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12 *Attorneys for Receiver*  
13 *Geoff Winkler of American Fiduciary Services*

14 **UNITED STATES DISTRICT COURT**  
15 **DISTRICT OF NEVADA**

16 SECURITIES AND EXCHANGE  
17 COMMISSION,

18 Plaintiff,

19 v.

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

22 Defendants.

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

**MOTION TO APPROVE  
SETTLEMENT AGREEMENT  
WITH CITIBANK, N.A.**

23  
24 Geoff Winkler, the Court-appointed Receiver of Profit Connect Wealth Services, Inc.  
25 (“Profit Connect”), and its subsidiaries and affiliates, moves the Court for an order approving a  
26 settlement with Citibank, N.A. (the “Motion”). The Motion is based on the below memorandum  
27 of points and authorities, the exhibits hereto, all papers on file, and any argument the Court may  
28 consider.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. FACTUAL BACKGROUND**

3 The SEC initiated this action against Profit Connect, Joy Kovar, and Brent Kovar on  
4 July 8, 2021, by the sealed, *ex parte* filing of a complaint and motion for temporary restraining  
5 order seeking, among other things, the freezing of defendants' assets and the appointment of a  
6 receiver over Profit Connect. The Court granted the *ex parte* temporary restraining order, in  
7 part, by allowing the asset freeze to proceed but set the motion for a hearing in order to provide  
8 the defendants an opportunity to be heard on the temporary receivership request.

9 On July 23, 2021, the defendants stipulated to modify the temporary restraining order to  
10 appoint the temporary receiver. On August 6, 2021, following another stipulation of the  
11 parties, the Court converted the temporary restraining order to a preliminary injunction and  
12 appointed the Receiver as the permanent receiver of Profit Connect. Among other things, the  
13 Court charged the Receiver with assuming control over all of Profit Connect's assets and  
14 monetizing the assets, and making an accounting of Profit Connect's financial condition so that  
15 distributions can be made.

16 Joy Kovar and Brent Kovar held Profit Connect out as a cryptocurrency mining  
17 company that had created and patented a series of "supercomputers" with data centers in  
18 Pasadena, California, and Las Vegas, Nevada. Profit Connect claimed and offered investors  
19 "seat time" on its supercomputers while it was allegedly mining cryptocurrency, which Profit  
20 Connect told investors would earn them 15-30% returns in zero-risk FDIC accounts for  
21 whatever amount they invested. Despite the claims that the "supercomputers" had mined  
22 between \$500 million and \$1 billion in cryptocurrency, from May 2018 through July 2021,  
23 Profit Connect successfully mined only \$352.93 in cryptocurrency, demonstrating that it never  
24 did, in fact, have operational mining supercomputers as it claimed to. During this period,  
25 approximately 880 investors deposited \$24,697,801 into Profit Connect's bank accounts,  
26 comprising 99.9% of the cash inflows. Of that amount, only a small amount was returned to  
27 investors and the rest was used for a variety of purposes, including for payment of commission  
28 to agents and promoters and to pay the personal expenses of the defendants or their associates.

1 The Receiver obtained Court authority to pursue clawback actions against credit card  
 2 companies and to settle any action without the need for Court approval if the settlement was  
 3 for 85% of the amount in dispute and the form of the agreement was substantially similar to  
 4 that approved by the Court.<sup>1</sup>

5 The Receiver determined that Citibank received \$125,786.61 in payments from Profit  
 6 Connect for credit cards that were issued to individuals, not to Profit Connect, and for which  
 7 Profit Connect was not contractually liable. Accordingly, the Receiver sent a demand letter  
 8 seeking the return of those funds under the authority of *In re Walldesign, Inc.*, 872 F.3d 954  
 9 (9<sup>th</sup> Cir. 2017), alleging that Profit Connect did not receive reasonably equivalent value in  
 10 exchange for the payments and was insolvent when they were made. Subsequently, the  
 11 Receiver and Citibank exchanged documents regarding Citibank's liability and its potential  
 12 defenses, including that certain of the charges appeared to be business expenses. After several  
 13 rounds of negotiation, the parties have agreed to settle the dispute for a payment of \$65,000.00  
 14 to be made within thirty days of execution of the settlement agreement, subject to Court  
 15 approval of the agreement. A copy of the agreement is attached as Exhibit "1."

## 16 17 **II. LEGAL ARGUMENT**

18 "The power of a district court to impose a receivership or grant other forms of ancillary  
 19 relief does not in the first instance depend on a statutory grant of power from the securities laws.  
 20 Rather, the authority derives from the inherent power of a court of equity to fashion effective  
 21 relief."<sup>2</sup> The "primary purpose of equity receiverships is to promote orderly and efficient  
 22 administration of the estate by the district court for the benefit of creditors."<sup>3</sup>

23  
24  
25  
26 <sup>1</sup> See *See Order Granting Motion for Order in Aid of Receivership Authorizing Receiver to Pursue Clawback Actions and Approving Settlement Parameters* [Document 169].

27 <sup>2</sup> *SEC v. Wencke*, 622 F.2d 1363, 1369 (9th Cir. 1980).

28 <sup>3</sup> *SEC v. Hardy*, 803 F.2d 1034, 1038 (9th Cir. 1986).

1 District courts have the broad power of a court of equity to determine the appropriate  
2 action in the administration and supervision of an equity receivership.<sup>4</sup> The Ninth Circuit  
3 explained:

4  
5 A district court's power to supervise an equity receivership and to  
6 determine the appropriate action to be taken in the administration of  
7 the receivership is extremely broad. The district court has broad  
8 powers and wide discretion to determine the appropriate relief in an  
9 equity receivership. The basis for this broad deference to the district  
10 court's supervisory role in equity receiverships arises out of the fact  
11 that most receiverships involve multiple parties and complex  
12 transactions. A district court's decision concerning the supervision  
13 of an equitable receivership is reviewed for abuse of discretion.<sup>5</sup>

14 In connection with the administration of an estate, courts are deferential to the business judgment  
15 of bankruptcy trustees, receivers, and similar custodians.<sup>6</sup>

16 The Receiver believes that the settlement with Citibank is a proper exercise of his  
17 business judgment and in the best interests of the receivership estate. Citibank established a  
18 good likelihood that it would maintain a partial defense to the extent that the charges appeared  
19 to be business expenses. Between that and the cost and delay of litigation, the Receiver  
20 believes that this settlement represents a fair resolution and a good result for the estate. The  
21 goal of an equitable receivership is to recoup as much of the innocent investors' lost funds as  
22 possible. The Receiver believes this opportunity to settle with Citibank strikes the best balance  
23 between risk and reward regarding recovery of investor funds from Citibank and requests that  
24 it be approved.

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25 <sup>4</sup> See *SEC v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005).

26 <sup>5</sup> *Id.* (citations omitted); see also *CFTC v. Topworth Int'l, Ltd.*, 205 F.3d 1107, 1115 (9th Cir.  
27 1999) ("This court affords 'broad deference' to the court's supervisory role, and 'we generally  
28 uphold reasonable procedures instituted by the district court that serve th[e] purpose of orderly  
and efficient administration of the receivership for the benefit of creditors.").

<sup>6</sup> See, e.g., *Bennett v. Williams*, 892 F.2d 822, 824 (9th Cir. 1989) ("[W]e are deferential to the  
business management decisions of a trustee."); *Southwestern Media, Inc. v. Rau*, 708 F.2d 419,  
425 (9th Cir. 1983) ("The decision concerning the form of . . . [estate administration] . . . rested  
with the business judgment of the trustee.").

1 **III. CONCLUSION**

2 For the reasons stated herein, and pursuant to Section X(k) of the Appointment Order,  
3 the Receiver respectfully asks this Court for an order approving the Settlement Agreement  
4 attached hereto as **Exhibit 1**. A proposed order granting the Motion is attached hereto as **Exhibit**  
5 **2**.

6 DATED this 14<sup>th</sup> day of October, 2024.

7  
8 RAINES FELDMAN LITTRELL LLP

9 By: /s/ Kyra E. Andrassy

10  
11 KYRA E. ANDRASSY, ESQ.\*  
12 \*Admitted Pro Hac Vice  
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26 *Attorneys for Receiver Geoff Winkler*  
27  
28

**DECLARATION OF GEOFF WINKLER**

I, Geoff Winkler, hereby declare and state as follows:

1. I am over 21 years old and am a founding member and the chief executive officer of American Fiduciary Services LLC, which is based in Portland, Oregon.

2. I am competent to testify to the matters presented in this declaration, and I submit this declaration in support of my motion to approve a settlement with Citibank, N.A. (the "Motion"). This declaration is based on my personal knowledge, except where made on information and belief, and as to those matters, I believe them to be true.

3. On August 6, 2021, on stipulation of the parties, the Court appointed me as the permanent receiver of Profit Connect Wealth Services, Inc. and any of its subsidiaries and affiliates ("Profit Connect").

4. Joy Kovar and Brent Kovar held Profit Connect out as a cryptocurrency mining company that had created and patented a series of "supercomputers" with data centers in Pasadena, California, and Las Vegas, Nevada. Profit Connect claimed and offered investors "seat time" on its supercomputers while it was allegedly mining cryptocurrency, which Profit Connect told investors would earn them 15-30% returns in zero-risk FDIC accounts for whatever amount they invested. Despite the claims that the "supercomputers" had mined between \$500 million and \$1 billion in cryptocurrency, from May 2018 through July 2021, Profit Connect successfully mined only \$352.93 in cryptocurrency, demonstrating that it never did, in fact, have operational mining supercomputers as it claimed to. During this period and based on our forensic accounting, approximately 880 investors deposited \$24,697,801 into Profit Connect's bank accounts, comprising 99.9% of the cash inflows. Of the \$24,697,801 put in by investors, approximately \$1.8 million was distributed to 68 investors.

5. Of that amount, only a small amount was returned to investors and the rest was used for a variety of purposes, including for payment of commission to agents and promoters and to pay the personal expenses of the defendants or their associates.

6. I obtained Court authority to pursue clawback actions against credit card companies and to settle any action without the need for Court approval if the settlement was

1 for 85% of the amount in dispute and the form of the agreement was substantially similar to  
2 that approved by the Court.

3         7.       We determined from our forensic accounting that Citibank received  
4 \$125,786.61 in payments from Profit Connect for credit cards that were issued to individuals,  
5 not to Profit Connect, and for which Profit Connect was not contractually liable. Accordingly,  
6 we sent a demand letter seeking the return of those funds, alleging that Profit Connect did not  
7 receive reasonably equivalent value in exchange for the payments and was insolvent when they  
8 were made. Subsequently, the parties exchanged documents regarding Citibank's liability and  
9 its potential defenses, including that certain of the charges appeared to be business expenses.  
10 After several rounds of negotiation, we have agreed to settle the dispute for a payment of  
11 \$65,000.00 to be made within thirty days of execution of the settlement agreement, subject to  
12 Court approval of the agreement. A true and correct copy of the agreement is attached as  
13 Exhibit "1."

14         8.       I believe that the settlement with Citibank is a proper exercise of my business  
15 judgment and in the best interests of the receivership estate. Citibank established a good  
16 likelihood that it would maintain a partial defense to the extent that the charges appeared to be  
17 business expenses. Between that and the cost and delay of litigation, I believe that this  
18 settlement represents a fair resolution and a good result for the estate. The goal of an equitable  
19 receivership is to recoup as much of the innocent investors' lost funds as possible and I believe  
20 that this opportunity to settle with Citibank strikes the best balance between risk and reward  
21 regarding recovery of investor funds from Citibank.

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

23         Executed on October 14, 2024, at Portland, Oregon.

24                                 /s/ Geoff Winkler  
25                                 GEOFF WINKLER  
26  
27  
28

**CERTIFICATE OF SERVICE**

I hereby certify that, on the 14th day of October, 2024, a true and correct copy of the foregoing was filed electronically via the Court's CM/ECF system. Notice of filing will be served on all parties by operation of the Court's CM/ECF system, and parties may access this filing through the Court's CM/ECF system.

*/s/ Ja'Nita Fisher*

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An employee of RAINES FELDMAN  
LITTRELL LLP



**INDEX OF EXHIBITS**

<b>EXHIBIT</b>	<b>DESCRIPTION</b>
<b>1</b>	SETTLEMENT AGREEMENT
<b>2</b>	[PROPOSED] ORDER APPROVING SETTLEMENT AGREEMENT

**EXHIBIT "1"**

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

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

**Securities and Exchange Commission**

**v.**

**Profit Connect Wealth Services, Inc.,  
et al.**

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**STIPULATION TO COMPROMISE CONTROVERSY AND MUTUAL GENERAL  
RELEASE BETWEEN RECEIVER AND CITIBANK, N.A.**

This Stipulation to Compromise Controversy and Mutual General Release Between Receiver and Citibank, N.A. (the “Stipulation”) is entered into by and between Geoff Winkler of American Fiduciary Services, in his capacity as the Court-appointed Receiver for Defendant Profit Connect Wealth Services, Inc. (the “Receiver”) and Citibank, N.A. and all affiliated and related entities (“Citi,” and together with the Receiver, the “Settlement Parties”).

**RECITALS**

**WHEREAS**, this case commenced with the filing of an action for claims and for appointment of a receivership by the Securities and Exchange Commission against Defendants, Profit Connect Wealth Services, Inc., Joy I. Kovar and Brent Carson Kovar (“Defendants”) on July 8, 2021 (the “Complaint Date”)(“District Court Case”). Shortly thereafter, Geoff Winkler was appointed as Receiver of Defendants (the “Estate”);

**WHEREAS**, prior to the Petition Date, the Defendants were in the business of, among other things, wealth investment;

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**The Transfers, the Claims & the Demand**

**WHEREAS** consistent with his fiduciary duties and statutory obligations, after his appointment, the Receiver and his professionals began investigating potential recovery opportunities to be pursued for the Estate's benefit;

**WHEREAS** based upon, among other things: (a) a review of the Defendants' books, records and bank statements, and (b) an analysis prepared by the Receiver, the Receiver determined that during a period immediately preceding the Petition Date, the Defendants made transfers to Citi an amount not less than \$125,786.61 (the "Transfers")(these Transfers also include transfers to related entities of Defendants, Microstamp Corporation and Williams Divine);

**WHEREAS** the Receiver's investigation reflects that the Transfers were made for the benefit of the Defendants and/or an entity other than the Defendants;

**WHEREAS** the Receiver asserted that the Transfers were avoidable because the Defendants did not receive reasonably equivalent value for the Transfers under the United States Code and/or Nevada law, and sent two demand letter to Citi (the "Demand Letters") asserting that the Estate possessed avoidance claims against Citi arising under *In Re Walldesign, Inc.*, 872 F.3d 954 (2017) in the total amount of \$125,786.61 (the "Citi Claims");

**WHEREAS** upon receipt of the Demand Letters Citi's counsel contacted the Receiver and requested additional time to investigate the Citi Claims. Thereafter, Citi proffered certain partial defenses including, but not limited to, the indirect benefit defense;

**WHEREAS**, Citi disputes certain of the Receiver's assertions, and the Receiver disputes certain of Citi's proffered partial defenses;

**The Settlement Discussions**

**WHEREAS**, notwithstanding the foregoing, given, among other things, the expense and uncertainty of litigation as well as Citi's proffered partial defenses, the Settlement Parties agreed to

settle all matters between them, on the terms and conditions set forth herein, subject only to United States District Court approval.

**AGREEMENT TO SETTLE**

**NOW, THEREFORE,** in consideration of the foregoing, the mutual covenants and considerations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Settlement Parties agree as follows:

1. **RECITALS:** The Settlement Parties agree that the recitals above are true and correct.
2. **SETTLEMENT PAYMENT:** Subject only to: (a) entry of a final, non-appealable order of the United States District Court (the “Approval Order”) approving the settlement that is the subject of this Stipulation (the “Settlement”); and (b) the Receiver providing Citi’s counsel with a completed W-9 (attached hereto), Citi agrees to pay to the Receiver, and the Receiver agrees to accept, the sum of \$65,000.00 (the “Settlement Amount”), in full and complete settlement of any and all claims that the Receiver has the right to assert against Citi arising from or related to the instant District Court Case, including, but not limited to, the Citi Claims. The Settlement Amount shall be paid by check payable to “Geoff Winkler of American Fiduciary Services”, and shall be delivered to the Receiver, c/o Kyra E. Andrassy, Esq, Raines Feldman Littrell, LLP, 1900 Avenue of the Star, 19<sup>th</sup> floor, Los Angeles, California 90067, no later than thirty (30) days after execution of this Agreement by all of the Settlement Parties and the Receiver providing Citi’s counsel with a properly completed W-9. In the event that the U.S. District Court declines to approve the Settlement, the Receiver shall promptly return the Settlement Amount to Citi.
3. **CLAIM:** Citi hereby waives any and all claims and claim rights it may possess or have the right to assert against the Estate, including, but not limited to, any claims pursuant to 11 U.S.C. § 502(h), and agrees and acknowledges that it shall be entitled to no claim against, or distribution from, the Estate.

4. **NO ADMISSION OF LIABILITY:** The Settlement Parties are entering into this Stipulation to resolve a bona fide dispute, and this Stipulation is not intended to be, and shall not be construed to be, an admission of liability of any type by either of the Settlement Parties.

5. **RELEASE BY THE RECEIVER:** In consideration for the settlement herein outlined and the covenants contained in this Stipulation, the Receiver, on behalf of the Receivership Estate, upon entry of the Approval Order and receipt of the Settlement Payment, hereby releases Citi and their current and former officers, directors, attorneys, principals, insurance carriers, vendors, employees, subsidiaries, affiliates and parent companies (collectively referred to as the “Citi Released Parties”), jointly and severally, from any and all claims related to the Transfers, the Citi Claims, any counterclaims, avoidance actions, demands, damages, debts, agreements, covenants, suits, contracts, obligations, liabilities, accounts, offsets, rights, actions and causes of action for contribution and indemnity, whether arising at law or in equity, including without limitation, claims arising from or related to any act, omission, communication, transaction, occurrence, representation, misrepresentation, deceit, statement, promise, damage, breach of contract, fraud, commission of any tort, violation of any state or federal law, or usury, whether presently possessed or possessed in the future, whether known or unknown, whether liability be direct or indirect, liquidated or unliquidated, whether presently accrued or to accrue hereafter, whether absolute or contingent, foreseen or unforeseen, and whether or not heretofore asserted, or any other matter whatsoever or thing done, omitted or suffered to be done by the Citi Released Parties, arising from (i) the pre-filing Date business relationship between the Defendants and the Citi Released Parties, and (ii) the District Court Case. This release shall not include and does not affect Citi’s obligations to the Receiver and the Estate pursuant to this Stipulation. This release shall not be deemed as a release or waiver of claims that Citi Released Parties may have against (i) Defendants, and (ii) Microstamp Corporation and Williams Divine.

6. **RELEASE BY CITI:** In consideration for the settlement herein outlined and covenants contained in this Stipulation, Citi, on behalf of itself and the Citi Released Parties, upon entry of the

Approval Order, jointly and severally, hereby releases the Receiver and the Receivership Estate, and their respective employees, attorneys, accountants and representatives (collectively referred to as the “Receiver Released Parties”), jointly and severally, from any and all claims, counterclaims, avoidance actions, demands, damages, debts, agreements, covenants, suits, contracts, obligations, liabilities, accounts, offsets, rights, actions and causes of action for contribution and indemnity, whether arising at law or in equity, including without limitation, claims arising from or related to any act, omission, communication, transaction, occurrence, representation, misrepresentation, deceit, statement, promise, damage, breach of contract, fraud, commission of any tort, violation of any state or federal law, or usury, whether presently possessed or possessed in the future, whether known or unknown, whether liability be direct or indirect, liquidated or unliquidated, whether presently accrued or to accrue hereafter, whether absolute or contingent, foreseen or unforeseen, and whether or not heretofore asserted, or any other matter whatsoever or thing done, omitted or suffered to be done by any of the Receiver Released Parties arising from (i) the Receiver’s administration of the Estate, and (ii) the District Court Case. This release shall not include and does not affect the Receiver’s obligations to Citi pursuant to this Stipulation, and this release shall not be deemed as a release or waiver of claims that Citi Released Parties may have against (i) Defendants, and (ii) Microstamp Corporation and William Divine.

7. **CHOICE OF LAW:** This Stipulation shall be construed in accordance with the laws of the State of Nevada, both substantive and remedial.

8. **ENTIRE AGREEMENT:** This Stipulation represents the entire understanding and agreement between the Settlement Parties, and supersedes any and all other agreements, either oral or in writing, between the Settlement Parties hereto with respect to the subject matter hereof. The Settlement Parties stipulate and agree that no promise, warranty, representation, inducement or agreement, written or oral, not expressed or referred to in this Stipulation, has been made and/or relied upon.

9. **MODIFICATIONS:** This Stipulation may not be modified or amended in any respect whatsoever, except by a writing signed by all of the Settlement Parties.

10. **WAIVER**: No waiver of any provisions of this Stipulation shall be valid unless in writing and signed by the party against whom charged.

11. **CONSTRUCTION AND HEADINGS**: In giving meaning to this Stipulation, the singular shall be held to include the plural, and the plural shall be held to include the singular. The Settlement Parties agree that the section headings contained herein are included for convenience only and are not to be deemed part of this Stipulation.

12. **BINDING EFFECT**: This Stipulation, upon execution by all parties, is binding upon the Settlement Parties hereto, their heirs, successors, and assigns, subject only to entry of the Approval Order.

13. **REPRESENTATION AND WARRANTIES**: The Settlement Parties mutually represent and warrant that: (a) they have full power and authority to negotiate, execute and perform the terms and provisions of this Stipulation; (b) the execution of this Stipulation does not put either of the Settlement Parties in violation of any agreements to which they are a party; and (c) the Stipulation is duly executed and delivered by the Settlement Parties and constitutes a legal, valid, and binding obligation enforceable in accordance with the terms hereof.

14. **NO SEVERABILITY**: If any part of this Stipulation is deemed to be invalid in any court of law, the remaining provisions of this Stipulation will thereby also be rendered invalid and of no effect, and may not be enforced.

15. **ENFORCEMENT**: Each party may enforce this Stipulation as a valid contract, and may obtain any lawful remedy including injunctive relief enforcing the Stipulation. The Settlement Parties irrevocably agree that the United States District Court, District of Nevada (the “United States District Court”), in the above-captioned case, has personal jurisdiction over the Settlement Parties, and shall retain sole and exclusive personal and subject matter jurisdiction to interpret, enforce and implement the terms of this Stipulation.



16. **DRAFTING, ADVICE OF COUNSEL, AND VOLUNTARY EXECUTION:** The Settlement Parties acknowledge and agree that: (a) each of the Settlement Parties has read, fully understands, and agrees to each page of this Stipulation; (b) each of the Settlement Parties has had the benefit of the advice of counsel and has signed the Stipulation only after due consideration and consultation with its respective attorneys; (c) each of the Settlement Parties has participated fully in negotiating and drafting the terms hereof; and (d) each of the Settlement Parties has entered into this Stipulation freely voluntarily, without duress, coercion or fraudulent inducement, and for valuable consideration. Accordingly, this Stipulation shall not be more strictly construed against any of the Settlement Parties than against the other.

17. **CONSIDERATION:** The Settlement Parties hereto acknowledge and agree that each is foregoing certain rights and assuming certain duties and obligations, which, but for this Stipulation, would not have been foregone or assumed. Accordingly, the Settlement Parties agree that this Stipulation is fully and adequately supported by consideration and is fair and reasonable in all of its terms.

18. **COUNTERPARTS.** This Stipulation may be executed in counterparts which, taken together, shall constitute one and the same agreement, and facsimile or PDF signatures shall be deemed originals.

19. **ATTORNEYS' FEES AND COSTS:** Each of the Settlement Parties agrees to bear its own respective attorneys' fees, costs and expenses incurred in connection with the District Court Case, including, but not limited to, the costs incurred in connection with the negotiation and preparation of this Stipulation.

20. **APPROVAL ORDER:** The Receiver shall promptly seek the entry of the Approval Order from the District Court Case.

21. **BEST EFFORTS:** The Settlement Parties shall use their best efforts to obtain District Court approval of this Stipulation. Without limiting the foregoing, the Settlement Parties shall not take,

or cause any persons or entities to take, any actions calculated or intended to decrease the likelihood of obtaining such approval.

22. **FURTHER COOPERATION**: The Settlement Parties shall further cooperate with each other and execute any additional documents which are reasonable and necessary to achieve the settlement described herein.

DATED: October, 7, 2024

Geoff Winkler, Receiver for Defendants Profit Connect  
Services, Inc., Joy I. Kovar and Brent Carson Kovar

  
Print Name: Geoff Winkler, Receiver

DATED: October, 11, 2024

Citibank, N.A.

By:  \_\_\_\_\_

Its: Claims Officer \_\_\_\_\_

**EXHIBIT "2"**

1 KARA HENDRICKS, ESQ.  
Nevada Bar No. 07743  
2 KYLE A. EWING, ESQ.  
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11 kandrassy@raineslaw.com

12 *Attorneys for Receiver*  
13 *Geoff Winkler of American Fiduciary Services*

14 **UNITED STATES DISTRICT COURT**  
15 **DISTRICT OF NEVADA**

16 SECURITIES AND EXCHANGE  
17 COMMISSION,

18 Plaintiff,

19 v.

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

22 Defendants.

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

**ORDER GRANTING MOTION TO  
APPROVE SETTLEMENT  
AGREEMENT WITH CITIBANK,  
N.A.**

23  
24 The Court having reviewed the *Motion to Approve Settlement Agreement with Citibank*,  
25 N.A. (the “Motion”), and there being no opposition to the Motion and the Court having found  
26 that cause exists to grant the Motion,

27 **IT IS ORDERED AS FOLLOWS:**

28 (1) The Motion is granted; and

1           (2)     The terms of the settlement agreement attached to the Motion as Exhibit “1” are  
2 approved and the Receiver is authorized to sign the settlement agreement and any other  
3 documents he deems reasonably necessary to consummate the settlement.

4           **IT IS SO ORDERED.**

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6 DATED: \_\_\_\_\_  
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**PROOF OF SERVICE**

I am over the age of 18 and not a party to the within action; I am employed by Raines Feldman Littrell LLP and its business address is 3200 Park Center Drive, Suite 250, Costa Mesa, California 92626.

On October 14, 2024, I served the following document(s) described as

**MOTION TO APPROVE SETTLEMENT AGREEMENT WITH CITIBANK, N.A.**

☐ by placing the true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list.

**SEE ATTACHED SERVICE LIST**

☒ **BY COURT VIA NOTICE OF ELECTRONIC FILING ("NEF"):** Pursuant to Federal Rule of Civil Procedure 5(b), the foregoing document will be served by the court via NEF and hyperlinked to the document. On October 14, 2024, I checked the CM/ECF docket for this case and determined that the aforementioned person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated.

☒ **BY MAIL:** I placed said envelope(s) for collection and mailing, following ordinary business practices, at the business offices of Raines Feldman Littrell LLP, and addressed as shown on the attached service list, for deposit in the United States Postal Service. I am readily familiar with the practice of Raines Feldman Littrell LLP for collection and processing correspondence for mailing with the United States Postal Service, and said envelope(s) will be deposited with the United States Postal Service on said date in the ordinary course of business.

☐ **BY ELECTRONIC SERVICE:** Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the persons at the electronic notification addresses listed in the attached service list.

☐ **BY OVERNIGHT DELIVERY:** I placed said documents in envelope(s) for collection following ordinary business practices, at the business offices of Raines Feldman Littrell LLP, and addressed as shown on the attached service list, for collection and delivery to a courier authorized by \_\_\_\_\_ to receive said documents, with delivery fees provided for. I am readily familiar with the practices of Raines Feldman Littrell LLP for collection and processing of documents for overnight delivery, and said envelope(s) will be deposited for receipt by \_\_\_\_\_ on said date in the ordinary course of business.

☐ **BY FACSIMILE:** I caused the above-referenced document to be transmitted to the interested parties via facsimile transmission to the fax number(s) as stated on the attached service list.

☐ **BY PERSONAL SERVICE:** I delivered such envelope(s) by hand to the offices of the addressee(s) in the attached service list.

☐ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☒ (Federal) I declare that I am employed in the office of a member of the bar of this

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court at whose direction the service was made. I declare under penalty of perjury that the above is true and correct.

Executed October 14, 2024 at Costa Mesa, California.

Ja’Nita Fisher  
Type or Print Name

/s/ Ja’Nita Fisher  
Signature

**SERVICE LIST**

**BY COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”):**

- Kyra E. Andrassy  
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