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10 *Geoff Winkler of American Fiduciary Services*

11
12 **UNITED STATES DISTRICT COURT**
13 **DISTRICT OF NEVADA**

14 SECURITIES AND EXCHANGE
COMMISSION,

15
16 Plaintiff,

17 v.

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

20 Defendants.

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

**EIGHTEENTH STATUS REPORT OF
GEOFF WINKLER, RECEIVER FOR
PROFIT CONNECT WEALTH
SERVICES, INC.**

21 Geoff Winkler of American Fiduciary Services, LLC, the permanent receiver for Profit
22 Connect Wealth Services, Inc., and any subsidiaries and affiliates (together, “Profit Connect”)
23 submits his Eighteenth Status Report (the “Report”) regarding the receivership pursuant to Local
24 Rule 66-4(b).

25 **I. SUMMARY OF THE RECEIVER'S OPERATIONS (LR 66-4(b)(1))**

26 The Securities and Exchange Commission initiated this action against Profit Connect, Ms.
27 Kovar, and Mr. Kovar on July 8, 2021, when it filed an ex parte complaint and motion for temporary
28 restraining order seeking, among other things, the freezing of defendants’ assets and the appointment

1 of a receiver over Profit Connect. On July 23, 2021, the Defendants stipulated to modifying the
2 temporary restraining order to appoint Geoff Winkler as the Temporary Receiver, giving him limited
3 powers. On August 6, 2021, following another stipulation of the parties, the Court converted the
4 temporary restraining order to a preliminary injunction and appointed the Temporary Receiver as
5 the Permanent Receiver of Profit Connect. See Receivership Order (ECF No. 26.)

6 After appointment, the Receiver and his team attempted to find a solution that would allow
7 Profit Connect to continue to operate legally and profitably to maximize return to investors. The
8 Receiver, his staff, and the Forensic IT team spent several weeks collecting and reviewing data,
9 communicating with Profit Connect parties, observing operations, and documenting assets and
10 information. After determining that there was no viable business to continue operating, the Receiver
11 terminated the employees and closed the offices, only retaining a few employees on a contract basis
12 to assist with the wind-down of operations and preparation for the sale of the personal property.

13 Since the completion of the Investigation and Forensic Accounting Report (ECF No. 111) in
14 August 2022, the Receiver and his team have identified third-party recovery opportunities and
15 analyzed the accounting to determine the recommended claims process. A hearing on June 13th,
16 2023, began the 90-day claims process. Anyone intending to make a claim against the receivership
17 estate was required to file a claim no later than September 11, 2023 (the “Claims Bar Date”), or their
18 claims may be forever barred. The Receiver finished the receipt of the audit of claims in a previous
19 reporting period.

20 Braun International Real Estate Company (“Braun”) listed and sold the eight land parcels
21 owned by Profit Connect in Searchlight, Nevada, finalizing the last sale in a previous reporting
22 period. No Searchlight parcels remain.

23 Per the Order Granting Motion for Order in Aid of Receivership Approving Interim
24 Distribution (ECF No. 222), the Receiver prepared and distributed \$8,000,000 of the funds on hand,
25 less the reserved funds per the Court, to allowed claimants on December 20th, 2024. No other interim
26 distributions have been made.

27 ///

28 ///

The breakdown of cash flows and the current balance sheet are as follows:

SEC v. Profit Connect Wealth Services, Inc. et al	
Summary Cash Flow Statement	
October 1, 2025 - December 31, 2025	
<i>Cash at Beginning of Period</i>	2,253,302
<i>Cash Inflows</i>	
Third-Party Litigation Income	1,922,436
Interest Income	1,881
Miscellaneous - Other	2,365
<i>Total Cash Inflows</i>	<i>1,926,682</i>
<i>Cash Outflows</i>	
Disbursements to Investors	-
Receiver Fees and Expenses	(37,838)
Receiver's Attorney and Other Professional Fees	(405,840)
Third-Party Litigation Expenses	-
<i>Total Cash Outflows</i>	<i>(443,678)</i>
<i>Cash at End of Period</i>	<i>3,736,306</i>

SEC v. Profit Connect Wealth Services, Inc. et al	
Summary Balance Sheet	
December 31, 2025	
<i>Assets</i>	
MCB Account	3,736,306
Real Property	-
Professional Liability Litigation**	890,000
Third Party Litigation**	279,257
<i>Total Assets</i>	<i>4,905,563</i>
<i>Liabilities</i>	
Total Remaining Claims	14,127,355
Contingency Litigation Fees	296,664
Contingency Litigation Cost	53,539
Accrued Professionals	480,340
<i>Total Liabilities</i>	<i>14,957,897</i>
<i>Equity</i>	
Retained Earnings	(10,052,334)
<i>Total Equity</i>	<i>(10,052,334)</i>
** Values Currently Estimated and Subject to Change	

II. INVENTORY OF ASSETS AND ESTIMATE VALUE (LR 66-4(b)(2))

At the end of this Reporting Period, the Receiver is holding \$3,736,306 in cash belonging to Profit Connect. The total value of assets is estimated to be \$4,905,563 inclusive of the above-mentioned cash. Specifically, there is an estimated \$890,000 in professional liability litigation and

1 \$279,257 to be recovered in third-party litigation. The final amount recovered may vary based on
2 the outcome of litigation. The standardized fund accounting report for the period October 1, 2025
3 through December 31, 2025, is attached to this report as **Exhibit A**.

4 **III. SCHEDULE OF RECEIVER’S RECEIPTS AND DISBURSEMENTS (LR 66-4(b)(3))**

5 In addition to the foregoing, please see **Exhibit B**.

6 **IV. OTHER ITEMS TO REPORT**

7 **A. Current and Proposed Litigation**

8 As the Court is aware, the Receiver has initiated several proceedings in an attempt to recover
9 additional funds owed to Profit Connect.

10 **1. *Texas Action Against Nicholas, Sutton and Allianz***

11 As referenced in prior reports, the Receiver, by and through contingency fee counsel, filed
12 an action which is pending in the United States District Court, Northern District of Texas, Lubbock
13 Division and assigned Case No. 5:23-cv-00074-C (the “Texas Action”). The Defendants in the
14 Texas Action were Jeffrey Nicholas, Troy Sutton and Allianz Life Financial Service, LLC
15 (“Allianz”). This Court approved settlement agreements with Mr. Sutton and Allianz and the
16 Receiver was prepared to go to trial on his claims relating to Mr. Nicholas on July 14, 2025. On eve
17 of trial the Receiver was able to reach a settlement with Mr. Nicholas under which he agreed to pay
18 the Receiver \$500,000 in two installments. The first installment of \$200,000 was due within two
19 days of approval of the agreement and the \$300,000 balance to be due within 12 months of approval.
20 The Court approved the settlement by order entered on August 29, 2025 (ECF No. 252).
21 Unfortunately, Mr. Nicholas failed to timely pay the first installment. The Receiver submitted the
22 stipulated judgment Mr. Nicholas agreed could be entered if he defaulted to the court supervising
23 the Texas Action and the court recently entered it. The Receiver is commencing efforts to enforce
24 that judgment.

25 **2. *Legal Malpractice Claim***

26 The Receiver initiated claims in the Eighth Judicial District of Clark County Nevada, known
27 as Case No. A-23-880842 against Dale A. Hayes, Jr., Hayes Wakayama LLC, the Hayes Law Firm,
28 the Hayes Law Firm LLC, and Hayes Wakayama Juan (“Hayes Litigation”). The parties reached a

1 settlement in December 2025, and the Receiver filed a motion for approval of the \$890,000.00
2 payment on January 6, 2026 (ECF No. 269) with fees of \$296,663.70 and costs of \$53,533.58 to be
3 paid to litigation counsel. The settlement motion was granted on January 27, 2026 (ECF No. 270).

4 **3. Claims Against Former Employees and Promoters**

5 On July 23, 2025, the Receiver filed a Motion for Order in Aid of Receivership Authorizing
6 Receiver to Pursue Clawback Actions Against Former Promoters and Employees of Profit Connect
7 (“Promoter Motion”) (ECF No. 244).

8 On August 15, 2025, the Receiver filed his complaint for fraudulent transfers against twenty
9 promoters and/or employees of Profit Connect in Case No. 25-cv-01522 (“Promoter Action”). Since
10 the filing of the Complaint, the Receiver has reached settlement agreements with three of the
11 Defendants¹ and has responded to three motions to dismiss.² The Court in the Promoter Action
12 entered default against six of the defendants³ and has extended the time for the Receiver to serve
13 certain defendants that have evaded service. The parties that have appeared in the proceeding agreed
14 to a 180 day discovery period and lay discovery that is scheduled to close on March 16, 2026, with
15 the dispositive motion deadline set for April 15, 2026.

16 The Receiver intends to pursue discovery against the three answering defendants and will
17 seek default judgment against the remaining defendants.

18 **B. Future Litigation and Clawback Actions**

19 The Receiver continues to evaluate additional avenues to recover funds for the Estate
20 including potential targets for litigation.

21 **1. Proceedings Against a Financial Institution**

22 The Court approved the Receiver’s retention of special litigation counsel to investigate and
23 potentially pursue claims against a financial institution. That action has been resolved and the
24 settlement approved on a final basis. Payment was received on December 16, 2025.

25 ¹ In situations in which the Receiver’s proposed settlement is not the full amount that was transferred,
26 a motion will be filed seeking court approval of the same.

27 ² On January 5, 2026, the Court denied the Motions to Dismiss filed by David Bruerd, Bethany
28 Voydat, and John Gutterman (ECF 38).

³ Default was entered against Jennifer Knight, Michael martin, Stan Pophal, Brian Smith, Jeff
Stephan and David Williams. (ECF No. 32).

1 **2. *Claims Against Credit Card Companies***

2 The Receiver identified constructive fraudulent transfer claims against a number of credit
3 card companies that received payments from Profit Connect for debts that it did not owe. On January
4 4, 2024, the Court granted the Receiver’s Motion for Order in Aid of Receivership Authorizing the
5 Receiver to Pursue Clawback Actions and Approving Settlement Parameters (ECF No. 169). The
6 Receiver has resolved all but one of these disputes, with a third tentatively settled and in the
7 documentation stage. To date, the Receiver has received in excess of \$558,000 from resolution of
8 claims against credit card companies, not including the settlement with Bank of America. One
9 potential claim against Chase Bank remains pending with a settlement reached and Chase’s
10 execution of the settlement agreement pending.

11 **3. *Future Third Party Litigation and Clawback Actions***

12 The Receiver continues to evaluate additional avenues to recover funds for the Receivership
13 Estate.

14 **V. RECOMMENDATION OF THE RECEIVER (LR 66-4(b)(5))**

15 The Receiver has determined that Profit Connect was not operating a viable business and
16 was quickly dissipating investor funds. So that the Receiver can continue to identify assets and
17 claims and pursue them for the benefit of the receivership estate, the Receiver recommends that the
18 receivership continue.

19 **VI. CONCLUSION**

20 Assuming the Court authorizes the Receiver to undertake the actions recommended herein,
21 as well as to continue those actions provided for in the Appointment Order and any subsequent
22 orders, the Receiver proposes to submit further interim reports to this Court, addressing his progress,
23 findings, final conclusions, and additional recommendations, approximately every 90 days.

24 Accordingly, and based on the foregoing, the Receiver respectfully requests that the Court
25 enter an order:

- 26 1. Accepting this Eighteenth Status Report;
- 27 2. Authorizing the Receiver to continue to administer the Receivership Entities and their
28 estate in accordance with the terms of the Appointment Order;

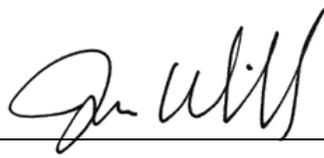
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1 3. Authorizing the Receiver to undertake the recommendations presented herein,
2 including a continued engagement of those professionals he deems necessary for the proper
3 administration of the Receivership Entities and their estate;

4 4. Providing such other and further relief as the Court deems necessary and
5 appropriate.

6 I, Geoff Winkler, verify under penalty of perjury that the statements made in the foregoing
7 report are true and correct to the best of my knowledge.

8 DATED this 29th day of January, 2026.

9
10 

11 Respectfully submitted by:
12 GREENBERG TRAUERIG, LLP

13 */s/ Kara B. Hendricks*

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LIST OF EXHIBITS

EXHIBIT	DESCRIPTION
A	Standardized Fund Accounting Report
B	Schedule of Receiver's Receipts & Disbursements

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EXHIBIT A

EXHIBIT A

STANDARDIZED FUND ACCOUNTING REPORT

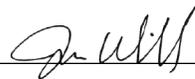
STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Profit Connect Wealth Services, Inc. et al.
 Receivership; Civil Docket No. 2:21-cv-01298-JAD-BNW
 Reporting Period from 07/01/2025 to 09/30/2025

FUND ACCOUNTING (See instructions)				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 10/01/2025):	2,253,302.04		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	-		
Line 3	Cash and Securities (in transit)	-		
Line 4	Interest/Dividend Income	1,881.23		
Line 5	Business Asset Liquidation	-		
Line 6	Personal Asset Liquidation	-		
Line 7	Third-Party Litigation Income	1,922,436.03		
Line 8	Miscellaneous - Other	2,364.79		
	Total Funds Available (Lines 1 - 8):		1,926,682.05	4,179,984.09
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	-		
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	78,678.23		
Line 10b	Business Asset Expenses	-		
Line 10c	Personal Asset Expenses	-		
Line 10d	Investment Expenses	-		
Line 10e	Third-Party Litigation Expenses	-		
	1. Attorney Fees	365,000.00		
	2. Litigation Expenses	-		
	<i>Total Disbursements for Receivership Operations</i>		443,678.23	
Line 10f	Tax Administrator Fees and Bonds		-	
Line 10g	Federal and State Tax Payments		-	
	Total Disbursements for Receivership Operations			443,678.23
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator.....	-		
	Independent Distribution Consultant (IDC).....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisers.....	-		
	Tax Advisers.....	-		
	2. Administrative Expenses	-		
	3. Miscellaneous	-		
	<i>Total Plan Development Expenses</i>		-	
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator.....	-		
	IDC.....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisers.....	-		
	Tax Advisers.....	-		
	2. Administrative Expenses	-		
	3. Investor Identification:			
	Notice/Publishing Approved Plan.....	-		
	Claimant Identification.....	-		
	Claims Processing.....	-		
	Web Site Maintenance/Call Center.....	-		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses	-		
	<i>Total Plan Implementation Expenses</i>		-	
	Total Disbursements for Distribution Expenses Paid by the Fund			-
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees	-		
Line 12b	Federal Tax Payments	-		
	Total Disbursements to Court/Other:		-	
	Total Funds Disbursed (Lines 9 - 11):			443,678.23
Line 13	Ending Balance (As of 12/31/2025):			3,736,305.86
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents		3,736,305.86	
Line 14b	Investments		-	
Line 14c	Other Assets or Uncleared Funds		1,169,257.00	
	Total Ending Balance of Fund - Net Assets			4,905,562.86

STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Profit Connect Wealth Services, Inc. et al.
 Receivership; Civil Docket No. 2:21-cv-01298-JAD-BNW
 Reporting Period from 07/01/2025 to 09/30/2025

OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
<i>Line 15a</i>	<i>Plan Development Expenses Not Paid by the Fund</i>			
	1. Fees:			
	Fund Administrator	-		
	IDC	-		
	Distribution Agent	-		
	Consultants	-		
	Legal Advisers	-		
	Tax Advisers	-		
	2. Administrative Expenses	-		
	3. Miscellaneous	-		
	Total Plan Development Expenses Not Paid by the Fund	-		
<i>Line 15b</i>	<i>Plan Implementation Expenses Not Paid by the Fund:</i>			
	1. Fees:			
	Fund Administrator	-		
	IDC	-		
	Distribution Agent	-		
	Consultants	-		
	Legal Advisers	-		
	Tax Advisers	-		
	2. Administrative Expenses	-		
	3. Investor Identification:			
	Notice/Publishing Approved Plan	-		
	Claimant Identification	-		
	Claims Processing	-		
	Web Site Maintenance/Call Center	-		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
	6. FAIR Reporting Expenses	-		
	Total Plan Implementation Expenses Not Paid by the Fund	-		
<i>Line 15c</i>	<i>Tax Administrator Fees & Bonds Not Paid by the Fund</i>			
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			-
Line 16	Disbursements to Court/Other Not Paid by the Fund			
<i>Line 16a</i>	<i>Investment Expenses/CRIS Fees</i>		-	
<i>Line 16b</i>	<i>Federal Tax Payments</i>		-	
	Total Disbursements to Court/Other Not Paid by the Fund:			-
Line 17	DC & State Tax Payments			-
Line 18	No. of Claims:			
<i>Line 18a</i>	<i># of Claims Received This Reporting Period</i>	-		
<i>Line 18b</i>	<i># of Claims Received Since Inception of Fund</i>	485		
Line 19	No. of Claimants/Investors:			
<i>Line 19a</i>	<i># of Claimants/Investors Paid This Reporting Period</i>	-		
<i>Line 19b</i>	<i># of Claimants/Investors Paid Since Inception of Fund</i>	417		

Receiver: **Geoff Winkler**

By: 

Geoff Winkler
 (printed name)

Chief Executive Officer
American Fiduciary Services LLC
Receiver, Profit Connect Wealth Services, Inc.

Date: January 28, 2026

EXHIBIT B

EXHIBIT B

SCHEDULE OF RECEIVER'S RECEIPTS & DISBURSEMENTS

METROPOLITAN COMMERCIAL BANK (A/E 9099)
OCTOBER 1, 2025 - DECEMBER 31, 2025

<i>Date</i>	<i>Type</i>	<i>Amount</i>	<i>Payee</i>	<i>Memo</i>
10/7/2025	Incoming wire	55,000.00	William Divine	Litigation and Settlements
10/21/2025	Deposit	100.00	Mark Kageyama	Litigation and Settlements
10/23/2025	Incoming wire	10,000.00	Omega Electric	Litigation and Settlements
10/31/2025	Interest Earned	945.21	Metropolitan Commercial Bank	Interest Income
11/14/2025	Incoming wire	14,000.00	Omega Electric	Litigation and Settlements
11/19/2025	Interest Earned	2,064.79	East West Bank	Interest Income
11/20/2025	Deposit	100.00	Mark Kageyama	Litigation and Settlements
11/20/2025	Deposit	5,394.83	Mark Kageyama	Litigation and Settlements
11/20/2025	Interest Earned	300.00	East West Bank	Interest Income
11/28/2025	Interest Earned	446.74	Metropolitan Commercial Bank	Interest Income
12/5/2025	Incoming wire	12,841.20	Omega Electric	Litigation and Settlements
12/16/2025	Deposit	1,825,000.00	Bank of America	Litigation and Settlements
12/16/2025	Outgoing wire	-365,000.00	Levine Kellogg Lehman Schneider + Grossman LLP	Litigation Counsel Fees
12/23/2025	Outgoing wire	-37,838.31	Geoff Receiver Winkler	Receiver Fees
12/23/2025	Outgoing wire	-24,219.30	Technology Concepts & Design, Inc.	Other Professional Fees
12/23/2025	Outgoing wire	-1,830.42	Raines Feldman Littrel LLP	Attorney to Receiver Fees
12/23/2025	Outgoing wire	-14,790.20	Greenberg Traurig	Attorney to Receiver Fees
12/31/2025	Interest Earned	489.28	Metropolitan Commercial Bank	Interest Income