

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED

MAR 23 2023

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
[Signature]

UNITED STATES COMMODITY §
FUTURES TRADING COMMISSION, §

Plaintiff, §

v. §

Civil Action No. A-12-CV-0862-LY

SENEN POUSA, INVESTMENT §
INTELLIGENCE CORPORATION, §
DBA PROPHETMAX MANAGED FX, §
JOEL FRIANT, MICHAEL DILLARD, and §
ELEVATION GROUP, INC., §

Defendants. §

**ORDER ON RECEIVER’S MOTION FOR DISTRIBUTION PLAN AND PROCEDURES
FOR APPROVAL OF DISBURSEMENT OF FUNDS TO APPROVED INVESTOR
CLAIMANTS FROM THE ING BANK SETTLEMENT**

This Order addresses the Receiver’s Motion for Distribution Plan and Procedures for Approval of Disbursement of Funds to Approved Investor Claimants from the ING Bank Settlement (the “Motion”). After considering the Motion, any responses, objections, or replies thereto, the arguments of counsel, if any, and the evidence in the record, the Court grants the Motion in full. Accordingly, the Court orders the Receiver to make distributions in connection with the ING Settlement Distribution Plan (the “ING Plan”).

The obligations, rights and responsibilities of the Receiver, the distribution agent Donlin Recano & Company, Inc. (the “DRC”) and the United States Commodities Futures Trading Commission (the “CFTC”) shall be as follows:

A. Treatment of Claims under the ING Plan

The ING distribution amount shall be apportioned among Investor Claimants on a pro rata basis. Such Investor Claimants shall receive payments equal to a percentage (the “Distribution Percentage”) of their allowed claim amounts as reflected in their Notice of Receiver’s Claim Determination sent by the Receiver to the Investor Claimants. The allowed claim amounts shall be based on the Investor Claimants’ net losses.

The distribution percentage can be represented mathematically as: $\text{ING Settlement Amount} \div \text{Investors' Allowed Claim Amounts} = \text{Distribution Percentage}$.

As of August 16, 2022, the aggregate of the Investors’ Allowed Claim Amounts equaled \$23,778,202.13. The Distribution Percentage, therefore, is calculated as follows:

$$\frac{\text{ING Settlement Amount}}{\$23,778,202.13} = 30\%$$

Investor Claimants shall receive distributions under the ING Plan equal to their allowed claim amounts as reflected in their Notice of Receiver’s Claim Determination multiplied by the distribution percentage.

B. Payments under the ING Plan

Payments under the ING Plan shall be made on a rolling basis, as the signed non-U.S. Citizens ING Waivers and Requests for Payment (the “Waivers”) are received and W-9 forms

¹As part of the terms of negotiating the prospective ING Settlement, the Receiver was required to sign a confidentially agreement with ING Bank which only allowed the Receiver to state how many cents on the dollar each investor would receive. The Receiver filed the settlement agreement under seal documents for this Court’s review [Dkt. #206]; The ING settlement was negotiated in Euros and ING asserted this is a material part of the agreement from its perspective, if approved by the Court, it will be payable in Euros, the Euro and the US dollar are fluctuating at a relatively narrow band at the present time; XE.com, (November 8, 2022). The distribution percentage was calculated 1.00 Euro = 1.0077 US dollar upon exchange rates on November 8, 2022.
Retrieved from <https://www.xe.com/currencyconverter/convert/?Amount=1&From=EUR&To=USD>

are received from U.S. citizens governed by tax laws. All payments to Investor Claimants living in U.S. shall be made via check. Investor Claimants that live outside of the continental U.S., shall receive their distribution via wire transfer. If a check is being made to compensate for losses that derive from accounts jointly owned or otherwise associated with two or more Investor Claimants, the Receiver shall issue the check jointly payable to both investors.

C. Execution of the ING Plan

The distribution under the ING Plan shall be made from the ING Settlement. The Receiver has 180 days to distribute the ING Settlement funds following the date upon which the Order approving the ING Settlement becomes final, and no further right of appeal or review exists. The Receiver shall use DRC as the distribution agent to facilitate the distribution of checks and Internal Revenue Service (“IRS”) 1099 forms.

The Responsibilities of the Receiver, DRC and the CFTC are outlined as follows:

1. The Receiver:

a. The Receiver shall use DocuSign envelopes to email all non-U.S citizen Investor Claimants the Waiver forms for their signature. If an Investor Claimant contacts the Receiver for an alternative method of receiving the Waiver form, the Receiver shall send it via the United States Postal Service (“USPS”).

b. Investor Claimants that do not live outside of the U.S. and are governed by U.S. tax laws shall receive a W-9 form inside the DocuSign envelope along with the W-9 form for electronic completion to expedite the distribution process.²

² Approved Investor Claimants’ that are U.S. citizens and live outside the continental U.S will receive a wire transfer template in their DocuSign envelope with the W-9 form.

c. Upon receipt of the W-9 forms, the Receiver shall forward the DocuSign envelope to DRC to take custody of the W-9 forms. For security and fraud purposes, the Receiver shall not copy or retain Investor Claimants' completed W-9 forms.

d. The Receiver shall provide DRC account opening instructions and wire transfer the funds to be distributed to a checking account which shall be established by DRC, at the Receiver's request.

e. On a rolling basis, as the Receiver receives signed and completed W-9 forms, every ten (10) business days the Receiver shall send a secure file via email to DRC with a schedule of investors with their names, addresses and claim amounts to be issued to those particular Investor Claimants.³

f. For Investor Claimants that are non-U.S. citizens and are not governed by U.S. tax laws, the Receiver's paralegals shall include a standardized wire transfer template within the DocuSign envelope with the Waiver.⁴

g. For Investor Claimants that live outside of the U.S. and are not governed by U.S. tax laws, upon receipt of signed Waivers and the completed wire transfer forms, the Receiver's paralegals, with oversight from the Receiver, shall send wire transfers.

h. The Receiver and the paralegals at the Hohmann Law Firm shall continue to communicate with investors via the Receivership email address and telephone calls to the Hohmann Law Firm to answer questions, update contact details and provide updates if

³ The Receiver will utilize ShareFile to send secure and sensitive Investor Claimants' names, addresses and claim amounts.

⁴ The Receiver shall use a wire transfer template to ensure all wire transfer fields are completed safely, securely and with complete wire transfer information.

applicable. The Receiver's paralegals shall also assist the Receiver in communications with DRC and assist with wire transfers.

i. If an Investor Claimant contacts the Receiver or his paralegals regarding the W-9 forms and or tax questions, the Receiver and his paralegals shall advise all Investor Claimants to contact DRC.

j. The Receiver shall review any Investor Claimants requesting exceptions to the steps outlined in this Order, assuming the Motion is granted, on a case-by-case basis.⁵

k. The Receiver shall keep detailed records of all fees and expenses that are incurred during the distribution phase of the ING Plan.

l. The settlement agreement with ING requires, the Receiver to return all unremitted ING settlement funds to ING within 180 days from the date upon which the Receiver obtains the settlement funds from ING Bank. The settlement agreement with ING Bank allows for the payment of up to four percent of the gross settlement amount to be utilized to affect the distributions to investors, including the payment of third parties the Receiver contemplates assisting in the distributions process, as well as the Receiver and his paralegals' time in settlement related activities including communication with investors (hereinafter referred to collectively as "the Distribution Expenses). Due to the constrained timeline, the Receiver is allowed to pay the non-Receiver Distribution Expenses without any further action from the Court.

⁵ If the Receiver completes a wire transfer in calendar year 2022 or 2023 for an Investor Claimant within the U.S. who is governed by U.S. tax laws, the Receiver shall forward those W-9 forms and the amount of the Investor Claimant's distribution to DRC to issue 1099's by January 31, 2023 or January, 31. 2024, for the applicable year.

m. The Receiver shall post a statement on the Receivership Facebook site and the Receivership website notifying the Investor Claimants when the distribution phase of the Settlement commences.

2. DRC:

a. DRC shall open a checking account upon receipt of instructions from the Receiver.

b. Once the checking account is opened, DRC shall provide the Receiver with the wire transfer account instructions.

c. DRC shall utilize their call center capabilities and operators to answer Investor Claimants' questions regarding the IRS requirements for the W-9 and 1099 forms. The DRC's call center operators shall return investors' calls within four (4) hours from 8am to 6pm (Eastern Standard Time) on business days and only bill for the time the agents are on the telephone.

d. Upon receipt of the Receiver's wire transfer and schedule of Investor Claimants to be issued a distribution check, DRC shall issue and mail checks via first class postage via USPS within two to three business days to the Investor Claimants in the amounts and to the addresses provided by the Receiver.

e. Each check shall state on its face "void after 180 days" from the date of issue.

f. If any checks mailed by DRC are returned as undeliverable, DRC shall forward them to the Receiver in batches on the end of each calendar month.

g. DRC shall not publish or release any Investor Claimant information. All Investor Claimant information is confidential and not public.

h. DRC shall retain and store securely all Investor Claimant's IRS W-9 forms received from the Receiver.

i. For investors that receive a payment of over \$600.00 in calendar year 2022, DRC shall issue each Investor Claimant a 1099 form no later than January 31, 2023. For investors that receive a payment of over \$600.00 in calendar year 2023, DRC shall issue a 1099 form no later than January 31, 2024.

j. The 1099 form shall be mailed via USPS first class mail to the address stated on the Investor Claimant's completed W-9 forms.

k. The DRC shall track and invoice all fees and expenses and submit invoices at the end of each month.


l. Upon request, DRC shall wire all remaining funds back to the Receiver.

3. The CFTC shall:

a. Continue to assist the Receiver in locating Investor Claimants that he has not been able to locate.


Having considered the Motion, the evidence presented, and arguments of counsel, if any, the Court concludes the Motion should be, and is hereby, GRANTED.

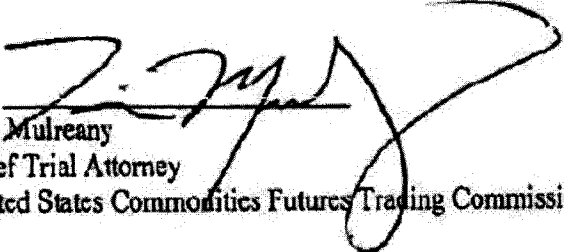
SIGNED this 23rd day of March, 2023.




LEE YEAKEL
UNITED STATES DISTRICT JUDGE

Approved as to Form and Substance:

By: 
Nellwyn Voorhies
President
Donlin Recano & Company, Inc.

By: 
Tim Mulreany
Chief Trial Attorney
United States Commodities Futures Trading Commission

By: 
Guy Hohmann
Receiver for IB Capital FX, LLC and Investment Intelligence Corporation

FFIN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

UNITED STATES COMMODITY FUTURES
TRADING COMMISSION,

Plaintiff,

V.

IB CAPITAL FX, LLC (A/K/A IB CAPITAL FX
(NZ) LLP) D/B/A IB CAPITAL, MICHEL
GEURKINK, AND EMADE ECHADI,

Defendants.

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CASE NO. A-12-CV-0862-LY

**RECEIVER’S MOTION FOR DISTRIBUTION PLAN AND PROCEDURES FOR
APPROVAL OF DISBURSEMENT OF FUNDS TO APPROVED INVESTOR
CLAIMANTS FROM THE ING BANK SETTLEMENT**

I. Introduction

Comes Now Guy M. Hohmann, this Court’s Appointed Receiver (“Receiver”) and files this Receiver’s Motion for Distribution Plan and Procedures for Approval of Disbursement of Funds to Approved Investor Claimants from the ING Bank Settlement (“Motion”) and respectfully shows unto the Court a distribution plan and procedures for Approval of Disbursement of Funds to Approved Investor Claimants from The ING Bank Settlement (the “ING Plan”) for disbursing funds derived from a prospective settlement between the Receiver and ING Bank (the “Settlement”).

II. Background

As previously reported to the Court, the Receiver, with the assistance of his U.S. and Dutch counsel, negotiated and entered into, a settlement agreement, subject to the Court's approval. As part of the terms of negotiating the pending ING Settlement, the Receiver was required to sign a confidentially agreement with ING Bank which only allowed the Receiver to state how many cents on the dollar each investor would receive. The Receiver filed the settlement agreement under sealed documents for this Court's review [Dkt. #206]. The total amount being paid under the settlement is stated in the sealed settlement agreement.

A copy of the settlement agreement with ING Bank was filed on December 22, 2021, as exhibit 1 to the Receiver's Motion for Leave to File Under Seal [Dkt. # 205]. The document was filed under seal as required by the settlement agreement because it contains confidential information (due to the settlement terms, wire transfer details and Investor Claimants' personal information). As part of the settlement negotiations, the Receiver is required to return all unremitted ING settlement funds to ING within 180 days from the date upon which the Receiver obtains the settlement funds from ING.

The settlement agreement does not constitute an admission or concession by ING of any violation of any statute or law, of any fault, liability, or wrongdoing or of any infirmity in the claims or defenses of the Parties. ING has always denied and continues to expressly deny any liability or wrongdoing.

III. ING Settlement

On June 14, 2022, the Court granted the Receiver's Motion to Approve Notice Procedures and to Set Hearing [Dkt. #207] and the Notice [Dkt. #236-1]. On June 17, 2022, The Receiver's paralegal emailed the Notice to all approved Investor Claimants at their email addresses on file

with the Receivership, posted an announcement on the Receivership Facebook page and the Receivership website.¹

The ING Settlement will permit the Receiver to make a distribution for pro rata restitution of approximately thirty (30) percent of the net cash losses of the investors.²

A. Claims Process and Settlement Plan

The Receiver established a formal process by which parties could submit claims to the Receivership Estate [Dkt. #100]. On August 11, 2015, the Court entered a Bar Date Order establishing a formal process for the submission of claims to the Receivership. [Dkt. # 101]. The Receivership received a total of 955 claims submitted through the Court-approved claims process.

B. Claims Reconciled

Over the course of the Receivership, due to various circumstances, the Receiver and/or his paralegals re-reconciled approximately three hundred (300) investor Claims of those which were submitted for an aggregate Total Claimed Amount of \$23,778,202.13 There are not any investor claims that remain unresolved.

1. Net Loss Approach

Many Investor Claimants asserted claims in their proofs of claim equal to the ending balance of the last statement which they received from IB Capital. In determining the allowed

¹ On July 12, 2022, the Receiver's paralegal completed calling the telephone numbers of the Investor Claimants provided the Receiver, during the claim process. She was able to reestablish contact with 19 out of 108 U.S. investors with whom the Receiver had lost contact. To date, we have not reestablished contact with non-responsive international investors. The number of outstanding nonresponsive investors total 116 (22 international and 108 in the US). 62 of the 108 investors have approved claims for membership fees. The Commodity Future's Trading Commission (the "CFTC") has been utilizing their resources to contact non-responsive international investors and request them to contact the Receiver. To date, none of those international investors have contacted the Receiver.

² The ING settlement was negotiated in Euros and ING asserted this is a material part of the agreement from its perspective, if approved by the Court, it will be payable in Euros, the Euro and the US dollar are fluctuating at a relatively narrow band at the present time; XE.com, (November 8, 2022). The distribution percentage was calculated 1.00 Euro = 1.0077 US dollar upon exchange rates on November 8, 2022.

Retrieved from <https://www.xe.com/currencyconverter/convert/?Amount=1&From=EUR&To=USD>

claim amounts, however, the Receiver has used the net loss approach, which is calculated on a “money in, money out” basis—*i.e.*, money paid into the scheme minus any money returned to the investor.

In regard to profits, as there never was any actual trading effectuated by IB Capital, there were no “profits” so that fictitious profits not available. The investors are only entitled to their original principal less any monies received from the Defendants. The CFTC’s judgment against the Defendants is accruing post-judgment interest since the date of the entry of the Consent Order for Permanent Injunction, Civil Monetary Penalty and Other Equitable Relief Against Defendants [Dkt. #24] (the “Consent Order”) on October 14, 2016. Post judgment interest is computed pursuant to 28 U.S.C.A. § 1961. That judgment began accruing interest from the date of the Consent Order and continues until the judgment is satisfied.

2. Pro Rata Distribution Calculation

Under the ING Plan, the Receiver would distribute funds to the defrauded Investor Claimants on a pro rata basis according to their allowed claim amounts, which are reflected in the Notice of Receiver’s Claim Determination (the “Notice of Determination”) sent by the Receiver to the Investor Claimants. Specifically, the Investor Claimants would receive approximately 30% (the “Distribution Percentage”) of their allowed claim amounts in this ING Settlement distribution.

3. Notices of Determination & Recipients of Payments under the ING Plan

The proposed settlement distribution will be based on the Investor Claimants’ allowed claim amounts as calculated by the Receiver and sent to Investor Claimants in a Notice of Determination which stated their allowed claim amount. [Dkt. #100]. The Investor Claimants

would then receive a settlement distribution payment equal to the Distribution Percentage multiplied by their allowed claim amounts.

4. Notification Letter

All approved Investor Claimants will receive a letter notifying them of their distribution amount from the ING settlement.

5. Waiver & Release Forms for Non-U.S. Citizens

As a pre-condition to receiving a distribution from the ING settlement funds, the approved Investor Claimants who are non-U.S. Citizens will also be receiving a document entitled “Settlement Acknowledgment, Waiver and Request for Payment” (the “Waiver”). By signing the Waiver, the Investor Claimants release all claims, known or unknown, against ING Bank N.V. and its direct and indirect group of companies, parents, subsidiaries, current and former employees, directors, officers, agents and insurers arising from or related to IB Capital FX, LLC (aka IB Capital FX (NZ) LLP) [Dkt. #231-1]. When the Receiver is provided a copy of the signed Waivers from the non-U.S. citizens, payments will then be made to approved Investor Claimants.

6. Proposed Retention of Professionals to Assist with the Distribution of Payments Under the ING Plan

As previously stated, the Receiver is proposing a distribution calculation of approximately 30 percent of each investors approved total claim (the “ING Distribution Amount”). Due to the tight time constraints of sending and receiving signed Waivers to approved non-U.S. Investor Claimants, and the IRS required reporting form W-9 to all U.S. Citizens governed by U.S. tax laws, the Receiver is proposing to use DocuSign to assist in expediting the execution of sending

and receiving the documents to adhere to the 180-day timeframe.³ (*See* exhibit 1). The Receiver is proposing to use Donlin Recano & Company, Inc. (“DRC”) as the distribution agent. Their roles and responsibilities are set forth in more detail, in the proposed Court’s Order for the Receiver’s Motion for Distribution Plan and Procedure for Approval of Disbursement of Funds to Approved Investor Claimants from the ING Bank Settlement. (*See* exhibit 2).

7. Administrative Expenses Associated with Distributions

As part of the negotiated ING settlement, ING agreed to pay up to four percent of the administrative expenses associated with the distribution. Also, as previously stated, the Receiver is proposing to use DRC and DocuSign. The budget for DRC is attached. (*See* exhibit 1) The informational pricing structure for DocuSign is attached. (*See* exhibit 2)

The professionals’ and paralegals roles and responsibilities are set forth in more detail, in the proposed Court’s Order for the Receiver’s Motion for Distribution Plan and Procedure for Approval of Disbursement of Funds to Approved Investor Claimants from the ING Bank Settlement. Due to the constrained 180-day timeline, the Receiver is requesting permission from the Court to pay the non-Receiver administrative distribution expenses without any further action from the Court.

IV. Argument & Authorities

A. The Court may approve any distribution plan that is fair and reasonable

Federal district courts have broad discretion in fashioning relief in equity receiverships. *See SEC v. Credit Bancorp, Ltd.*, 290 F.3d 80, 91 (2d Cir. 2002); *SEC v. Basic Energy & Affiliated*

³ DocuSign (August 9, 2022). “DocuSign is based in San Francisco, CA. It has over one million customers and hundreds of millions of signers in over 180 countries. Following established eSignature standards is the ideal way to reduce your risk and stay compliant with legal and industry requirements”
Retrieved from <https://www.docusign.com/how-it-works/global>

Res., Inc., 273 F.3d 657, 668 (6th Cir. 2001); *SEC v. Forex Asset Mgmt. LLC*, 242 F.3d 325, 328 (5th Cir. 2001); *SEC v. Elliott*, 953 F.2d 1560, 1566-67 (11th Cir. 1992); *SEC v. Hardy*, 803 F.2d 1034, 1037-39 (9th Cir. 1986). Pursuant to these broad powers, courts may authorize any distribution of receivership assets that is “fair and reasonable.” *SEC v. Wealth Mgmt. LLC*, 628 F.3d 323, 332-33 (7th Cir. 2010).

B. The Receiver’s ING Plan is fair and reasonable

1. The ING Plan Compensates the Investor Claimants, who are the Victims of the ProphetMax and IB Capital Fraud

The ING Plan is designed to compensate the Investor Claimants, which is fair and reasonable for at least two reasons. First, virtually all of the money that came into the scheme were stolen funds supplied by the Investor Claimants. Second, the Investor Claimants were the person’s most directly and substantially harmed by the IB Capital fraud.

2. Pro Rata Distribution among Investor Claimants is the Most Equitable Relief Available

In equity receiverships, federal courts overwhelmingly order pro rata distribution. *See United States v. Durham*, 86 F.3d 70 (5th Cir. 1996), *S.E.C. v. Forex Asset Mgmt. LLC*, 242 F.3d (5th Cir. 2001), *S.E.C. v Wealth Mgmt.*, 628 F.3d 325 (7th Cir. 2010); *S.E.C. v. Infinity Grp. Co.*, 226 F. App’x 217, 218 (3d Cir. 2007); *S.E.C. v. Capital Consultants, LLC*, 397 F.3d 733, 737, 746-47 (9th Cir. 2005); *S.E.C v. Forex Asset Management, LLC*, 242 F.3d at 331-32 (5th Cir. 2001); Pro rata distribution is “especially appropriate for fraud victims of a ‘Ponzi scheme.’” *S.E.C. v. Credit Bancorp*, 290 F.3d at 87-89 (2nd Cir. 2002). The equitable prerequisites for a pro rata distribution all exist in this case.

3. Distribution should be Pro Rata and Based on the Investor Claimants’ Net Losses

Courts routinely order that a pro rata distribution be based on the claimants’ net losses. A

claimant's net loss equals the amount paid into the scheme by the claimant minus the total amount paid to the claimant. This approach is sometimes referred to as a "money in, money out formula.

The net loss approach is particularly appropriate for investors in a fraudulent financial scheme. Investors are only allowed to recover on the basis of money they actually paid into the scheme; interest reported to investors but never paid is fictitious and thus given no weight in the net loss calculation. *See In re Bernard Madoff Inv. Sec. LLC*, 654 F.3d 229, 238 (2d Cir. 2011) (affirming court order distributing Ponzi scheme's assets based on net losses rather than customers' account balances because "the profits recorded over time were after-the-fact constructs").

V. Conclusion and Prayer

The Receiver's Motion for Distribution Plan and Procedures for Approval of Disbursement of Funds to Approved Investor Claimants from The ING Bank Settlement process will commence when and if the Court approves of the ING Settlement and the Court's Order for this Motion. For the foregoing reasons, the Receiver respectfully requests the Court approve the Receiver's Motion for Distribution Plan and Procedures for Approval Of Disbursement of Funds to Approved Investor Claimants from the ING Bank Settlement.

Respectfully submitted,
THE HOHMANN LAW FIRM, LLC

By: /s/ Guy Hohmann
Guy Hohmann
State Bar No:
guyh@hohmannlaw.com
114 W. 7th Street, Suite 1100
Austin, Texas 78701
(512) 495-1438
(512) 499-0094 (Facsimile)

CERTIFICATE OF CONFERENCE

I have conferred with Timothy Mulreany, counsel for the Commodities Futures Trading Commission (the “CFTC”). The CFTC is not opposed to this motion.

By: /s/ Guy Hohmann
Guy Hohmann

CERTIFICATE OF SERVICE

On November 15, 2022, I electronically filed the foregoing document with the Clerk of the Court of the U.S. District Court, Western District of Texas.

I hereby certify that I will serve Defendants individually or through their counsel of record, electronically, or by other means authorized by the Court or the Federal Rules of Civil Procedure.

By: /s/ Guy Hohmann
Guy Hohmann



DONLIN RECANO

An AST Company

Claims and Noticing Agent Information

PRESENTED TO:

Ryn Hohmann
Senior Paralegal
The Hohmann Law Firm
114 W. 7th Street Suite 1100
Austin, Texas 78701

DATE:

November 15, 2021

Donlin, Recano & Company (“DRC”) appreciates the opportunity to submit this proposal to serve as the disbursing and noticing agent for your receivership, and is pleased to provide you with more information about our company and the services we offer. We understand you have been appointed as the receiver over a matter, and will need noticing and disbursement to the creditors and interested parties in the case, to include checks, wire transfers, forms 1099 and W9, and possibly other documents and communications.

DRC has extensive experience with both small and large matters, receiverships, assignments for the benefit of creditors, bankruptcy cases, and class action matters. We are very conscious of the costs involved in all cases. We have a long history of managing small, mid-size, and large complex cases. A complete client list can be found on our website at:

www.donlinrecano.com/Clients/ClientHistory.

DRC works with its clients to ensure smooth, seamless distributions to claimants. As the disbursing agent, DRC manages designated bank accounts, prepares assigned distribution amounts for each recipient and coordinates the disbursement of proceeds to appropriate claimants.

We help to develop the distribution process and track payment activities and distribution status. Other services include: (i) assuring check protection with an antifraud check verification system; (ii) processing letters of transmittal; (iii) wire transfers; (iv) solicitation of tax information; and (v) generating requisite tax information (forms 1099 and W9) and otherwise complying with US Treasury Department and IRS procedures.

Our office can notice parties by mail or email, assist with setting up an informational website, virtual data room, case email, and call center phone number. **Our services are modular; choose only those you need.**

American Stock Transfer and Trust Company (“AST”) is an integrated global financial communications and stakeholder management company, with offices in New York, Philadelphia, London, and Toronto. As part of the AST family, and an affiliate of DF King, we are able to leverage the full suite of AST service offerings for the benefit of our clients, including escrow services for professional fee services, sale escrows, liquidating trusts and distribution accounts.

The DRC Difference: Experience, Technology, Efficiency

Experience –

- Over 25 years of experience
- Noticed millions of claimants in more than 60 languages, globally
- Extensive Receivership and Assignment experience
- Administered billions of dollars in claims

Technology –

- Technology is the foundation upon which our business is built.
- Robust infrastructure ensures secure data with continuous real-time availability for the management of claims
- Data encryption for confidentiality

Efficiency –

- Guaranteed competitive pricing
- Exemplary service performed swiftly and efficiently

*Efficiency Coupled with
Discounted Rates Yield the
Lowest Real Cost.*

Billing Rate and Cost Information

Professional Service	Hourly Rates
Executive Staff	No charge
Senior Consultant	\$185
Case Manager	\$150
Technology/Programming Consultant	\$120
Consultant/Analyst	\$90
Clerical	\$45
Disbursing and Noticing Service	
Laser Printing/ Photocopies	\$.08 per Image
Personalization/ Labels	WAIVED
Fax (Incoming)	WAIVED
Fax Noticing	\$.08 per Page
Postage and Overnight Delivery	At Cost
Electronic Noticing	Hourly rates apply
Publication Services	At Cost
Check Processing Fee	\$2.00 per Check
Wire Transfer Fee	\$2.00 per Transfer
W9 Form Issuance	\$2.00 per W9 Form
1099 Form Issuance	\$2.00 per 1099 Form
Claims Docketing and Management	
Website Development	WAIVED
Web Hosting	WAIVED
Creditor Data Storage/ Electronic Document Storage	\$.05 per record monthly
Document Imaging	\$.08 per Image
Electronic Claims filing	No Set-up charge or per claim charge
Data Room Services	
DRC DocuLinks™ Virtual Data Room Services	Hosting WAIVED
Data Room Development	\$90 per Hour
Miscellaneous	
Escrow Agent Services	Competitive Interest Rates
Out-of-Pocket Expenses (including any required travel)	At Cost
Call Center Operators	\$65 per hour

We appreciate the opportunity to submit this information and welcome the opportunity to work with your team; we are confident we will be able to exceed your expectations. If there is any information we can provide, please contact us at your convenience - we are available at all times.

Sincerely,



Nellwyn Voorhies
Executive Director
nvoorhies@donlinrecano.com

New York
48 Wall Street
New York, New York 10005

Brooklyn Operations Center
6201 15th Avenue
Brooklyn, New York 11219

Summary of Estimated Expenses for DRC ING Settlement Distribution
(See page 6 for breakdown of fees and expenses)

- I. **Check Distribution = \$4,547.00**
 - Open bank account and prepare check template;
 - Prepare distribution database; and load investors on rolling basis;
 - Print checks and one-page cover letter to 575 investors and mailing via First Class US mail.

- II. **1099 Mailing (tax year 2022) = \$3,547.00**
 - Administrative and consulting with client and investors;
 - Prepare 1099 database for 1099 MISC Form ;
 - Mailing via First Class US mail to investors and IRS filing.

- III. **General Case Administration (six months x \$1,861.00) = \$11,166.00**
 - Administrative and consulting with client and investors call center check reissuances;
 - RPO handling process daily cashed checks;
 - Prepare monthly reconciliation reports, etc.

- IV. **Total Estimated Expenses for First Interim Distribution: \$19,250.00**

BUDGET & BREAKDOWN FOR FIRST INTERIM DISTRIBUTION

- I. **Check Distribution** - Open bank account and prepare check template; Prepare distribution database; and load investors on rolling basis; Print checks and one-page cover letter to 575 investors and mailing via First Class US mail. **Total: Distribution Cost for First Interim Distribution = \$4,537.00 (breakdown below)**

Descriptions	UNITS/HOURS	RATE	TOTALS
Admin	5	\$45.00	\$225.00
Consulting	5	\$120.00	\$600.00
	5	\$150.00	\$750.00
	5	\$185.00	\$925.00
Programming	5	\$90.00	\$450.00
Printing	575	\$0.08	\$46.00
Envelope Printing	575	\$0.08	\$46.00
Check Fee	575	\$2.00	\$1,150.00
Postage*	575	\$0.60	\$345.00

- II. **1099 Mailing (tax year)** Administrative and consulting with client and investors, prepare 1099 database for 1099 MISC Form mailing via First Class US mail to investors and IRS filing. **Total 1099 Mailing = \$3,547.00 (Breakdown below)**

Descriptions	UNITS/HOURS	RATE	TOTALS
Admin	5	\$45.00	\$225.00
Consulting	2	\$120.00	\$240.00
	2	\$150.00	\$300.00
	5	\$185.00	\$925.00
Programming	3	\$90.00	\$270.00
Printing	575	\$0.08	\$46.00
Envelope Printing	575	\$0.08	\$46.00
1099 Fee	575	\$2.00	\$1,150.00
Postage	575	\$0.60	\$345.00

- III. **General Case Administration (monthly)** Administrative and consulting with client and investors, call center, check reissuances, RPO handling, process daily cashed checks, prepare monthly reconciliation reports, etc. = **Total Six (36 months x \$1,861.00 = \$11,166.00 (Breakdown below)**

Descriptions	UNITS/HOURS	RATE	TOTALS
Tech support/website maintenance/database reconciliation and upkeep	5	\$90.00	\$450.00
Consulting	3	\$120.00	\$360.00
	3	\$150.00	\$450.00
Call Center	5	\$65.00	\$325.00
Document Storage	2,875	\$0.08	\$230.00
Data Storage	575	\$0.08	\$46.00

- IV. **Total Estimated Expenses for ING Bank Settlement Distribution: \$19,250.00**

From: [Eddie Villarreal](#)
To: [Ryn Hohmann](#)
Subject: DocuSign Info & Pricing
Date: Tuesday, August 9, 2022 9:44:23 AM
Attachments: [Screen Shot 2022-08-09 at 7.38.51 AM.png](#)

Hi Ryn,

Thank you for connecting with me yesterday, below is some content for you and your team to review, it is a bit word/link heavy, but it has some tangible resources to explore before our next conversation.


[Brief Product Overview Video- “commercial”](#)
[DocuSign eSignature Platform Demo Video](#)

Resources For Park & Longstreet

- [Bulk Sending](#)
- Custom Fields & Forms
- [Legality and Security](#)
- [Signer Attachments](#)

Envelope (Transaction Methodology) Definition: For reference, an envelope constitutes a transaction and can involve one or multiple signatories, documents, and pages as long as they are contained in the same sending event and routed along the same workflow sequence.

Pricing Proposal

						
The Hohmann Law Firm						
Discount Valid Until 8/31						
12 Month Contract	Quantity	List Price	List Price Total	Discount %	Discount Price/Unit	Discounted Total
<i>Business Pro Edition - Envelopes</i>	860	\$4.80	\$4,128.00	35.0%	\$3.12	\$2,683.20
<i>SMS Text</i>	0	\$0.00	\$0.00	20.0%	#DIV/0!	\$0.00
<i>Silver Success Package</i>	1	17%	\$701.76	N/A	\$0.53	\$456.14
<i>Adoption Consulting- One Time Fe</i>			\$0.00		\$0.00	\$0.00
			Annual List		Total Contracted	\$3,139.34
Savings vs List						\$1,690.42

Next Steps:

- I will send you your official contract on 8/9

Eddie Villarreal | Account Executive|



DocuSign Inc.

Invoice Date: Aug 26, 2022
 Invoice #: INV35717915
 Payment Terms: Due Upon Receipt
 Due Date: Aug 26, 2022
 Account Name: The Hohmann Law Firm
 Billing Account #: A01934156

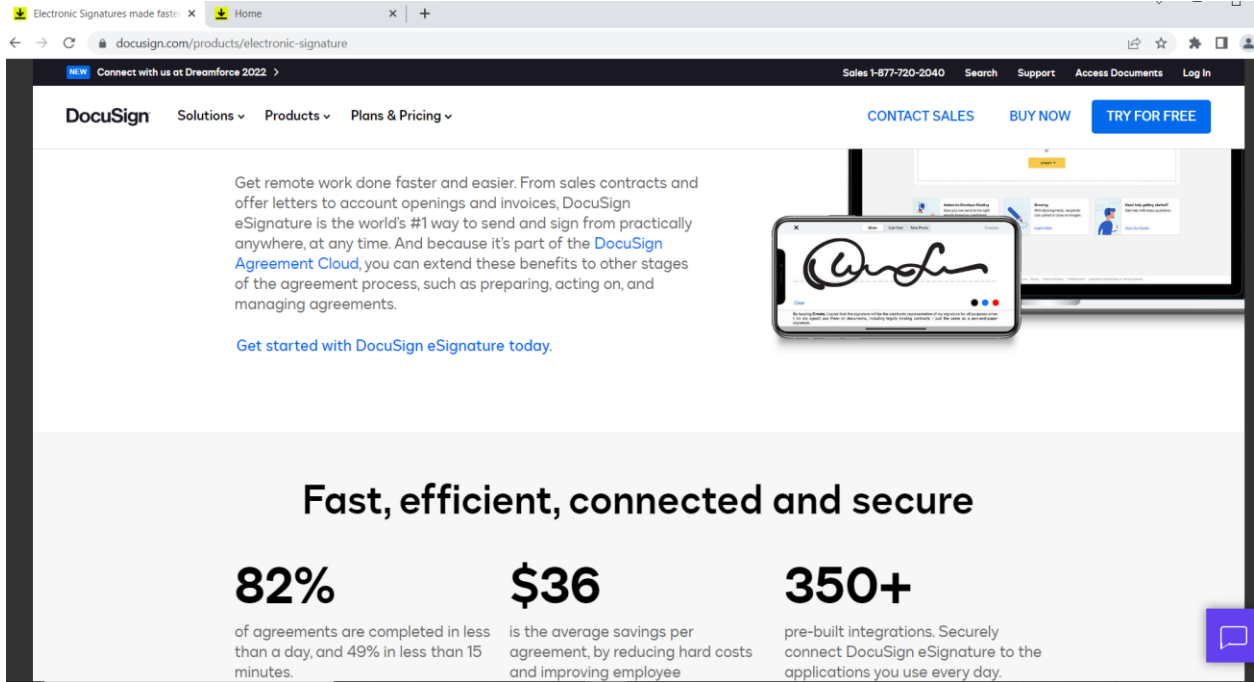
Bill To: The Hohmann Law Firm
 guyh@hohmannlaw.com
 114 W 7TH St Ste 1100
 Austin
 Texas 78701-3015
 United States

Ship To: The Hohmann Law Firm
 rynh@hohmannlaw.com
 114 W 7TH St Ste 1100
 Austin
 Texas 78701-3015
 United States

PO Number	Description	Service Period	Quantity	Tax Amount	Extended Price
	eSignature Business Pro Edition - Envelope Subs.- <i>Envelope Allowance</i>	08/26/2022- 08/25/2023	860	177.10	2,683.20
	Silver Success Pack: Campus Pass Individual-Silver <i>Success Pack: Campus Pass Individual</i>	08/26/2022- 08/25/2023	1	0.00	93.91
	Silver Success Pack: Support Services-Silver <i>Success Pack: Support Services</i>	08/26/2022- 08/25/2023	1	17.72	268.32
	Silver Success Pack: Adoption Services-Silver <i>Success Pack: Adoption Consulting</i>	08/26/2022- 08/25/2023	1	6.20	93.91
Subtotal:					3,139.34
Tax*:					201.02
Total:					3,340.36
Currency:					USD

TRANSACTIONS ASSOCIATED TO THIS INVOICE	
Total Adjustments	0.00
Total Credits	- 0.00
Total Payments	- 0.00
Invoice Balance	3,340.36
Currency	USD

PLEASE NOTE THE NEW REMIT TO BANKING INFORMATION BELOW



DocuSign. September 9, 2022 Retrieved from: <https://www.docusign.com/products/electronic-signature>