable variance in treatment based on the allegedly deceptive nature of the services at issue.

B. Office Leases.

The Receiver anticipates abandoning the Las Vegas and Los Angeles office leases in accordance with applicable law. The Receivership Entities appear to have posted

1 security deposits that the landlords may apply to unpaid rent and administrative costs
2 associated with the leases.

3 **C. Additional Document Recovery And Analysis.**

4 The Receiver and his staff continue to issue demand letters and, through counsel,
5 subpoenas as the forensic analysis identifies additional third parties with relationships to
6 the Receivership Entities. These efforts include ongoing discussions with a third-party
7 consumer-financing lender that appears to have partnered with the Entities to offer
8 installment loans to customers for the Entities' purported services.

9 **D. Additional Asset Recovery.**

10 The Receiver is conferring with counsel for the Individual Defendants to confirm
11 details concerning several potential Receivership Assets, such as sources of payment and
12 financing, title/ownership, and current location. As noted above, the Receiver intends to
13 seek turnover of any asset ultimately determined to be property of the Receivership
14 Entities.

15 **E. Mitigation of Consumer Harm.**

16 Since his appointment, the Receiver has undertaken several measures to mitigate
17 consumer harm, including: (1) directing third-party processors to cease collection efforts
18 for additional payments and canceling a number of transactions that were pending at the
19 time of appointment; (2) notifying customers (via the Receiver's website) and the Plaintiffs
20 of reports concerning an illegitimate program purporting to assist defrauded customers in
21 exchange for payment; and (3) posting ongoing notices and updates to customers on the
22 status of the receivership and related developments. By way of example, shortly after the
23 Receiver's appointment, former employees – including the Entities' former general counsel
24 – advised that a tax-filing deadline was imminent. Following a review of the consumer tax
25 materials then-available, the Receiver concluded there was insufficient information and
26 documentation to confirm the accuracy or completeness of any of the Entities' pre-
27 receivership tax preparations. To avoid compounding harm to customers based on
28 potentially inaccurate tax preparation materials, the Receiver determined not to proceed

1 with filings based on those materials and instead posted a notice on his website
2 recommending that customers consult an independent tax professional of their choosing.

3 **V. RECOMMENDATION AND PETITION FOR FURTHER INSTRUCTIONS.**

4 Based on the information presented herein, and given the Receiver's ongoing efforts
5 under this Court's orders, the Receiver believes that there is still significant work to be
6 performed and that certain identified Assets appear to remain subject to turnover to or
7 collection by the Receiver for the benefit of the Estate, in an amount potentially sufficient
8 to both cover the cost of the continued administration of the receivership and yield a
9 surplus that may be used to make partial restitution to injured customers. Of critical
10 importance is the Receiver's continued document recovery and financial analysis, as the
11 preliminary results of such efforts indicate that additional receivership entities and Assets
12 may exist. Accordingly, the Receiver recommends that the Court authorize him to
13 continue performing his duties as established under the Initial Appointment Order and
14 Preliminary Injunction, for a further ninety (90) days, at the conclusion of which the
15 Receiver further proposes to submit a *Second Interim Report and Petition for Instructions*
16 reporting the status of his efforts and further administrative recommendations regarding
17 the pendency of the instant receivership.

18 Dated: December 11, 2025

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
EDWARD G. FATES
JOSHUA A. DEL CASTILLO
ALPHAMORLAI L. KEBEH

22 By: /s/ Alphamorlai L. Kebeh

ALPHAMORLAI L. KEBEH
Attorneys for Receiver
STEPHEN J. DONELL

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CERTIFICATE OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017.

On December 12, 2025, I used the United States District Court, District of Nevada’s Electronic Case Filing System, with the ECF registered to Alphamorlai L. Kebeh to file the following document(s):

FIRST INTERIM REPORT AND PETITION FOR INSTRUCTIONS OF RECEIVER, STEPHEN J. DONELL

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

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

Executed on December 12, 2025, at Los Angeles, California.

/s/ Martha Diaz

Martha Diaz