

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

PROFIT CONNECT WEALTH SERVICES,
INC., JOY I. KOVAR, and BRENT CARSON
KOVAR,

Defendants.

Case No. 2:21-cv-01298-JAD-BNW

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Settlement Agreement”) is entered into by and between Geoff Winkler, not individually but solely in his capacity as the court-appointed Receiver (the “Receiver”) of Profit Connect Wealth Services, Inc., and its subsidiaries and affiliates, and Bank of America, N.A. (“BANA”). The foregoing parties may, from time to time, be referred to herein as the “Parties” or individually as a “Party.”

WHEREAS, on July 8, 2021, the Securities and Exchange Commission brought an enforcement action against Profit Connect Wealth Services, Inc. (“Profit Connect”), Joy I. Kovar, and Brent Carson Kovar in the case captioned *SEC v. Profit Connect Wealth Services, Inc.*, No. 2:21-cv-01298-JAD-BNW (D. Nev.) (the “SEC Action”).

WHEREAS, on August 6, 2021, the Court in the SEC Action appointed the Receiver as permanent receiver of Profit Connect, granting the Receiver the possession and authority over all assets and rights of Profit Connect and its subsidiaries and affiliates (the “Receivership Estate”).

WHEREAS, on July 25, 2023, the Court approved the Receiver’s engagement of special litigation counsel to investigate potential claims against BANA and, if deemed appropriate, to pursue claims against BANA on behalf of Profit Connect and for the benefit of the Receivership Estate.

WHEREAS, following the Receiver’s continued investigation into potential claims against BANA, the Receiver, on or about April 4, 2024, sent to BANA a demand letter and draft complaint outlining the Receiver’s claims against BANA, including (1) aiding and abetting breach of fiduciary duty, (2) aiding and abetting fraud, (3) aiding and abetting conversion, (4) negligence,

and (5) violation of Nevada Uniform Fiduciaries Act (section 162.020) and seeking unspecified damages and other relief from BANA arising from an alleged Ponzi Scheme operated by Brent and Joy Kovar by and through Profit Connect (the “Profit Connect Scheme”), and in or about June 2023, the Receiver issued to BANA two demand letters seeking to recover certain amounts allegedly relating to fraudulent transfers made by Profit Connect to BANA on behalf of persons associated with and promoting the purported Profit Connect Scheme.

WHEREAS, BANA denied any and all claims the Receiver asserts in the April 4, 2024 demand letter and draft complaint as well as in the June 2023 demand letters, and whereas BANA expressly reserved any and all rights, privileges, defenses and claims relating to the Receiver’s claims and demands or relating to Profit Connect and the Profit Connect Scheme, but nevertheless agreed to mediate with the Receiver and entered a tolling agreement with the Receiver pending the settlement discussions between Receiver and BANA.

WHEREAS, on January 22, 2025, the Parties mediated with Robert Meyer, Esq., of JAMS and reached a settlement whereby the Receiver releases all claims against BANA (as fully described below) arising from or relating to Profit Connect in exchange for a payment to the Receivership Estate in the amount of \$1.825 million, without any admission of law or fact or liability by BANA, which settlement was memorialized by a Memorandum of Understanding executed by both Receiver and BANA.

WHEREAS, the Parties desire to memorialize their mediated settlement in this Settlement Agreement, subject to approval of the same by the Court in the SEC Action.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the Parties agree as follows:

1. **Recitals Incorporated.** The recitals and prefatory phrases set forth above are hereby incorporated in full and made a part of this Settlement Agreement.

2. **Definitions.**

a. “BANA” means Bank of America, N.A.

b. “Claim” or “Claims” means any and all claims, actions, lawsuits, causes of action, investigations, debts, demands, complaints, cross-claims, counterclaims, or third-party claims or proceedings, known and unknown, accrued and unaccrued, whether in law or equity or otherwise, of any nature against BANA arising out of or relating to BANA’s involvement, contact, communications, or actions with respect to Profit Connect, the Kovars (defined below), or any of Profit Connect’s accounts held with BANA, including the claims, allegations, and events set forth in that certain draft Complaint provided by the Receiver to BANA on or about April 4, 2024, and certain demand letters dated June 23, 2023, alleging fraudulent transfer liability.

c. “Court” means the United States District Court for the District of Nevada.

- d. “Kovars” means Joy I. Kovar and Brent Carson Kovar, individually or jointly.
- e. “Final Approval Order” means the order entered by the Court in the SEC Action granting final approval of this Settlement Agreement, as described in Section 7.
- f. “Non-Optout Receivership Claimants” means any Claimant that does not exercise the option to opt out of the distribution and release associated with this Settlement Agreement, as described in Section 6(b) herein, and thereby becomes bound by the release in favor of BANA.
- g. “Optout Receivership Claimants” means any Claimant that timely exercises the option to opt out of the distribution and release associated with this Settlement Agreement, as described in Section 6(a) herein.
- h. “Optout Threshold” means the certain agreed upon threshold of Optout Receivership Claimants, as described in Section 6(c) herein and set forth in the Parties’ confidential Supplemental Agreement Regarding Optout Receivership Claimants.
- i. “Person” means any natural person, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, governmental authority, or other entity or organization (incorporated or unincorporated).
- j. “Preliminary Approval Order” means the order entered by the Court in the SEC Action granting preliminary approval of this Settlement Agreement, as described in Section 5.
- k. “Profit Connect” means Profit Connect Wealth Services, Inc., and its subsidiaries and affiliates. “Profit Connect Scheme” is defined hereinabove in the fourth Whereas paragraph.
- l. “Receiver” means Geoff Winkler, not individually but solely in his capacity as the court-appointed Receiver of Profit Connect.
- m. “Receivership Claimant(s)” means, individually or collectively, any Person that invested their funds in Profit Connect through any of the services or programs offered by Profit Connect or that otherwise has asserted a claim against the Receivership Estate.
- n. “Receivership Estate” means the receivership estate consisting of all property, assets, rights, liabilities, choses in action, accounts, and books and records of Profit Connect, as established by the Court in the SEC Action pursuant to its August 6, 2021, Order [ECF No. 26].
- o. “Release(s)” means the release provisions set forth in Section 8 of this

Settlement Agreement.

p. “SEC Action” means the case captioned *SEC v. Profit Connect Wealth Services, Inc.*, No. 2:21-cv-01298-JAD-BNW (D. Nev.).

q. “Settlement” means the settlement memorialized in this Settlement Agreement and the confidential Supplemental Agreement Regarding Optout Receivership Claimants.

3. **Effective Date.** Unless otherwise stated, the obligations, releases, representations, and warranties stated in this Settlement Agreement shall become effective on the date upon which all the following conditions precedent have occurred (the “Effective Date”):

(a) All Parties’ execution of the Settlement Agreement (including Receiver’s having provided BANA with all required tax forms as described in Section 4 below);

(b) Entry of the Preliminary Approval Order described in Section 5 hereof in the SEC Action which, among other things, (i) preliminarily approves the Settlement Agreement and (ii) requires the Receiver to provide notice to the Receivership Claimants in the SEC Action; and

(c) Entry of the Final Approval Order described in Section 7 hereof in the SEC Action which, among other things, (i) approves the provisions, obligations, and releases in this Settlement Agreement and (ii) releases and bars any and all Claims by Non-Optout Receivership Claimants.

For the avoidance of doubt, the effectiveness of this Settlement Agreement is subject to approval by the Court in the SEC Action and entry of the Final Approval Order.

4. **Settlement Payment.**

a. Within sixty (60) days of the Effective Date, for and in consideration of each of the terms set forth herein, BANA shall pay or cause to be paid to pay to the Receiver the sum of One Million Eight Hundred and Twenty-Five Thousand Dollars 00/100 (\$1,825,000.00) (the “Settlement Payment”).

b. The Settlement Payment shall be made by check payable to Geoff Winkler, as Receiver for Profit Connect Wealth Services, Inc., and sent via overnight delivery to 745 NW Hoyt Street #4364, Portland, Oregon 97208.

c. Upon request by BANA, the Receiver shall provide BANA a completed W-9 or other applicable IRS and/or Nevada state required tax forms.

5. **Preliminary Approval of the Settlement Agreement.**

a. Within ten (10) days of execution of this Settlement Agreement, the Receiver shall file a motion with the Court in the SEC Action (the “Settlement Motion”) requesting entry of an order in substantially the same form of **Exhibit A** (the “Preliminary Approval Order”) attached hereto that:

- i. Preliminarily approves the Settlement;
- ii. Approves the form and content of the Notice attached hereto as **Exhibit B** and the notice procedures set forth below as the best notice practicable under the circumstances and as satisfying due process;
- iii. Sets a hearing in the SEC Action at which the Court considers final approval of the Settlement (the “Final Approval Hearing”); and
- iv. Sets a deadline by which Receivership Claimants may return notice of their desire (if any) to opt out of the distribution pursuant to the Settlement and Release and by which interested parties may object to the Settlement, which date shall be at least 90 days following entry of the Preliminary Approval Order and at least 21 days before the Final Approval Hearing (the “Objection and Optout Deadline”).

b. The Receiver shall, pursuant to the Preliminary Approval Order, provide notice of this Settlement Agreement, the Receiver Settlement Motion, and the deadline to object or opt out of the release provisions herein, to all known Receivership Claimants by e-mail address if known or by first class U.S. mail and by causing the Notice to be published on the Receiver’s website (<https://profitconnect-receivership.com/>). Upon entry of the Preliminary Approval Order, and upon the Parties’ confirmation with the Court in the SEC Action of an acceptable hearing date, the Receiver shall post on the Receiver’s website the date and time of the approval hearing to be held before the Court in the SEC Action; this information shall be posted no later than 30 days before the scheduled hearing. The Receiver shall effectuate the notice outlined in this Section within 30 days after entry of the Preliminary Approval Order.

6. **Receivership Claimants.**

a. The Preliminary Approval Order shall provide that Receivership Claimants may, subject to the requirements below, opt out of the distribution contemplated by this Settlement Agreement (if they so choose) and thereby exclude themselves from the Releases set forth in this Settlement Agreement. Any Receivership Claimant that opts out of the distribution and Releases (the “Optout Receivership Claimants”) shall be excluded from the Receiver’s distribution of the net Settlement Proceeds and shall be excluded from the Releases of this Settlement Agreement.

- i. To opt out of the distribution and Releases, a Receivership Claimant must return notice to the Parties in writing of that intent (the “Request for Exclusion”), pursuant to the Preliminary Approval Order and Notice, and the Request for Exclusion must be postmarked or emailed no later than the Objection and Optout Deadline.
- ii. A Receivership Claimant’s Request for Exclusion must include the Person’s name, address, email address, phone number, amount of alleged claim against the Receivership Estate, and a description of how the claim arose.

- iii. Any Receivership Claimant that does not timely and properly submit a Request for Exclusion shall be bound by the Final Approval Order and the Settlement, shall remain eligible for a distribution from the Settlement, and shall not be considered an Optout Receivership Claimant.
- iv. In no event shall either Receiver or BANA encourage Receivership Claimants to exclude themselves from the distribution and/or Releases.
- v. The Receiver reserves the right to challenge the veracity of a Receivership Claimant's Request for Exclusion on the grounds that their claim against the Receivership Estate is invalid and/or overstated. The Receiver may seek adjudication by the Court regarding the validity of a Receivership Claimant's claim and eligibility to submit a Request for Exclusion. BANA may join in any such challenge or adjudication request.

b. Receivership Claimants that do not timely and properly submit a Request for Exclusion (the "Non-Optout Receivership Claimants") shall be deemed to have approved the provisions of this Settlement Agreement and, upon entry of the Final Approval Order, shall be bound by the Settlement, including the Releases by Non-Optout Receivership Claimants set forth below.

c. The Parties shall execute a confidential Supplemental Agreement Regarding Optout Receivership Claimants, which sets forth BANA's right to, in its sole discretion, terminate the Settlement if a certain agreed upon threshold of valid Requests for Exclusion (the "Optout Threshold") are submitted by Receivership Claimants. The Supplemental Agreement Regarding Optout Receivership Claimants is material consideration for and an express condition of the Parties' settlement.

7. Final Approval of the Settlement Agreement.

a. The Settlement Motion shall also seek entry of an order in substantially the same form of **Exhibit C** (the "Final Approval Order") that, following the Final Approval Hearing, approves with finality the Settlement, finds that the form and manner of notice implemented satisfies due process, and makes effective all provisions, obligations, and Releases herein.

b. After entry of the Final Approval Order and receipt of the Settlement Payment, the Receiver shall deploy the net proceeds of the Settlement Payment to make distributions to Non-Optout Receivership Claimants according to the court-approved claims process [ECF 181, 191], which pursuant to the Final Approval Order, will be deemed to have released, and be barred from bringing, any and all Claims against BANA (or against any BANA affiliated released party) as set forth in this Settlement Agreement and the Final Approval Order.

c. If the Court in the SEC Action does not give final approval to this Settlement Agreement or if there is any material modification of the Final Approval Order by the Court in the SEC Action which BANA determines is unsatisfactory, invalid, or

unenforceable, in whole or in part, then this Settlement Agreement will terminate, and the entire Settlement will be null and void. BANA may waive this condition, but BANA's determination whether to waive and/or renegotiate will be at BANA's sole discretion.

8. **Releases.**

a. **Receiver's Release of BANA.** As of the receipt of the Settlement Payment by the Receiver, the Receiver, for himself and Profit Connect, and for each of their present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, and each person or entity acting or purporting to act for them or on their behalf, unconditionally and irrevocably remise, waive, satisfy, release, acquit, and forever discharge BANA, and each of its present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, including, but not limited to, Bank of America Corporation and all of its subsidiaries and affiliates (collectively, the "Releasees"), and each of them, respectively, from and against any and all past and present claims, counterclaims, actions, suits, rights, causes of action, lawsuits, set-offs, costs, losses, controversies, agreements, promises and demands, or liabilities, of whatever kind or character, direct or indirect, whether known or unknown or capable of being known, arising at law or in equity, by right of action or otherwise, including, but not limited to, suits, debts, accounts, bills, damages, judgments, executions, warranties, attorney's fees, costs of litigation, expenses, claims, and demands whatsoever that the Receiver, Profit Connect, or their attorneys, agents, representatives, predecessors, successors, and assigns have or may have against the Releasees, for, upon, or by reason of any matter, cause, or thing, whatsoever, in law or equity, including, without limitation, the claims made or which could have been made by Receiver arising from interactions and activities (or lack thereof) relating to the Profit Connect Scheme including but not limited to the Receiver's Claims as well as any claim or issue which was or could have been brought in connection with SEC Action (collectively, the "Released Matters").

This Release is not intended to, and does not, inure to the benefit of any third party. Other than BANA and the Releasees, no other parties are deemed to be released by the Receiver pursuant to this Settlement Agreement, nor shall the Release affect any claims the Receiver currently has and/or may assert in the future against third parties in any manner, including but not limited to parties who may have received fraudulent transfers, as initial or subsequent transferees. This Release does not release any claims the Receiver, who serves as a receiver in other unrelated matters, may have against BANA in his capacity as receiver for entities other than the Receivership Entities. Further this release is not intended to release any party from any obligations under this Settlement Agreement or to respond to a subpoena, or otherwise provide documentation and information to the Receiver related to the Receivership Estate. The Receiver, represents and warrants to BANA that: (a) he has not assigned, conveyed, sold, or transferred or attempted to assign, convey, sell, or transfer

any of the released Claims, including, without limitation, any Claims arising out of, based upon, or in any way involving any circumstance, event, fact, or transaction alleged or that could have been alleged against BANA or against the Releasees; (b) in his capacity as Receiver for Profit Connect, he has not commenced and is not prosecuting any judicial, quasi-judicial or other proceeding against BANA or against the Releasees; and (c) he has not and will not in the future solicit or accept any assignment of a Claim of any kind against BANA or the Releasees relating to Profit Connect of the Profit Connect Scheme.

b. **Non-Optout Receivership Claimants' Release of BANA.** As of the receipt of the Settlement Payment by the Receiver, each Non-Optout Receivership Claimant that receives a distribution from the net proceeds of the Settlement, for both themselves, and for each of their present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, unconditionally and irrevocably remise, waive, satisfy, release, acquit, and forever discharge BANA, and each of its present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, including, but not limited to, Bank of America Corporation and all of its subsidiaries and affiliates (collectively, the "Releasees"), and each of them, respectively, from and against any and all past and present claims, counterclaims, actions, suits, rights, causes of action, lawsuits, set-offs, costs, losses, controversies, agreements, promises and demands, or liabilities, of whatever kind or character, direct or indirect, whether known or unknown or capable of being known, arising at law or in equity, by right of action or otherwise, including, but not limited to, suits, debts, accounts, bills, damages, judgments, executions, warranties, attorney's fees, costs of litigation, expenses, claims, and demands whatsoever that the Non-Optout Receivership Claimant or their attorneys, agents, representatives, predecessors, successors, and assigns have or may have against the Releasees, for, upon, or by reason of any matter, cause, or thing, whatsoever, in law or equity, including, without limitation, the claims made or which could have been made by the Non-Optout Receivership Claimant arising from interactions and activities (or lack thereof) relating to Profit Connect Wealth Services, Inc. or the Profit Connect Scheme, including but not limited to any Claims or issue which was or could have been brought in connection with their interactions with Profit Connect.

c. Waiver relating to unknown claims. Without limiting the generality of the foregoing, the Receiver acknowledges that Receiver may discover facts in addition to or different from those known or believed to be true with respect to the subject matter of this Settlement Agreement, and that it is their intention to include among the Released Matters

any claims and rights of any nature whatsoever, known or unknown, suspected or unsuspected, which do now exist, may exist or have existed between the Receiver and Releasees, notwithstanding the discovery of any such additional or different facts. The Receiver expressly waives the protections of any statute of any jurisdiction limiting the ability of Parties to release unknown claims.

d. Covenant Not to Sue; Indemnification. The Receiver will not initiate against any Releasee any legal, equitable or arbitration proceeding of any nature based on any Released Matter, it being understood that communications with any governmental, law enforcement, or regulatory authority shall not be construed to violate this provision. The Receiver, for himself, for Profit Connect, and for their heirs, assigns, successors, representatives, executors, and administrators, agrees to indemnify and hold harmless any Releasee against any loss or damage, including without limitation attorneys' fees, in the event the Receiver asserts any Released Matter against such Releasee.

e. Expressly excepted from the Releases herein are claims for breach of this Settlement Agreement, which may be enforced by any Party.

f. The Releases described herein encompass and, as of the Effective Date, are binding on and enforceable by, entities that are predecessors or successors of the Parties and present and former officers, directors, managers, members, managing members, shareholders, parents, subsidiaries, general partners, limited partners, partners, employees, divisions, affiliates, agents, attorneys, legal counsel, heirs, assigns, executors, administrators, estates, insurers, and representatives of the Parties, including all individuals with a controlling or ownership interest role, past or present, in the Parties.

9. **Tolling.** Upon execution of this Settlement Agreement, any and all applicable periods of limitations, as well as any and all applicable time-related defenses (including, without limitation, any and all time-related defenses based upon waiver, laches or estoppel), are hereby tolled as to any claim, counterclaim, crossclaim, and/or defense that the Parties could assert against any other Party. The tolling period (the "Tolling Period") shall commence as of the execution of this Settlement Agreement and shall continue until ninety (90) days after the Court in the SEC Action approves or disapproves of the settlement memorialized herein or such approval order is vacated or reversed on appeal (the "End Date"). This Section is intended to preserve the status quo as to any and all statutes of limitations regarding all of the Parties' claims and defenses from the during the Tolling Period. This Section supersedes any tolling agreements between the Parties.

10. **No Admission of Liability.** Each of the Parties understands and agrees that this Agreement and the settlement provided for herein, are intended to compromise disputed claims and defenses, to avoid litigation and to buy peace, and that this Agreement and the settlement provided for herein shall not be construed or viewed as an admission by any Party or by any Releasee of liability or wrongdoing, such liability being expressly denied. This Agreement, and the settlement provided for herein, shall not be admissible in any lawsuit, administrative action, or any judicial or administrative proceeding if offered to show, demonstrate, evidence or support a contention that any of the Parties acted illegally, improperly, or in breach of law, contract, or proper conduct.

11. **Non-Disparagement.** The Receiver and BANA and their respective attorneys will

not, directly or indirectly, make any negative or disparaging statements against the other Party maligning, ridiculing, defaming, or otherwise speaking ill of the other Party, and their business affairs, practices or policies, standards, or reputation (including but not limited to statements or postings harmful to the other Party's business interests, reputation or good will) in any form (including but not limited to orally, in writing, on any social media, blogs, internet, to the media, persons and entities engaged in radio, television or Internet broadcasting, or to persons and entities that gather or report information on trade and business practices or reliability) that relate to this Agreement, Receiver's Claims, or any matter covered by the release within this Settlement Agreement. Nothing in this Settlement Agreement shall, however, be deemed to interfere with each Party's obligation to report transactions with appropriate governmental, taxing, or registering agencies. Nothing in this Agreement prohibits or limits the Receiver or his counsel from communicating with, responding to any inquiry from, volunteering information to, or providing testimony before, the Securities and Exchange Commission, the Office of the Comptroller of the Currency, the Department of Justice, FINRA, and any other self-regulatory organization or any other governmental, law enforcement, or regulatory authority, regarding this Settlement Agreement and its underlying facts and circumstances, or any reporting of, investigation into, or proceeding regarding suspected violations of law, and that Receiver is not required to advise or seek permission from BANA before engaging in any such activity.

12. **Attorneys' Fees and Costs.** The Parties shall bear their own attorneys' fees and costs in connection with this Settlement Agreement and the approval thereof.

13. **Notices.** Any notice, request, instruction, or other document to be given hereunder by any Party to any other Party shall be in writing and shall be delivered personally, by a nationally recognized delivery service, or by e-mail, and shall be deemed given: (a) if delivered by hand, when delivered, (b) if delivered by a nationally recognized delivery service, one (1) business day after the delivery service record states that delivery occurred, and (c) if sent by email, upon delivery, as follows:

a. The Receiver:

Geoff Winkler, as Receiver
American Fiduciary Services, LLC
745 NW Hoyt Street #4364
Portland, Oregon 97208
geoff@americanfiduciaryservices.com

-and-

Kyra E. Andrassy, Esq.
Raines Feldman Littrell LLP
3200 Park Center Drive, Suite 250
Costa Mesa, California 92626
kandrassy@raineslaw.com

-and-

Jeffrey C. Schneider, Esq.
Levine Kellogg Lehman Schneider +
Grossman LLP

100 SE 2nd Street, 36th Floor
Miami, FL 33131
jcs@lklsg.com

b. BANA:

Douglas A. Thompson, Esq.
Snell & Wilmer LLP
350 South Grand Avenue, Suite 3100
Los Angeles, CA 90071

dathompson@swlaw.com

-and-

Kelly H. Dove, Esq.
Snell & Wilmer LLP
1700 South Pavilion Center Dr., Suite 700
Las Vegas, NV 89135
kdove@swlaw.com

14. **Entire Agreement.** This Settlement Agreement along with and specifically including the confidential Supplement Agreement Regarding Optout Receivership Claimants (together for purposes of this section “Settlement Agreement”) constitute the only existing and binding agreement of settlement among the Parties, and the Parties acknowledge that there are no other warranties, promises, assurances or representations of any kind, express or implied, upon which the Parties have relied in entering into this Settlement Agreement, unless expressly set forth herein. The terms and conditions of this Settlement Agreement may not be contradicted by evidence of any prior or contemporaneous agreement, and no extrinsic evidence may be introduced in any judicial proceeding to interpret this Settlement Agreement. This provision does not apply either to any other business relations between the Parties (e.g., a credit card, investment, or bank account) not related to the subject matter of the Settlement Agreement or to any other loan, note, or security instrument at issue herein unless they have been otherwise invalidated or modified by the terms of this Settlement Agreement. All amendments or changes of any kind to the Settlement Agreement must be in writing, executed by all Parties.

15. **Parties Affected.** This Settlement Agreement, specifically including the Releases contained herein, shall inure to the benefit of the Parties and their past and current officers, directors, shareholders, employees, partners, attorneys, professionals, affiliates, representatives, Press’s, trustees, heirs, successors, assigns, counsel (internal and external), and insurers.

16. **Governing Law/Forum Selection.** The Settling Parties agree that the District Court in the SEC Action shall have continuing jurisdiction to enforce the terms of this Settlement Agreement and the Parties expressly consent to the exercise of personal jurisdiction over them solely for that limited purpose. This Settlement Agreement shall be governed by and construed

and enforced in accordance with the laws of the State of Nevada, without regard to its conflict of law principles.

17. **Authority.** The Parties and the persons executing this Settlement Agreement on their behalf represent and warrant that they have full authority to enter into and execute this Settlement Agreement, and that the persons executing this Settlement Agreement on behalf of any persons, parties, or entities (as stated in their signature lines below) have been authorized by those persons, parties, and entities to enter into this Settlement Agreement. The Parties understand and agree that the Receiver executes this Settlement Agreement subject to approval by the District Court in the SEC Action, which the Parties will seek and support.

18. **Acknowledgment of Terms.** The Parties have read and understand the terms of this Settlement Agreement, have consulted with their respective counsel, and understand and acknowledge the significance and consequence of each such term. No Party is relying on information provided by or from the other Party in entering this Settlement Agreement and there are no duties of disclosure by either Party to the other. This Settlement Agreement was executed after arm's length negotiations between the Parties and their respective counsel, and reflects the conclusion of the Parties that this Settlement Agreement is in the best interests of the Parties. Each Party represents and warrants that the person executing this Settlement Agreement on his, her, or its behalf has all authority and legal right to do so and separately acknowledges and represents that this representation and warranty is an essential and material provision of this Settlement Agreement and shall survive execution of this Settlement Agreement.

19. **Advice of Counsel.** The Parties acknowledge that they have been represented by counsel of their own choice in the negotiations leading up to the execution of this Settlement Agreement, have read this Settlement Agreement, and have had the opportunity to receive an explanation from legal counsel regarding the legal nature and effect of same. The Parties have had the Settlement Agreement fully explained to them by their respective counsel and understand the terms and provisions of this Settlement Agreement and its nature and effect. The Parties further represent that they are entering into this Settlement Agreement freely and voluntarily, relying solely upon the advice of their own counsel, and not relying on the representation of any other Party or of counsel for any other Party.

20. **Severability.** If any term of this Settlement Agreement is deemed unenforceable, void or against public policy by a Court of competent jurisdiction, that term shall be severed without affecting the remainder of this Settlement Agreement.

21. **Neutral Interpretation.** In the event any dispute arises among the Parties with regard to the interpretation of any term of this Settlement Agreement, all of the Parties shall be considered collectively to be the drafting party and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall be inapplicable.

22. **Execution of Documents.** This Settlement Agreement may be executed in counterparts, that is, all signatures need not appear on the same copy and execution of counterparts shall have the same force and effect as if the Parties had signed the same instrument. All such executed copies shall together constitute the complete Settlement Agreement. The

Parties may execute this Settlement Agreement and create a complete set of signatures by exchanging PDF copies of the executed signature pages. Signatures transmitted in PDF format shall have the same effect as original signatures.

23. **Other Accounts / Future Events.** The Parties understand and agree that this Agreement shall not, under any circumstances, be deemed to prohibit BANA or any other person or entity from continuing to take any actions with regard to any other bank, credit, investment, mortgage or other account obtained from BANA by the Receiver, Profit Connect, or by any Receivership Claimant, including but not limited to such actions as acceleration and foreclosure as may be appropriate if Receiver, Profit Connect, or any such Receivership Claimant defaults on any mortgage or credit obtained by them from BANA.

24. **Waiver.** The failure of BANA to demand from Receiver performance of any act under the Agreement shall not be construed as a waiver of BANA's right to demand, at any subsequent time, such performance. The failure of Receiver to demand from BANA performance of any act under the Agreement shall not be construed as a waiver of Receiver's right to demand, at any subsequent time, such performance.

25. **Divisions and Headings.** The divisions of this Settlement Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Settlement Agreement.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement, as follows:

GEOFF WINKLER, as Receiver for Profit
Connect Wealth Services, Inc.

Dated: _____

BANK OF AMERICA, N.A.

By: James Ciccone

Dated: May 1, 2025

Its: Associate General Counsel and Senior Vice President

Parties may execute this Settlement Agreement and create a complete set of signatures by exchanging PDF copies of the executed signature pages. Signatures transmitted in PDF format shall have the same effect as original signatures.

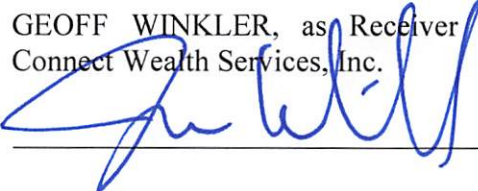
23. **Other Accounts / Future Events.** The Parties understand and agree that this Agreement shall not, under any circumstances, be deemed to prohibit BANA or any other person or entity from continuing to take any actions with regard to any other bank, credit, investment, mortgage or other account obtained from BANA by the Receiver, Profit Connect, or by any Receivership Claimant, including but not limited to such actions as acceleration and foreclosure as may be appropriate if Receiver, Profit Connect, or any such Receivership Claimant defaults on any mortgage or credit obtained by them from BANA.

24. **Waiver.** The failure of BANA to demand from Receiver performance of any act under the Agreement shall not be construed as a waiver of BANA's right to demand, at any subsequent time, such performance. The failure of Receiver to demand from BANA performance of any act under the Agreement shall not be construed as a waiver of Receiver's right to demand, at any subsequent time, such performance.

25. **Divisions and Headings.** The divisions of this Settlement Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Settlement Agreement.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement, as follows:

Dated: 5/1/25

GEOFF WINKLER, as Receiver for Profit
Connect Wealth Services, Inc.


BANK OF AMERICA, N.A.

By: _____

Dated: _____

Its: _____

EXHIBIT A

1 KARA HENDRICKS, ESQ.
Nevada Bar No. 07743
2 KYLE A. EWING, ESQ.
Nevada Bar No. 014051
3 GREENBERG TRAURIG, LLP
10845 Griffith Peak Drive Suite 600
4 Las Vegas, Nevada 89135
Telephone: (702) 938-6856
5 Facsimile: (702) 792-9002
hendricksk@gtlaw.com

6 KYRA E. ANDRASSY, ESQ.
Admitted *Pro Hac Vice*
7 RAINES FELDMAN LITTRELL LLP
3200 Park Center Drive, Suite 250
8 Costa Mesa, California 92626
Telephone: (310) 440-4100
kandrassy@raineslaw.com

9 *Attorneys for Receiver*
10 *Geoff Winkler of American Fiduciary Services*

11
12 **UNITED STATES DISTRICT COURT**

13 **DISTRICT OF NEVADA**

14 SECURITIES AND EXCHANGE
15 COMMISSION,

16 Plaintiff,

17 v.

18 PROFIT CONNECT WEALTH SERVICES,
INC., JOY I. KOVAR, and BRENT CARSON
19 KOVAR,

20 Defendants.
21
22

Case No. 2:21-cv-01298-JAD-BNW

**ORDER (I) PRELIMINARILY
APPROVING RECEIVER'S
SETTLEMENT WITH BANK OF
AMERICA, N.A.; (II) APPROVING FORM
AND CONTENT OF NOTICE; AND (III)
SETTING APPROVAL SCHEDULE AND
FINAL APPROVAL HEARING**

23
24 Before the Court is the *Motion to Approve Settlement with Bank of America, N.A.* [ECF
25 No. ____] (the "Motion"), by Geoff Winkler (the "Receiver") as the court-appointed receiver of
26 Profit Connect Wealth Services, Inc.

27 The Motion seeks court approval of a proposed settlement (the "Settlement") between the
28 Receiver and Bank of America, N.A. ("BANA"). The terms of the Settlement are contained in the

1 Settlement Agreement and Release (the “Settlement Agreement”) attached as Exhibit __ to the
2 Motion. Capitalized terms not otherwise defined in this order shall have the meaning assigned to
3 them in the Settlement Agreement.

4 The Receiver seeks the Court’s approval of the terms of the Settlement Agreement,
5 including entry of a final order approving the Settlement (the “Final Approval Order”), which is
6 Exhibit C to the Settlement Agreement. In furtherance of the request for final approval of the
7 Settlement, the Receiver seeks entry of an Order (i) preliminarily approving the Settlement, (ii)
8 approving the form, content, and manner of the notice to be provided to affected Receivership
9 Claimants, and (iii) establishing the schedule for approval of the Settlement and the Final Approval
10 Hearing. After reviewing the terms of the Settlement Agreement, the Motion, and supporting
11 documents, the Court preliminarily approves the Settlement as adequate, fair, and reasonable.
12 Accordingly, the Court enters this Preliminary Approval Order, as follows:

13 I. Preliminary Findings: Based upon the Court’s review of the terms of the Settlement
14 Agreement, the arguments presented in the Motion, the Court preliminarily finds that the
15 Settlement is adequate, fair, and reasonable. *See U.S. v. Edwards*, 595 F.3d 1004, 1012 (9th
16 Cir. 2010). The Settlement resulted from vigorous, good faith, arm’s length, mediated
17 negotiations involving experienced and competent counsel. The Settlement would provide
18 significant value to the Receivership Estate and results from the Receiver’s good faith
19 assessment of his claims against BANA and the risks and delays associated with litigation. The
20 Court, however, reserves its final ruling with respect to the terms of the Settlement Agreement
21 until after the Final Approval Hearing.

22 II. Final Approval Hearing: The Final Approval Hearing will be held at _____, on
23 _____, 2025, before the Honorable Jennifer A. Dorsey of the United States District
24 Court for the District of Nevada, Las Vegas Division, 333 Las Vegas Boulevard South,
25 Courtroom 6D, Las Vegas, NV 89101. The purpose of the Final Approval Hearing will be to:
26 (i) determine whether the terms of the Settlement Agreement should be finally approved by
27 the Court; (ii) determine whether the Final Approval Order should be entered by the Court;
28

(iii) rule upon any objections to the Settlement Agreement or the Final Approval Order; and
(v) rule upon such other matters as the Court may deem appropriate.

III. Notice: The Court approves the form and substance of the Notice attached as Exhibit B to the Settlement Agreement and finds that the methodology, distribution, and dissemination of this Notice (i) constitute the best practicable notice; (ii) are reasonably calculated under the circumstances to apprise all Receivership Claimants who may have a Claim against BANA of the Settlement and the Releases therein; (iii) are reasonably calculated under the circumstances to apprise all interested parties of the right to object to the Settlement and the Final Approval Order, the right of Receivership Claimants to opt out of the Settlement, and the right to appear at the Final Approval Hearing; (iv) constitute due, adequate, and sufficient notice; (v) meet all requirements of applicable law, including the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vi) will provide to all Persons a full and fair opportunity to be heard on these matters. Therefore:

- a. The Receiver is directed to, no later than ten (10) calendar days after entry of this Preliminary Approval Order, cause the Notice in substantially the same form attached as Exhibit B to the Settlement Agreement to be sent to all known Receivership Claimants via electronic mail, if known, or first class mail.
- b. The Receiver is directed to, no later than ten (10) calendar days after entry of this Preliminary Approval Order, cause the Notice in substantially the same form attached as Exhibit B to the Settlement Agreement to be posted on the Receiver's website (<https://profitconnect-receivership.com/>) and include on his website links to access the Settlement Agreement, including all Exhibits thereto, the Motion, and this Preliminary Approval Order.
- c. The Receiver is directed to promptly provide the Settlement Agreement, including all Exhibits thereto, the Motion, and this Preliminary Approval Order, to any Person who requests such documents via email to

1 contact@profitconnect-receivership.com, or by telephone, by calling (503)
2 980-3711. The Receiver may provide such materials in the form and manner
3 that the Receiver deems most appropriate under the circumstances of the
4 request.

- 5 d. No less than ten (10) calendar days before the Final Approval Hearing, the
6 Receiver shall cause to be filed with the Clerk of this Court written evidence
7 of compliance with subparts (a)-(c) of this Paragraph, which evidence may
8 be in the form of an affidavit or declaration.

9 IV. Objections and Appearances at the Final Approval Hearing: Any Person who wishes
10 to object to the terms of the Settlement Agreement or the Final Approval Order, or who
11 wishes to appear at the Final Approval Hearing, must do so by mailing or emailing a
12 written objection to the Receiver: American Fiduciary Services LLC, Attn: Profit
13 Connect Receivership, 715 NW Hoyt Street #4364, Portland, Oregon 97208,
14 contact@profitconnect-receivership.com. Objections must be postmarked or emailed
15 by _____, 2025, and:

- 16 a. contain the name, address, telephone number, and an e-mail address of the
17 person filing the objection;
18 b. contain the name, address, telephone number, and e-mail address of any
19 attorney representing the person filing the objection;
20 c. be signed by the person filing the objection, or his or her attorney;
21 d. state, in detail, the basis for any objection;
22 e. attach any document the Court should consider in ruling on the Settlement
23 Agreement and the Final Approval Order; and
24 f. if the person filing the objection wishes to appear at the Final Approval
25 Hearing, make a request to do so.

26 The Receiver is directed to compile all submitted objections into a single pleading and
27 file them with the Court at least fourteen (14) before the Final Approval Hearing. Any
28 Person submitting an objection shall be deemed to have submitted to the jurisdiction of

1 this Court for all purposes of that objection, the Settlement Agreement, and the Final
2 Approval Order. Potential objectors who do not present opposition by the time and in
3 the manner set forth above shall be deemed to have waived the right to object (including
4 any right to appeal) and shall be forever barred from raising such objections in this
5 action or any other action or proceeding. Persons do not need to appear at the Final
6 Approval Hearing or take any other action to indicate their approval. The Court may
7 decline to permit anyone who fails to file a written objection as set forth in subparts (a)
8 through (f) of this paragraph to appear at the Final Approval Hearing. The Court will
9 exercise discretion as to whether it wishes to hear from any Person who fails to make
10 a timely written objection.

11 V. Requests for Exclusion: Any Receivership Claimant who wishes to be excluded
12 from the Settlement (or opt out) must do so by mailing or emailing a written Request for
13 Exclusion to the Receiver: American Fiduciary Services LLC, Attn: Profit Connect
14 Receivership, 715 NW Hoyt Street #4364, Portland, Oregon 97208, [contact@profitconnect-](mailto:contact@profitconnect-receivership.com)
15 [receivership.com](mailto:contact@profitconnect-receivership.com). Requests for Exclusion must be postmarked or emailed by _____, 2025,
16 and must include the Person's name, address, email address, phone number, amount of alleged
17 claim against the Receivership Estate, and a description of how the claim arose. The Receiver
18 is directed to compile a list of all Persons that submitted Requests for Exclusion and file such
19 list with the Court at least fourteen (14) before the Final Approval Hearing.

20 VI. Responses to Objections: Any Party to the Settlement Agreement may respond to
21 an objection filed pursuant to Paragraph IV by filing a response in this Action no later than
22 seven (7) days before the Final Approval Hearing. To the extent any Person emailing or mailing
23 an objection cannot be served by action of the Court's CM/ECF system, a response must be
24 served to the email and/or mailing address provided by that Person.

25 VII. Adjustments Concerning Hearing and Deadlines: The date, time, and place
26 for the Final Approval Hearing, and the deadlines and date requirements in this Preliminary
27 Approval Order, shall be subject to adjournment or change by this Court without further notice
28 other than that which may be posted by means of ECF. If no objections are timely filed or if

1 the objections are resolved prior to the Final Approval Hearing, the Court may cancel and
2 proceed without a Final Approval Hearing.

3 VIII. Final Approval Order: The Court preliminarily approves the form and
4 substance of the Final Approval Order attached as Exhibit C to the Settlement Agreement. If
5 the Settlement is approved by the Court following the Final Approval Hearing, the Final
6 Approval Order will be entered as described in the Settlement Agreement in substantially the
7 form as Exhibit C.

8
9 IT IS SO ORDERED.

10 DATED: _____

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12 _____
13 JENNIFER A. DORSEY
14 UNITED STATES DISTRICT JUDGE
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EXHIBIT B

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

PROFIT CONNECT WEALTH SERVICES,
INC., JOY I. KOVAR, and BRENT CARSON
KOVAR,

Defendants.

Case No. 2:21-cv-01298-JAD-BNW

**NOTICE OF SETTLEMENT WITH BANK OF AMERICA, N.A.
AND RIGHT OF EXCLUSION FROM SETTLEMENT**

You are receiving this Notice because you have been identified as someone who invested their funds in Profit Connect Wealth Services, Inc. (“Profit Connect”) through any of the services or programs offered by Profit Connect or that otherwise has asserted a claim against the Profit Connect receivership (“Receivership Claimant”). A federal court authorized this Notice. This is not a solicitation from a lawyer.

PLEASE TAKE NOTICE that a proposed settlement (the “Settlement”) has been reached in an agreement by and between Geoff Winkler, not individually but solely in his capacity as the court-appointed Receiver (the “Receiver”) of Profit Connect and its subsidiaries and affiliates, and Bank of America, N.A. (“BANA”). BANA has denied any wrongdoing and has denied all liability for Receiver’s claims and for any Receivership Claimant claims relating to Profit Connect. If the Settlement is approved, BANA will pay to the Receiver the total sum of one million eight hundred twenty-five thousand dollars (\$1,825,000.00) (the “Settlement Payment”). If approved, the Receiver will use the net proceeds from the Settlement Payment to make distributions to Receivership Claimants with allowed claims.

The purpose of this Notice is to inform you of the Settlement Agreement and to inform you of your right to exclude yourself from participation in the Settlement pursuant to the procedures explained in this Notice. If you exclude yourself (*i.e.*, opt out of) the Settlement, you will not be entitled to receive any of the Settlement Payment. Additionally, if too many Receivership Claimants decide to exclude themselves from the Settlement, BANA may terminate the Settlement. If you do nothing, you may be entitled to a distribution from the Receiver from the proceeds of the Settlement Payment. If you do not exclude yourself from the Settlement and, as a result, receive a distribution from the Settlement Payment, you will

be deemed to have released any and all claims you may have against BANA arising from or relating to Profit Connect. This Notice describes important rights you may have and the steps you must take if you wish to be excluded from the Settlement. This Notice explains the Settlement and the consequences of opting-out. You should consider consulting with your attorney regarding the Settlement, your choices, and this Notice. Your legal rights are affected whether you act or do not act. Please read this entire Notice carefully.

The Settlement: The following parties have reached an agreement memorializing the Settlement (the “Settlement Agreement”): Geoff Winkler, not individually but solely in his capacity as the court-appointed Receiver of Profit Connect Profit Connect and its subsidiaries and affiliates, and Bank of America, N.A. The Receiver and BANA may be referred to as the “Parties” or individually as a “Party.” The Settlement Agreement is subject to approval by the Court overseeing the Receiver to make sure that the Settlement is fair and reasonable.

Under the terms of the Settlement, BANA agrees to pay to the Receiver the total sum of one million eight hundred twenty-five thousand dollars (\$1,825,000.00) (the “Settlement Payment”). In exchange for the Settlement Payment, (a) the Receiver agrees to release all claims he, Profit Connect, or the Receivership Estate may have against BANA that relate to Profit Connect, and (b) all claims against BANA that relate to Profit Connect by “Non-Optout Receivership Claimants”¹ who receive a distribution from the Settlement Payment will be released and barred. The Settlement will resolve all such claims against BANA (and against BANA related Releasees²) by the Receiver and Non-Optout Receivership Claimants that receive a distribution from the Settlement Payment. BANA has denied any wrongdoing and has denied liability for any of Receiver’s Claims or any of Receivership Claimant’s claims. If the Settlement is approved, the Receiver must use the net proceeds of the Settlement Payment to make distributions to the Non-Optout Receivership Claimants with allowed claims in accordance with the Court’s prior order regarding claims.

“Receivership Claimants,” meaning those who “invested their funds in Profit Connect through any of the services or programs offered by Profit Connect or that otherwise has asserted a claim against the Receivership Estate,” have the right to exclude themselves from (or opt out of) the provisions of the Settlement. By opting out of the Settlement, a Receivership Claimant is excluded from the distribution from the proceeds of the Settlement Payment and does not release their Claim(s) against BANA. If too many Receivership Claimants opt out of the Settlement, BANA may terminate the Settlement.

¹ “Non-Optout Receivership Claimants” is defined as “any Person that invested their funds in Profit Connect through any of the services or programs offered by Profit Connect or that otherwise has asserted a claim against the Receivership Estate” and “that does not exercise the option to opt out of the distribution and release associated with this Settlement Agreement.”

² “Releasees” is defined as BANA’s “present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, including, but not limited to, Bank of America Corporation and all of its subsidiaries and affiliates.”

The Receiver has filed in *SEC v. Profit Connect Wealth Services, Inc.*, No. 2:21-cv-01298-JAD-BNW (D. Nev.) (the “SEC Action”), a motion seeking approval of the Settlement, establishing the requirements to notify persons who may be affected by the Settlement, and setting a hearing date for the Court to consider whether to approve the Settlement (the “Final Approval Hearing”). The Parties seek approval of the Court in the SEC Action of the terms of the Settlement Agreement and entry of a final order approving the Settlement (the “Final Approval Order”).

Attorneys’ Fees and Costs: The Court previously approved the Receiver’s engagement of Levine Kellogg Lehman Schneider + Grossman LLP (“LKLSG”) to investigate and pursue claims against BANA relating to Profit Connect. The Court approved a twenty-five percent (25%) contingency fee to LKLSG for its services and expenses incurred in pursuing BANA, meaning that LKLSG would earn twenty-five percent of any recovery by the Receiver from BANA. Despite the Court’s approval of a twenty-five percent contingency fee, LKLSG has voluntarily agreed to reduce its contingency fee to twenty percent (20%). Accordingly, if the Settlement is approved, LKLSG will earn three hundred sixty-five thousand dollars (\$365,000.00) to cover its out-of-pocket expenses and its time in pursuing the claims against BANA.

Important Dates:

Event	Date
Deadline to Request Exclusion from the Settlement	
Deadline to Submit an Objection to Approval of the Settlement	
Final Approval Hearing	

Your legal rights are affected whether you act or do not act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	If you agree to the Settlement and wish to participate in a distribution of proceeds from the Settlement, you do not need to do anything. If you do nothing, the Court approves the Settlement, and you receive a distribution from the Settlement Payment, you will release all Claims against BANA (and BANA affiliated Releasees) relating to Profit Connect. You will also be barred by court order from pursuing your own lawsuit against BANA (and BANA affiliated Releasees) related in any way to Profit Connect. Note that you will only receive a distribution from the Settlement Payment if your claim has been allowed by the Court.
EXCLUDE YOURSELF FROM THE	If you opt out of the Settlement, you will get

SETTLEMENT TERMS	no distribution from the Settlement Payment. You will retain your right to pursue any Claim you may have against BANA (if any). BANA has denied all claims and liability relating to Profit Connect.
SUBMIT AN OBJECTION	You may object to the Settlement, the terms of the Settlement Agreement, or the Final Approval Order, and request that the Court not approve the Settlement. If you object to the Settlement but do not exclude yourself from the Settlement, and the Court overrules your objection, you will remain eligible for a distribution from the Settlement Payment and be bound by the release in favor of BANA and BANA affiliated Releasees.

The Court in the SEC Action must decide whether to approve the Settlement. The Court will consider whether the Settlement Agreement is adequate, fair, and reasonable. Distributions will only be made if the Court approves the Settlement and after objections, if any, are resolved.

COMMON QUESTIONS ABOUT THE SETTLEMENT

1. What does the Settlement provide?

BANA has agreed to pay Receiver \$1.825 million under the Settlement Agreement. The Settlement Payment, less attorneys' fees and costs, will be used to make distributions to Non-Optout Receivership Claimants.

2. How will the Settlement be allocated?

The net proceeds from the Settlement Payment will be allocated among Non-Optout Receivership Claimants based on the Court's previously approved claims. The Receiver will make a pro rata distribution to such Non-Optout Receivership Claimants based on their net investment (total investment less returns or distributions). The amount of the distribution from the net proceeds of the Settlement Payment that you may receive cannot be determined at this time with accuracy because the distribution depends on whether other Receivership Claimants exclude themselves from the Settlement.

3. What am I giving up to potentially get a payment?

If you do not opt out of the Settlement and receive a distribution from the net proceeds of the Settlement Payment, you will be barred from pursuing any Claims against BANA and BANA affiliated Releasees, and you will have released all such Claims. The Settlement does not affect any potential or ongoing lawsuit you may have against BANA (if any) that does not relate to the Profit Connect scheme. The key provisions and definitions from the Settlement Agreement are included below:

“Claim” or “Claims” means any and all claims, actions, lawsuits, causes of action, investigations, debts, demands, complaints, cross-claims, counterclaims, or third-party claims or proceedings, known and unknown, accrued and unaccrued, whether in law or equity or otherwise, of any nature against BANA arising out of or relating to BANA’s involvement, contact, communications, or actions with respect to Profit Connect, the Kovars, or any of Profit Connect’s accounts held with BANA, including the claims, allegations, and events set forth in that certain draft Complaint provided by the Receiver to BANA on or about April 4, 2024, and certain demand letters dated June 23, 2023, alleging fraudulent transfer liability.

[. . .]

“Non-Optout Receivership Claimants” means any Claimant that does not exercise the option to opt out of the distribution and release associated with this Settlement Agreement, as described in Section 6(b) herein, and thereby becomes bound by the release in favor of BANA.

[. . .]

“Receivership Claimant(s)” means, individually or collectively, any Person that invested their funds in Profit Connect through any of the services or programs offered by Profit Connect or that otherwise has asserted a claim against the Receivership Estate.

[. . .]

Non-Optout Receivership Claimants’ Release of BANA. As of the receipt of the Settlement Payment by the Receiver, each Non-Optout Receivership Claimant that receives a distribution from the net proceeds of the Settlement, for both themselves, and for each of their present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, unconditionally and irrevocably remise, waive, satisfy, release, acquit, and forever discharge BANA, and each of its present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, including, but not limited to,

Bank of America Corporation and all of its subsidiaries and affiliates (collectively, the “Releasees”), and each of them, respectively, from and against any and all past and present claims, counterclaims, actions, suits, rights, causes of action, lawsuits, set-offs, costs, losses, controversies, agreements, promises and demands, or liabilities, of whatever kind or character, direct or indirect, whether known or unknown or capable of being known, arising at law or in equity, by right of action or otherwise, including, but not limited to, suits, debts, accounts, bills, damages, judgments, executions, warranties, attorney’s fees, costs of litigation, expenses, claims, and demands whatsoever that the Non-Optout Receivership Claimant or their attorneys, agents, representatives, predecessors, successors, and assigns have or may have against the Releasees, for, upon, or by reason of any matter, cause, or thing, whatsoever, in law or equity, including, without limitation, the claims made or which could have been made by the Non-Optout Receivership Claimant arising from interactions and activities (or lack thereof) relating to Profit Connect Wealth Services, Inc. or the Profit Connect Scheme, including but not limited to any Claims or issue which was or could have been brought in connection with their interactions with Profit Connect.

In other words, you will not be able to pursue any lawsuit or claim against BANA or against any BANA affiliated Releasees that is in any way related to Profit Connect or your investment with Profit Connect.

4. What does it mean to opt out (*i.e.*, exclude myself)?

If you do not want a payment from the Settlement and want to keep any right to pursue a Claim against BANA, you must submit a request. This is called “excluding yourself” or “opting out.” By opting out, you are excluding yourself from eligibility to receive a distribution from the net proceeds of the Settlement Payment and from the above release provision. There is no guarantee that any claim you may file separately against BANA will prevail; BANA has denied wrongdoing and has denied any and all liability regarding Profit Connect.

5. How do I opt out (*i.e.*, exclude myself)?

To opt out of the Settlement, you must send a written request (the “Request for Exclusion”) by mail or email stating that you want to be excluded from the Settlement. You must include your name, address, email address, phone number, amount of alleged claim against the Receivership Estate (*e.g.*, how much you lost through Profit Connect), and a description of how the claim arose (*e.g.*, how/what you invested in and when). The Request for Exclusion must be postmarked or emailed no later than _____, 2025, and sent to:

American Fiduciary Services LLC
Attn: Profit Connect Receivership
715 NW Hoyt Street #4364
Portland, Oregon 97208
Email: contact@profitconnect-receivership.com

You cannot exclude yourself on the phone. You must submit the written exclusion request via e-mail or mail as noted above. If you ask to be excluded, you are not eligible to receive any distribution from the Settlement Payment. By opting out, you will not receive any benefit from the Settlement.

If you do not properly and timely submit a Request for Exclusion, it will be invalid and may be disregarded. The Receiver reserves the right to challenge the validity of Requests for Exclusion that overstate or misstate claims or are otherwise questionable. BANA may join in any such challenge.

6. If I do not opt out, can I sue BANA for the same claim later?

It depends whether you receive a distribution. If you do not opt out and receive a distribution from the Settlement Payment, no, because you will be bound by the Release in favor of BANA and the BANA affiliated Releasees. If you do not opt out, but you do not receive a distribution from the Settlement Payment, yes, because you will not be bound by the Release in favor of BANA.

If you have any pending Claim or intend to assert a Claim against BANA, you may want to consult a lawyer. Remember the deadline to submit a Request for Exclusion is _____, 2025.

7. If I opt out, can I get money from the Settlement?

No. By opting out, you exclude yourself from entitlement to any distribution resulting from the Settlement.

8. How do I object to the Settlement?

If you would like to tell the Court in the SEC Action that you do not agree with the Settlement, the Settlement Agreement, or the Final Approval Order, you must submit an objection. If you wish to object to the Settlement, you must submit a written objection via email or mail to:

American Fiduciary Services LLC
Attn: Profit Connect Receivership
715 NW Hoyt Street #4364
Portland, Oregon 97208
Email: contact@profitconnect-receivership.com

All objections must be postmarked or emailed by _____, 2025, and:

- a. contain the name, address, telephone number, and an e-mail address of the person filing the objection;
- b. contain the name, address, telephone number, and e-mail address of any attorney representing the person filing the objection;
- c. be signed by the person filing the objection, or his or her attorney;

- d. state, in detail, the basis for any objection;
- e. attach any document the Court should consider in ruling on the Settlement Agreement and the Final Approval Order; and
- f. if the person filing the objection wishes to appear at the Final Approval Hearing, make a request to do so.

Please note that if you do not submit an objection by the time and in the manner provided above, you will be deemed to have waived the right to object (including any right to appeal) and shall be forever barred from raising such objections in the SEC Action or any other action or proceeding. The Court may decline to permit anyone who fails to submit a written objection and request to appear at the Final Approval Hearing from appearing at the Final Approval Hearing. The Court will exercise discretion as to whether it wishes to hear from any person or entity who fails to make a timely written objection and request to appear.

You do not need to appear at the Final Approval Hearing or take any other action to indicate your approval.

9. When and where will the Court decide whether to approve the Settlement?

The Court in the SEC Action will hold a hearing to decide whether to approve the Settlement Agreement and enter the Final Approval Order. The Court will hold the Final Approval Hearing on the Settlement at ____, on ____, 2025, in Courtroom 6D of the United States District Court for the District of Nevada, Las Vegas Division, 333 Las Vegas Boulevard South, Las Vegas, NV 89101. At the hearing, the Court will consider whether the Settlement is fair, adequate, and reasonable, as well as any objections to the Settlement.

10. Do I need to go to the Final Approval Hearing?

No. If you submit an objection, you do not have to go to the Court to talk about it. As long as your written objection is received on time, the Court will consider it. If you wish to make an appearance at the Final Approval Hearing, you must make a request to do so in your objection.

11. What happens if I do nothing at all?

You do not have to do anything to participate in the Settlement. If the Court in the SEC Action grants final approval of the Settlement and if you are a Non-Optout Receivership Claimant with an allowed claim, you will receive a distribution from the Settlement Payment and will be bound by the Settlement, including the releases.

12. How do I get more information about the Settlement?

This Notice does not provide all the details of the Settlement and the Settlement Agreement. For further information, you can obtain copies of the Settlement Agreement, the proposed Final Approval Order, the motion seeking approval of the Settlement, and other supporting papers from the Receiver's website (<https://profitconnect-receivership.com/>). Copies of these documents may

also by requested by e-mail, by sending the request to contact@profitconnect-receivership.com;
or by telephone, by calling (503) 980-3711.

EXHIBIT C

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11

12 **UNITED STATES DISTRICT COURT**

13 **DISTRICT OF NEVADA**

14 SECURITIES AND EXCHANGE
15 COMMISSION,

16 Plaintiff,

17 v.

18 PROFIT CONNECT WEALTH SERVICES,
INC., JOY I. KOVAR, and BRENT CARSON
19 KOVAR,

20 Defendants.
21
22

Case No. 2:21-cv-01298-JAD-BNW

**FINAL ORDER APPROVING
RECEIVER'S SETTLEMENT WITH
BANK OF AMERICA, N.A.**

23
24 This matter came before the Court for a duly noticed hearing on _____, 2025, at the
25 United States District Court for the District of Nevada, Las Vegas Division, 333 Las Vegas
26 Boulevard South, Courtroom 6D, Las Vegas, NV 89101 (the "Final Approval Hearing"), upon the
27 *Motion to Approve Settlement with Bank of America, N.A.* [ECF No. __] (the "Motion"), by Geoff
28 Winkler (the "Receiver") as the court-appointed receiver of Profit Connect Wealth Services, Inc.

1 Due and adequate notice of the proposed Settlement Agreement with Bank of America, N.A.,
2 having been provided, the Final Approval Hearing having been held before the Honorable Jennifer
3 A. Dorsey with appearances as noted on the record, and the Court having considered all papers
4 filed, including any objections, and proceedings had herein and having heard the arguments of
5 counsel, and otherwise being fully informed in the premises and good cause appearing, the Court
6 GRANTS the Motion.

7 The Motion seeks court approval of a proposed settlement (the “Settlement”) between the
8 Receiver and Bank of America, N.A. (“BANA”). The terms of the Settlement are contained in the
9 Settlement Agreement and Release (the “Settlement Agreement”) attached as Exhibit __ to the
10 Motion. Capitalized terms not otherwise defined in this order shall have the meaning assigned to
11 them in the Settlement Agreement. The Settlement Agreement is conditioned on the Court’s
12 approval of the Settlement and entry of this Final Approval Order.

13 On _____, 2025, the Court entered a Preliminary Approval Order [ECF No. __] that,
14 among other things, (i) preliminarily approved the Settlement, (ii) approved the form, content, and
15 manner of the notice to be provided to affected Receivership Claimants, and (iii) established the
16 schedule for approval of the Settlement and the Final Approval Hearing. The Receiver has filed a
17 declaration with the Court detailing his compliance with the notice and other requirements of the
18 Preliminary Approval Order [ECF No. __].

19 Accordingly, for the reasons stated herein and on the record, the Court enters this Final
20 Approval Order, finding that the terms of the Settlement are adequate, fair, and reasonable, and
21 APPROVES the Settlement.

22 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

23 1. The Motion is GRANTED in its entirety. Any objections to the Settlement or entry
24 of this Final Approval Order are overruled to the extent not otherwise withdrawn or resolved.

25 2. Terms used in this Order are defined in the Settlement Agreement, unless expressly
26 otherwise defined in this Order.

27 3. The Court “has broad powers and wide discretion to determine the appropriate
28 relief in [this] equity receivership[.]” including the authority to approve settlements and enter

1 injunctive relief, bar orders and other equitable remedies. *See S.E.C. v. Capital Consultants, LLC*,
2 397 F.3d 733, 738 (9th Cir. 2005); *see In re Consol. Pinnacle W. Securities Litig./Resol. Tr. Corp.-*
3 *Merabank Litig.*, 51 F.3d 194, 197 (9th Cir. 1995).

4 4. The Court has jurisdiction over the subject matter of this action, and the Receiver
5 is the proper party to seek entry of this Order.

6 5. The Court finds that the methodology, form, content, and dissemination of the
7 Notice attached as Exhibit B to the Settlement Agreement: (i) were implemented in accordance
8 with the requirements of the Preliminary Approval Order; (ii) constituted the best practicable
9 notice; (iii) were reasonably calculated under the circumstances to apprise all Receivership
10 Claimants of the Settlement Agreement, the releases therein, and the provisions of this Order; (iv)
11 were reasonably calculated under the circumstances to apprise all interested parties of the right to
12 object to the Settlement Agreement and this Order, the right for Receivership Claimants to exclude
13 themselves from the Settlement, and to appear at the Final Approval Hearing; (v) were reasonable
14 and constituted due, adequate, and sufficient notice; (vi) met all applicable requirements of law,
15 including, without limitation, the Federal Rules of Civil Procedure, the United States Constitution
16 (including Due Process), and the Rules of the Court; and (vii) provided to all Persons a full and
17 fair opportunity to be heard on these matters.

18 6. The Court finds that the Settlement Agreement was reached following an extensive
19 investigation of the facts and resulted from vigorous, good faith, arm's-length, mediated
20 negotiations involving experienced and competent counsel. The Parties have represented that
21 material components of the Settlement Agreement include: (a) the release of all claims arising out
22 of or related to the events leading to these proceedings that have been, could have been, or could
23 be asserted against BANA or against any of the other Releasees by the Receiver and Receivership
24 Claimants receiving a distribution from the Settlement Payment and (b) the bar order set forth in
25 paragraph 9 below. This Order is therefore necessary and appropriate to obtain relief for the
26 Receivership Estate and Receivership Claimants pursuant to the Settlement Agreement.

27 7. The Court finds that the Settlement Agreement is, in all respects, fair, reasonable,
28 and adequate, and in the best interests of all Persons claiming an interest in, having authority over,

1 or asserting a Claim against any BANA, including but not limited to the Receivership Claimants
2 and the Receiver. The Settlement Agreement is fully and finally approved. The Parties are directed
3 to implement and consummate the Settlement Agreement in accordance with the terms and
4 provisions of the Settlement Agreement and this Order.

5 8. Pursuant to the Settlement Agreement, as of the Effective Date, and upon receipt
6 of the Settlement Payment by the Receiver, the Receiver and all Non-Optout Receivership
7 Claimants that receive a distribution from the net proceeds of the Settlement shall be deemed to
8 have fully, finally, and forever released BANA and the other Releasees from all claims relating to
9 Profit Connect or the Profit Connect Scheme, as fully set forth in Section 8 of the Settlement
10 Agreement, and shall be forever be barred and enjoined from commencing, instituting,
11 prosecuting, maintaining, or seeking monetary or other relief respecting any and all of such claims
12 against BANA or against any other Releasees.

13 9. The Court permanently bars, restrains, and enjoins each of the Non-Optout
14 Receivership Claimants that receive a distribution from the net proceeds of the Settlement, whether
15 acting in concert with the foregoing or claiming by, through, or under the foregoing, or otherwise,
16 all and individually, from directly, indirectly, or through a third party, prosecuting, against BANA
17 or against any other Releasees, now or at any time in the future, any action, lawsuit, cause of action,
18 claim, investigation, demand, complaint, or proceeding of any nature in any state or federal court,
19 arbitration proceeding, or other forum in the United States, whether individually, derivatively, on
20 behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way
21 relates to, is based upon, arises from, or is connected with the claims and matters released in
22 Section 8 of the Settlement Agreement. Nothing in the foregoing shall preclude any Non-Optout
23 Receivership Claimant from cooperating with governmental authorities in a lawful manner or
24 responding to a valid subpoena.

25 10. Notwithstanding anything to the contrary in this Final Approval Order or the
26 Settlement Agreement, the foregoing releases and bar do not release the Parties' rights and
27 obligations under the Settlement Agreement or preclude the Parties from seeking to enforce or
28 effectuate the terms of the Settlement Agreement.

1 11. Nothing in this Final Approval Order or the Settlement Agreement and no aspect
2 of the Settlement Agreement or negotiation thereof is or shall be construed to be an admission or
3 concession of any violation of any statute or law, of any fault, liability or wrongdoing, or of any
4 infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims,
5 allegations or defenses in any proceeding.

6 12. BANA is ordered to pay or cause to be paid the Settlement Payment
7 (\$1,825,000.00) as described in the Settlement Agreement. The Receiver is directed to make
8 distributions using the net proceeds of the Settlement Payment to the Non-Optout Receivership
9 Claimants with allowed claims pursuant to the Court's Order Granting Motion for Order in Aid of
10 Receivership Allowing and Disallowing Claims [ECF Nos. 181, 191]. The Receiver is authorized
11 to pay from the Settlement Payment the total sum of three hundred sixty-five thousand dollars
12 (\$365,000.00) to his special litigation counsel Levine Kellogg Lehman Schneider + Grossman
13 LLP, which sum constitutes a 20% contingency fee voluntarily reduced from the Court-approved
14 25% fee. [ECF Nos. 142, 147]. The Parties are ordered to act in conformity with all other
15 provisions of the Settlement Agreement.

16 13. The terms of the Settlement Agreement and of this Final Approval Order shall be
17 binding on the Receiver, Profit Connect, the Non-Optout Receivership Claimants, and BANA, as
18 well as their respective successors and assigns. The Optout Receivership Claimants listed on
19 Exhibit ___ to the Receiver's declaration have excluded themselves from the Settlement pursuant
20 to the procedures set forth in the Notice and Preliminary Approval Order and are thus not bound
21 by the terms of the Settlement or this Final Approval Order, and shall not be eligible for a
22 distribution from the Settlement Payment.

23 14. The Court finds and determines, pursuant to Federal Rule of Civil Procedure 54(b),
24 that there is no just reason for any delay in the entry of this Final Approval Order, which is both
25 final and appealable as a final judgment of the Court, and immediate entry by the Clerk of the
26 Court is so ordered.

27 15. Without in any way affecting the finality of this Order, the Court retains continuing
28 jurisdiction over the Parties for purposes of, among other things, the administration, interpretation,

1 consummation, and enforcement of this Final Approval Order and the Settlement Agreement,
2 including, without limitation, the injunctions and releases herein, and to enter orders concerning
3 the distribution of the Settlement Payment.

4 16. The Receiver shall cause this Final Approval Order to be served via e-mail or first-
5 class U.S. mail on all known Receivership Claimants and any Person that filed an objection to
6 approval of the Settlement Agreement or the proposed Final Approval Order.

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9 IT IS SO ORDERED.

10 DATED: _____

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JENNIFER A. DORSEY
UNITED STATES DISTRICT JUDGE

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