

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

UNITED STATES SECURITIES §
AND EXCHANGE COMMISSION, §

Plaintiff, §
§
§

v. §
§
§

THE HEARTLAND GROUP VENTURES, LLC; §
HEARTLAND PRODUCTION AND RECOVERY §
LLC; HEARTLAND PRODUCTION AND §
RECOVERY FUND LLC; HEARTLAND §
PRODUCTION AND RECOVERY FUND II LLC; §
THE HEARTLAND GROUP FUND III, LLC; §
HEARTLAND DRILLING FUND I, LP; CARSON §
OIL FIELD DEVELOPMENT FUND II, LP; §
ALTERNATIVE OFFICE SOLUTIONS, LLC; §
ARCOOIL CORP.; BARRON PETROLEUM §
LLC; JAMES IKEY; JOHN MURATORE; §
THOMAS BRAD PEARSEY; MANJIT SINGH §
(AKA ROGER) SAHOTA; and RUSTIN §
BRUNSON, §
§
§

No. 4-21CV-1310-O-BP

Defendants, §
§
§

and §
§
§

DODSON PRAIRIE OIL & GAS LLC; PANTHER §
CITY ENERGY LLC; MURATORE FINANCIAL §
SERVICES, INC.; BRIDY IKEY; ENCYIPHER §
BASTION, LLC; IGROUP ENTERPRISES LLC; §
HARPRIT SAHOTA; MONROSE SAHOTA; §
SUNNY SAHOTA; BARRON ENERGY §
CORPORATION; DALLAS RESOURCES INC.; §
LEADING EDGE ENERGY, LLC; SAHOTA §
CAPITAL LLC; and 1178137 B.C. LTD., §
§
§

Relief Defendants. §
§
§
§

**RECEIVER'S SEVENTEENTH QUARTERLY REPORT FOR RECEIVERSHIP ESTATES
(OCTOBER 1, 2025 – DECEMBER 31, 2025)**

Deborah D. Williamson, in her capacity as the Court-appointed Receiver (the “Receiver”) for the Receivership Parties (as defined in the Court’s December 2, 2021 *Order Appointing Receiver* [ECF No. 17] (the “Receivership Order”)) and receivership estates (collectively, the “Receivership Estates”) in the above-captioned case (the “Case” or “Receivership”), hereby files this *Receiver's Seventeenth Quarterly Report for Receivership Estates* (the “Report”) for the period of October 1, 2025 to December 31, 2025.¹ The Receivership Order requires the Receiver to file a report within thirty (30) days of the end of each calendar quarter. Reasonable efforts have been made to fairly and accurately summarize the current status of the Receivership but any summary, of necessity, will omit details. The Receiver will be available to attend a status conference or otherwise respond to the Court’s questions at the Court’s request.

I. OVERVIEW

1. During this Reporting Period (defined below), the Receiver and her team spent time preparing the two recovered Bahamas real properties (together, the “Bahamas Properties”) for sale, reconciling the bank accounts and reviewing the appropriate financial documents to prepare for 2025 tax returns, communicating with investors, vendors, and governmental agency contacts, and winding down and/or terminating certain Receivership Parties. The Receiver and her team continue to analyze various records relating to other potential assets and/or claims of the Receivership Estates.

2. The Receiver and her counsel continued communications with investors (known and potential) and other creditors via email and phone during the Reporting Period about the status

¹ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed in the Receivership Order.

of the Case, prior distributions, the Court-approved modified farmout agreement, and the Bahamas Properties.

3. At the beginning of the fourth quarter of 2025, the Receiver had \$1,429,443.67 on deposit. At the end of this Reporting Period (defined below), after issuance of Court-approved distributions, and payments of operating expenses and Court-approved fees and expenses, the amount on deposit was \$1,277,429.13. As of the filing of this Report (January 31, 2025), \$1,277,502.36 is in the Receivership bank accounts.

II. BACKGROUND

4. On December 1, 2021, the United States Securities and Exchange Commission (the “Commission”) filed its *Emergency Motion for a Temporary Restraining Order and Emergency Ancillary Relief* [ECF No. 3], which included an application for the appointment of a receiver for the Receivership Parties.

5. On December 2, 2021, this Court determined that entry of an order appointing a receiver over the Receivership Parties was both necessary and appropriate to marshal, conserve, hold, and operate all of the Receivership Parties’ assets pending further order of this Court. Accordingly, the Court entered the Receivership Order on December 2, 2021, appointing Deborah D. Williamson as the Receiver over the Estates in this Case [ECF No. 17]. That same day, the Court entered the *Order for Temporary Restraining Order and Other Emergency Relief* [ECF No. 12].

6. Pursuant to the Receivership Order, the Receiver is charged with:

marshaling and preserving all the assets of the Defendants (the “Receivership Assets”) and those assets of the Relief Defendants that: (a) are attributable to funds derived from investors or clients of the Defendants; (b) are held in constructive trust for the Defendants; (c) were fraudulently transferred by the Defendants;

and/or (d) may otherwise be includable as assets of the estates of the Defendants (collectively, the “Recoverable Assets”).

Receivership Order, ¶ 2.

7. Additionally, the Receivership Order provides:

Within thirty (30) days after the end of each calendar quarter, the Receiver shall file and serve a full report and accounting of each Receivership Estate (the “Quarterly Status Report”), reflecting (to the best of the Receiver’s knowledge as of the period covered by the report) the existence, value, and location of all Receivership Property, and of the extent of liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of the Receivership Estates.

Receivership Order, ¶ 56.

8. The Quarterly Status Report is directed to contain the following:

- A. A summary of the operations of the Receiver;
- B. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
- C. A schedule of all the Receiver’s receipts and disbursements (attached as Exhibit A to the Quarterly Status Report), with one column for the quarterly period covered and a second column for the entire duration of the receivership;
- D. A description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended;
- E. A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and (ii) collecting such judgments);
- F. A list of all known creditors with their addresses and the amounts of their claims;
- G. The status of Creditor Claims Proceedings, after such proceedings have been commenced; and

H. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

Receivership Order, ¶ 57.

9. As stated above, the Receiver was appointed on December 2, 2021. The Receiver previously filed the *Receiver's First Quarterly Report for Receivership Estates* [ECF No. 126] for the period of December 2, 2021 through December 31, 2021. The *Receiver's Second Quarterly Report for Receivership Estates* [ECF No. 189] was filed May 2, 2022, covering the period of January 1, 2022 through March 31, 2022. The *Receiver's Third Quarterly Report for Receivership Estates* [ECF No. 242] was filed July 30, 2022, covering the period of April 1, 2022 through June 30, 2022. The Receiver's *Fourth Quarterly Report for Receivership Estates* [ECF No. 274] was filed October 31, 2022, covering the period of July 1, 2022 through September 30, 2022. The *Receiver's Fifth Quarterly Report for Receivership Estates* [ECF No. 320] was filed January 27, 2023, covering the period of October 1, 2022 through December 31, 2022. The *Receiver's Sixth Quarterly Report for Receivership Estates* [ECF No. 350] was filed on April 14, 2023, covering the period of January 1, 2023 through March 31, 2023. The *Receiver's Seventh Quarterly Report for Receivership Estates* [ECF No. 386] was filed on August 14, 2023, covering the period of April 1, 2023 through June 30, 2023. The *Receiver's Eighth Quarterly Report for Receivership Estates* [ECF No. 426] was filed on October 30, 2023, covering the period of July 1, 2023 through September 30, 2023. The *Receiver's Ninth Quarterly Report for Receivership Estates* [ECF No. 452] was filed on January 30, 2024, covering the period of October 1, 2023 through December 31, 2023. The *Receiver's Tenth Quarterly Report for Receivership Estates* [ECF No. 496] was filed on April 30, 2024, covering the period of January 1, 2024 through March 31, 2024. The *Receiver's Eleventh Quarterly Report for Receivership Estates* [ECF No. 571] was filed on July 16, 2024, covering the period of

April 1, 2024 through June 30, 2024. The *Receiver’s Twelfth Quarterly Report for Receivership Estates* [ECF No. 601] was filed on October 17, 2024, covering the period of July 1, 2024 through September 30, 2024. The *Amended Receiver’s Thirteenth Quarterly Report for Receivership Estates* [ECF No. 668] was filed on January 6, 2025, covering the period October 1, 2024 through December 31, 2024. The *Receiver’s Fourteenth Quarterly Report for Receivership Estates* [ECF No. 740] was filed on April 29, 2025, covering the period of January 1, 2025 through March 31, 2025. The *Receiver’s Fifteenth Quarterly Report for Receivership Entities* [ECF No. 767] was filed on July 16, 2025, covering the period of April 1, 2025 through June 30, 2025. The *Receiver’s Sixteenth Quarterly Report for Receivership Entities* [ECF No. 795] was filed on October 30, 2025, covering the period of July 1, 2025 through September 30, 2025. This Report covers the period of October 1, 2025 through December 31, 2025 (the “Reporting Period”). Certain information or activity subsequent to December 31, 2025, may be included for context and/or completeness.

10. In prior quarterly reports, the Receiver has discussed in great detail the Court-approved claims procedure, distribution methodology, and distribution plan. As such, that content will not be repeated in this Report. Prior quarterly reports filed by the Receiver are available to access free of charge on the Receivership website at <https://heartlandreceivership.com/receiver-reports>.

11. If and when the Receiver determines that additional funds are available for distribution and/or the Receivership closes, the Receiver may propose future distribution(s). The Receiver does not believe that there will be another significant distribution to investors or other creditors absent a substantial recovery from the sale of the Bahamas Properties, Val Verde and

Crockett counties with respect to the Court-approved modified farmout agreement, and/or the *Final Judgments* entered by this Court.

12. **The Receiver does not believe that the ultimate recovery will be sufficient to return the full amount of principal contributions to Heartland investors and pay in full all claims of non-investor creditors.**

13. On March 25, 2025, the Court entered the *Order* [ECF No. 727] closing this Case for administratively for statistical purposes. The Receiver continues her work to maximize the ultimate recovery to the Receivership Estates as detailed in this Report.

III. GENERAL OVERVIEW

14. The Receivership Parties were generally in the business of investing in, purchasing, operating, and producing oil and gas assets. Certain Receivership Parties also own (or owned) real estate and other property. The Receiver has continued to actively recover and investigate assets and liabilities of the Receivership Estates. In prior quarters, the Receiver has taken possession of and sold two aircraft, vehicles, multiple pieces of oil field and construction equipment, real property, Dallas Cowboy tickets, and personal property and abandoned hundreds of operating and non-operating wells that could not be sold, pursuant to Court-approved sale procedures. The Receiver has obtained and preserved hard and electronic data from multiple locations controlled by one or more Receivership Parties, their former counsel, and in Panama. The Receiver and her team have analyzed thousands of documents, including, but not limited to, oil and gas documentation, bank account statements, and document production from various parties in interest. The Receiver and her team prepared for and participated in a mediation and entered into a mediator's proposal, which, ultimately, resulted in the settlement of significant causes of action, including against Locke Lord. The Receiver has worked with various counsel, including, but not limited to, her lead counsel, Dykema Gossett PLLC ("Dykema"), Romero | Kosub, the Law

Practice of Darrell R. Jones, PLLC, Reid Collins Tsai LLP, and Higgs & Johnson (“H&J”). The Receiver has also worked closely with Ahuja & Clark, PLLC n/k/a Ahuja & Consultants, Inc. (“A&C”) on tax, accounting, and tracing issues, Vicki Palmour Consulting LLC on regulatory, compliance, abandonment, and escheatment issues, and PricewaterhouseCoopers Advisory (Bahamas) Limited (“PwC”) to assist her in The Bahamas with various responsibilities related to the Bahamas Properties. Many of the tasks performed by the Receiver apply equally to each of the Receivership Estates. Accordingly, the statements and reports contained within this Report should be read to apply equally to each of the Receivership Estates, except where specifically noted to apply to a specific Receivership Estate.

IV. REPORT

A. BAHAMAS PROPERTIES

15. On November 19, 2025, the Receiver filed the *Motion for Approval of Real Property Sale Procedures for the Bahamas Properties and Request for Leave to Shorten Time and Expedite Consideration* [ECF No. 798], seeking approval of procedures governing the sale of the Bahamas Properties, including limiting the number of appraisals, procedures for employment of a broker, and compensation of H&J.

16. On December 3, 2025, the Court entered the *Order Granting Receiver’s Motion for Approval of Real Property Sale Procedures for the Bahamas Properties and Request for Leave to Shorten Time and Expedite Consideration* [ECF No. 803] (the “Sale Procedures Order”).

17. A high level overview of the tasks and activities supervised, directed, or performed by PwC during this Reporting Period includes:

A. Upkeep and Security

- Planned and performed on-island work for the Bahamas Properties, including multiple site visits to each of the Bahamas Properties.

- Initial interior cleaning and exterior landscaping for the Bahamas Properties.
- Installation of Starlink devices for internet connection at each of the Bahamas Properties.
- Installation of cameras with motion detection at each of the Bahamas Properties for additional security purposes and to meet insurance requirements and ongoing monitoring of security cameras.
- Investigated potential security breaches at the Bahamas Properties.
- Installation of hurricane shutters at the Greenwood Estates property.
- Walkthrough of both of the Bahamas Properties with a Nassau-based plumber to obtain quotes for repairs. Obtained and discussed quote with Receiver. Repairs to the Bahamas Properties are scheduled to begin in late February 2026 given the lead time to order and ship the materials to Cat Island.
- Established a relationship with a local workman who will assist with ongoing general maintenance, as needed, and assist with collection of items from mailboat² and other on-island needs.
- The field work and installations were the most time-intensive activities and were critical to enable reliable communications and remote monitoring of the Bahamas Properties and to progress repairs ahead of marketing for sale.

² Mail and supplies are primarily delivered to Cat Island, The Bahamas, via a government-subsidized mailboat system operating from Potter's Cay Dock in Nassau, The Bahamas.

B. Administrative Tasks

- Negotiated and obtained insurance coverage for both of the Bahamas Properties.
- Coordinated with the Central Bank of The Bahamas to secure approval for currency designation for new bank account in The Bahamas, which includes both BSD and USD designations.
- Completed the Know Your Customer (KYC) process required to open account at the Central Bank of The Bahamas and maintain ongoing communication with the bank to satisfy all onboarding requirements.
- Commenced selection process of shortlisted real estate firms to market and sell the Bahamas Properties.
- Obtained and discussed quote for appraisals of the Bahamas Properties with Receiver.

B. VAL VERDE/CROCKETT COUNTIES' OIL AND GAS PROPERTIES

18. The operations of SDMB Resources LLC ("SDMB"), as farmee and contract operator, in Val Verde and Crockett counties have continued to deliver very little production. SDMB asserts that it continues to address operational issues in hopes of increasing production. During the Reporting Period, the Receiver did not receive any money from SDMB representing revenue from production relating to the Court-approved modified farmout agreement.

C. POTENTIAL CLAIMS

A. *Simplex Belli / Xplor Mobility*

19. During this Reporting Period, the Receiver continued investigating the alleged relationship between certain Heartland-related Receivership Parties, Simplex Belli (as defined below), and Xplor Mobility (as defined below) based on information received from Defendant

Rustin Brunson (“Brunson”), former fund manager and general counsel to Heartland-related Receivership Parties and publicly available information.

20. Based on information and records available to the Receiver, on or about January 22, 2021, Receivership Party The Heartland Group Fund III LLC (“Fund III”) wired \$200,000.00 to “Simplex Belli Partners LLC” (“Simplex Belli”), which was accompanied with the memo “Xplor Mobility” (“Xplor Mobility”). It appears that Simplex Belli was a hedge fund formed on or about April 8, 2019, as a Florida limited liability company. Based on the Simplex Belli second quarter 2021 update provided to Brunson prior to this Case, Simplex Belli either invested in or was involved in the operations of Xplor Mobility in the United Arab Emirates (“UAE”).

21. To date, the Receiver has not located any investment agreement or Fund III-related documentation for Simplex Belli or Xplor Mobility.³ Only a marketing brochure, financial projections, and valuation forecast for Xplor Mobility and Simplex Belli’s second quarter 2021 update have been located.

22. Based on Xplor Mobility’s marketing brochure, it was created in August 2019 as “the solution for micromobility in the UAE” and announced strategic partnerships with “Ajaman [sic] Crown Prince UAE”⁴ in January 2020, “Tanner Fox” in June 2020, and “Strategic Hotel Partnership” in December 2020. The marketing brochure also provides that the initial scooter order was placed in December 2020 and final testing and pre-launch preparations in Ajman, of the emirates in the UAE, occurred in January 2021. In February 2021, Xplor Mobility

³ The marketing brochure lists the name of the investment as “Xplor Micromobility” instead of Xplor Mobility. Information regarding the “Xplor Micromobility” and/or “Xplor Mobility” investment(s) appear in this Report as Xplor Mobility.

⁴ The marketing brochure provides that Xplor Mobility’s “partnerships with Royal families in the UAE ensure we will be able to operate with no headwinds and without fear of competition.”

appears to have launched its micromobility scooters in Ajman, UAE. Based on its marketing materials. Xplor Mobility anticipated expanding its operations to include the emirates of Fujairah, Ras al Khaimah, and Sharjah by targeting hotels and universities.

23. In its second quarter 2021 update, Simplex Belli details Xplor Mobility's initial scooter launch in Ajman, UAE, manufacturing and geographical challenges of the scooters, and quarterly results.

24. On or around January 25, 2024, Simplex Belli voluntarily filed a *Notice of Dissolution* with the Florida Secretary of State due to "lack of business revenue and future possibilities."

25. Based on an internet search on the National Economic Register website of the UAE's Ministry of Economy, it appears that Xplor Mobility's business license expired on March 11, 2025. No other records have been located for Xplor Mobility.

26. The Receiver anticipates filing a notice of abandonment of any Receivership Party's interest in Simplex Belli and/or Xplor Mobility based on current information.

B. *Mary Louise Ridinger and/or Bonampak, SA*

27. During this Reporting Period, the Receiver continued investigating multiple pre- Receivership monetary payments totaling at least \$125,000.00 in wire transfers from Fund III to Mary Louise Ridinger and/or Bonampak, SA without apparent consideration.

28. On July 17, 2025, the Receiver sent a demand letter to Mary Louise Ridinger seeking to recover the monetary payments. The Receiver has not received a response from Ms. Ridinger or Bonampak, SA, a company affiliated with her. Based on a recently published NEW YORK TIMES article, Ms. Ridinger founded JadeMaya, an integrated jade and jewelry company, in 1974, which is the largest jadeite Jade operation in America, and lives in Antigua,

Guatemala. The Receiver continues her attempts to contact Ms. Ridinger or Bonampak, SA; however, she has not received a response as of the filing of this Report.

C. *Ramiro Lemus Villeda*

29. During this Reporting Period, the Receiver continued investigating multiple pre- Receivership monetary payments totaling at least \$375,000.00 in wire transfers from Fund III to Ramiro Lemus Villeda without apparent consideration.

30. On July 17, 2025, the Receiver sent a demand letter to Ramiro Lemus Villeda seeking to recover the monetary payments. The Receiver's team continues to investigate and attempt to reach a resolution with Mr. Villeda.

D. TAX AND FORENSIC ACCOUNTING ISSUES

31. During the Reporting Period, A&C performed routine general accounting work, assisted in responding to the Receiver's counsel on questions related to tax payments made and/or returns filed by the Receiver, and began reconciling and preparing the 2025 tax returns by entity.

E. SETTLEMENT PAYMENTS

32. The Court has entered *Final Judgments* against certain Defendants and/or Relief Defendants to date. *See generally* ECF Nos. 591, 594, 595.⁵ A chart detailing the settlement payments due pursuant to *Final Judgments* entered in this Case is depicted below. **No settlement payments have been received by the Receiver as of the filing of this Report.**

<u>PAYMENT SCHEDULE FOR FINAL JUDGMENTS</u>			
<u>Settling Party</u>	<u>Due Date for Payment</u>	<u>Amount Due</u>	<u>Total</u>
Defendant John Muratore	October 24, 2024	\$680,893.33	\$2,723,573.32
	January 22, 2025	\$680,893.33	
	April 22, 2025	\$680,893.33	

⁵ The *Final Judgments* can be reviewed on the Receivership website free of charge under "Non-Receiver Court Filings" at <https://heartlandreceivership.com/key-court-documents>.

	July 21, 2025	\$680,893.33	
Defendant Thomas Brad Pearsey	October 24, 2024	\$2,748,155.60	\$2,748,155.60
Relief Defendant Muratore Financial Services, Inc. (joint and several with Defendant John Muratore)	October 24, 2024	\$583,505.82	\$2,334,023.28
	January 22, 2025	\$583,505.82	
	April 22, 2025	\$583,505.82	
	July 21, 2025	\$583,505.82	
Defendant Rustin Brunson	March 2, 2025	\$25,000.00	\$25,000.00
Defendant James Ikey	March 2, 2025	\$1,178,528.37 ⁶	\$1,178,528.37
Defendant Manjit "Roger" Sahota	August 24, 2025	\$33,487,228.10	\$33,487,228.10

33. Additionally, the Commission has entered administrative orders with respect to certain financial advisors outside of this Case, whereby the respective financial advisor is ordered to remit settlement payments to the Receiver.⁷ Below is a chart that reflects the Commission's administrative orders entered to date where settlement payments are to be remitted to the Receiver for the benefit of the Receivership Estates. **No such payments have been received by the Receiver as of the filing of this Report.**

<u>PAYMENT SCHEDULE FOR COMMISSION ORDERS</u>			
<u>Settling Party</u>	<u>Due Date for Payment</u>	<u>Amount Due</u>	<u>Total</u>
Stephen R. Bishop	January 8, 2025	\$3,000.00	\$72,000.00

⁶ Pursuant to ECF No. 702, Relief Defendant IGroup Enterprises LLC is jointly and severally liable to pay \$23,707.10 of this amount.

⁷ The Commission has obtained *Orders* against advisors David C. Underwood, Marc J. Toomey, Stephen R. Bishop, and Richard K. Diamond, in which the aforementioned parties stipulate to "Heartland and its principals us[ing] investor funds to make more than \$26 million in Ponzi payments to debt fund investors." See Richard K. Diamond, Securities Act of 1933 Release No. 11333, Securities Exchange Act of 1934 Release No. 101847, Investment Advisers Act of 1940 Release No. 6784, Investment Company Act of 1940 Release No. 35407, SEC File No. 3-22340 (Dec. 9, 2024), <https://www.sec.gov/files/litigation/admin/2024/33-11333.pdf>; Stephen R. Bishop, Securities Act of 1933 Release No. 11334, Securities Exchange Act of 1934 Release No. 101848, SEC File No. 3-22341 (Dec. 9, 2024), <https://www.sec.gov/files/litigation/admin/2024/33-11334.pdf>; Marc J. Toomey, Securities Act of 1933 Release No. 11335, Securities Exchange Act of 1934 Release No. 101853, SEC File No. 3-22342 (Dec. 9, 2024), <https://www.sec.gov/files/litigation/admin/2024/33-11335.pdf>; David C. Underwood, Securities Act of 1933 Release No. 11336, Securities Exchange Act of 1934 Release No. 101854, SEC File No. 3-22343 (Dec. 9, 2024), <https://www.sec.gov/files/litigation/admin/2024/33-11336.pdf>.

	February 7, 2025	\$3,000.00	
	March 9, 2025	\$3,000.00	
	April 8, 2025	\$3,000.00	
	May 8, 2025	\$3,000.00	
	June 7, 2025	\$3,000.00	
	July 7, 2025	\$3,000.00	
	August 6, 2025	\$3,000.00	
	September 5, 2025	\$3,000.00	
	October 5, 2025	\$3,000.00	
	November 4, 2025	\$3,000.00	
	December 4, 2025	\$3,000.00	
	January 3, 2026	\$3,000.00	
	February 2, 2026	\$3,000.00	
	March 4, 2026	\$3,000.00	
	April 3, 2026	\$3,000.00	
	May 3, 2026	\$3,000.00	
	June 2, 2026	\$3,000.00	
	July 2, 2026	\$3,000.00	
	August 1, 2026	\$3,000.00	
	August 31, 2026	\$3,000.00	
	September 30, 2026	\$3,000.00	
	October 30, 2026	\$3,000.00	
	November 29, 2026	\$3,000.00	
Richard K. Diamond	December 23, 2024	\$4,000.00	\$71,000.32
	January 8, 2025	\$1,861.12	
	February 7, 2025	\$1,861.12	
	March 9, 2025	\$1,861.12	
	April 8, 2025	\$1,861.12	

	May 8, 2025	\$1,861.12	
	June 7, 2025	\$1,861.12	
	July 7, 2025	\$1,861.12	
	August 6, 2025	\$1,861.12	
	September 5, 2025	\$1,861.12	
	October 5, 2025	\$1,861.12	
	November 4, 2025	\$1,861.12	
	December 4, 2025	\$1,861.12	
	January 3, 2026	\$1,861.12	
	February 2, 2026	\$1,861.12	
	March 4, 2026	\$1,861.12	
	April 3, 2026	\$1,861.12	
	May 3, 2026	\$1,861.12	
	June 2, 2026	\$1,861.12	
	July 2, 2026	\$1,861.12	
	August 1, 2026	\$1,861.12	
	August 31, 2026	\$1,861.12	
	September 30, 2026	\$1,861.12	
	October 30, 2026	\$1,861.12	
	November 29, 2026	\$1,861.12	
	December 29, 2026	\$1,861.12	
	January 28, 2027	\$1,861.12	
	February 27, 2027	\$1,861.12	
	March 29, 2027	\$1,861.12	
	April 28, 2027	\$1,861.12	
	May 28, 2027	\$1,861.12	
	June 27, 2027	\$1,861.12	
	July 27, 2027	\$1,861.12	

	August 26, 2027	\$1,861.12	
	September 25, 2027	\$1,861.12	
	October 25, 2027	\$1,861.12	
	November 24, 2027	\$1,861.12	
David C. Underwood	December 23, 2024	\$20,000.00	\$221,688.00
	March 9, 2025	\$16,807.33	
	June 7, 2025	\$16,807.33	
	September 5, 2025	\$16,807.33	
	December 4, 2025	\$16,807.33	
	March 4, 2026	\$16,807.33	
	June 2, 2026	\$16,807.33	
	August 31, 2026	\$16,807.33	
	November 29, 2026	\$16,807.33	
	February 27, 2027	\$16,807.33	
	May 28, 2027	\$16,807.33	
	August 26, 2027	\$16,807.33	
Marc J. Toomey	November 24, 2027	\$16,807.37	\$262,666.00
	March 9, 2025	\$65,666.50	
	June 7, 2025	\$65,666.50	
	September 5, 2025	\$65,666.50	
	December 4, 2025	\$65,666.50	

34. The Receiver has not received any payments related to any of these administrative orders, judgments, or settlements. To the extent funds are actually received, it is currently the intent of the Receiver to seek Court approval to distribute those funds solely to holders of allowed claims in Class 4a (Heartland investors) as a return of capital. The timing and actual receipt of funds will determine the timing and amount of such distributions.

F. CASH ON HAND/ADMINISTRATIVE EXPENSES

35. The Receiver has endeavored to pay all ordinary course administrative expenses, including, but not limited to, professional fees to Retained Personnel (to the extent allowed by the Court) and court filing fees. The Receiver continues to be cost conscious while balancing the need to protect the value of Receivership Assets and the needs of creditors, investors, and other stakeholders, and such expenses have decreased in this Reporting Period.

G. TERMINATION OF BUSINESS RECEIVERSHIP ENTITIES

36. With the assistance of A&C, the Receiver has continued to identify entities under the Receivership that can be terminated.

37. The Receiver has continued the process of canceling EIN numbers and closing business accounts with the IRS for Receivership Parties with registrations that have been cancelled, dissolved, or terminated with the respective Secretary of State.

H. RECEIPTS AND DISBURSEMENTS

38. During the Reporting Period, the Receiver deposited \$2,926.61 relating to interest and other income. As required by the Receivership Order, a Receipts and Disbursements chart is attached hereto as **Exhibit A**.

I. ADMINISTRATIVE ACTIONS

39. As stated above, a website has been created to provide information to investors and creditors regarding the status of the Case: www.heartlandreceivership.com. The FAQs should answer the most common questions related to the Case. The FAQs, along with the other sections of the website, allow the Receiver to quickly, inexpensively, and broadly convey information

regarding the Case. The Receiver continues to update the website on a rolling basis as information becomes available.

40. An email address was created for direct communication by investors and other parties in interest: heartlandreceivership@dykema.com. The email address was initially being monitored by attorneys at Dykema but is now primarily being monitored by a paralegal, who forwards those emails that require the attention of the Receiver or a Dykema attorney.

41. The Receiver and her team continue to investigate and pursue claims against third parties held by the Receivership Estates, as appropriate.

Dated: January 30, 2026

Respectfully submitted,

By: /s/ Danielle Rushing Behrends

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COUNSEL TO RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on January 30, 2026, the foregoing document was served via CM/ECF on all parties appearing in this case, including counsel for Plaintiff, United States Securities and Exchange Commission.

/s/ Danielle Rushing Behrends
Danielle Rushing Behrends

EXHIBIT A

RECEIPTS AND DISBURSEMENTS		Current Period	Cumulative
		10/1/2025 - 12/31/2025	
1. CASH AT BEGINNING OF PERIOD			
	*3863 IBC Account	\$ 99,930.47	
	*1565 Western Alliance Account	\$ 250,201.38	
	*0955 Western Alliance Sweep Account	\$ 886,970.51	
	*4056 Western Alliance Account	\$ 125,472.06	
	*0216 Western Alliance Account		
	*2548 Western Alliance Account	\$ 66,898.72	
	*3898 IBC Account		
	*7536 IBC Account		
		\$ 1,429,443.67	
2. RECEIPTS			
*3863 IBC Account			
	10/14/2025 Deposit from Federal Government - Tax Refund	2,576.00	
	10/14/2025 Interest Income	350.61	
	12/03/2025 Wire to *1565: \$100,000		
	Total Deposits to *3863	\$ 2,926.61	\$ 14,483,455.25
*1565 Western Alliance Account			
	10/01/2025 Transfer from *4056: \$102.68		
	10/01/2025 Transfer from *2548: \$54.75		
	10/31/2025 Interest Income	157.12	
	10/31/2025 Transfer from *4056: \$78.86		
	10/31/2025 Transfer from *2548: \$42.04		
	11/30/2025 Transfer from *4056: \$55.14		
	11/30/2025 Transfer from *2548: \$29.40		
	11/30/2025 Interest Income	109.88	
	12/03/2025 Transfer from *0955: \$100,000		
	12/04/2025 Transfer from *0955: \$37,346.18		
	12/04/2025 Interest Income	114.65	
	Total Deposits to *1565	\$ 381.65	\$ 39,871.03
*0955 Western Alliance Sweep Account			
	10/01/2025 Transfer from *1565: \$358.81		
	10/31/2025 Interest Income	186.70	
	11/03/2025 Transfer from *1565: \$278.02		
	11/30/2025 Interest Income	28.66	
	12/01/2025 Transfer from *1565: \$194.42		
	12/31/2025 Interest Income	12.97	
	Total Deposits to *0955	\$ 228.33	\$ 209,324.24
*4056 Western Alliance Account			
	10/1/2025 Interest Income	121.90	
	10/31/2025 Interest Income	78.86	
	11/30/2025 Interest Income	55.14	
	Total Deposits to *4056	\$ 255.90	\$ 9,421,562.21

	Current Period 10/1/2025 - 12/31/2025	Cumulative
<i>*2548 Western Alliance Account</i>		
10/1/2025 Interest Income	\$ 65.00	
10/31/2025 Interest Income	42.04	
11/30/2025 Interest Income	29.40	
Total Deposits to *2548	\$ 136.44	\$ 26,798.23
<i>*0216 Western Alliance Account (Account Closed)</i>		
Total Deposits to *0216	\$ -	\$ 2,972.20
<i>*3898 IBC Account (Account Closed)</i>		
Total Deposits to *3898	\$ -	\$ 1,439,917.28
<i>*7536 IBC Account (Account Closed)</i>		
Total Deposits to *7536	\$ -	\$ 0.01
3. TOTAL RECEIPTS	\$ 3,928.93	\$ 25,623,900.45
4. TOTAL CASH AVAILABLE FOR OPERATIONS (Line 1 + Line 3)	\$ 1,433,372.60	
5. DISBURSEMENTS		
<i>*3863 IBC Account</i>		
10/06/2025 Check #1402 to Law Offices of Romero Kozub Attorney Fees	2,635.00	
10/15/2025 Check #1404 to Stretto Professional Fees	15,495.92	
12/05/2025 Check #1405 to Dykema Gossett PLLC Receiver & Legal Fees	85,010.35	
12/11/2025 Check #1406 to Ahuja & Consultants, LLC Accounting	5,250.50	
12/15/2025 Check #1407 to Stretto Professional Fees	10,054.02	
12/23/2025 Ck Card to COURTS USDC TX Filing Fees	151.50	
Total Disbursements from *3863	\$ 118,597.29	\$ 7,889,881.89
<i>*1565 Western Alliance Account</i>		
10/01/2025 Transfer to *0955: \$358.81		
11/03/2025 Transfer to *0955: \$278.02		
12/01/2025 Transfer to *0955: \$194.42		
12/03/2025 Wire to *3863: \$100,000		
12/04/2025 Wire to Higgs & Johnson Receiver & Legal Fees	37,346.18	
Total Disbursements from *1565	\$ 37,346.18	\$ 842,540.52
<i>*0955 Western Alliance Sweep Account</i>		
12/03/2025 Transfer to *1565: \$100,000		
12/04/2025 Transfer to *1565: \$37,346.18		
Total Disbursements from *0955	\$ -	\$ -
<i>*4056 Western Alliance Account</i>		
10/31/2025 Transfer to *1565: \$78.86		
11/30/2025 Transfer to *1565: \$55.14		
12/31/2025 Transfer to *1565: \$57.55		

	Current Period 10/1/2025 - 12/31/2025	Cumulative
Total Disbursements from *4056	\$ -	\$ 9,249,676.77

*2548 Western Alliance Account

10/31/2025 Transfer to *1565: \$42.04

11/30/2025 Transfer to *1565: \$29.40

12/31/2025 Transfer to *1565: \$30.68

Total Disbursements from *2548

\$ -	\$ 4,933,141.28
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*0216 Western Alliance Account (Account Closed)

Total Disbursements from *0216

\$ -	\$ 650,000.00
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*3898 IBC Account (Account Closed)

Total Disbursements from *3898

\$ -	\$ 781,215.86
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*7536 IBC Account (Account Closed)

Total Disbursements from *7536

\$ -	\$ 15.00
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6. TOTAL DISBURSEMENTS

\$ 155,943.47	\$ 24,346,471.32
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7. ENDING CASH BALANCE (Line 4 - Line 6)

*3863 IBC Account	\$ 84,259.79
*1565 Western Alliance Account	\$ 250,114.65
*0955 Western Alliance Sweep Account	\$ 750,683.91
*4056 Western Alliance Account	\$ 125,472.06
*0216 Western Alliance Account (Account Closed)	\$ -
*2548 Western Alliance Account	\$ 66,898.72
*3898 IBC Account (Account Closed)	\$ -
*7536 IBC Account (Account Closed)	\$ -
	\$ 1,277,429.13