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7 Attorneys for Receiver
 8 GEOFF WINKLER

9 UNITED STATES DISTRICT COURT
 10 CENTRAL DISTRICT OF CALIFORNIA
 11 WESTERN DIVISION

12 SECURITIES AND EXCHANGE
 13 COMMISSION,

14 Plaintiff,

15 v.

16 RALPH T. IANNELLI and ESSEX
 CAPITAL CORP.,

17 Defendants.

Case No. 2:18-cv-05008-FMO-AFM

SEVENTH INTERIM REPORT AND
 PETITION FOR FURTHER
 INSTRUCTIONS OF RECEIVER,
 GEOFF WINKLER

Date: June 17, 2021

Time: 10:00 a.m.

Ctrm: 6D

Judge Hon. Fernando M. Olguin

18
 19 **TO ALL INTERESTED PARTIES, THEIR COUNSEL OF RECORD,**
 20 **AND THIS HONORABLE COURT:**

21 **PLEASE TAKE NOTICE THAT**, in accordance with this Court's
 22 December 21, 2018 Order Regarding Preliminary Injunction and Appointment of a
 23 Permanent Receiver (the "Appointment Order") (ECF No. 66), its February 1, 2019
 24 Order in Aid of Receivership (the "Order in Aid") (ECF No. 69), and its
 25 September 9, 2019 Order Regarding Permanent Injunction (the "Permanent
 26 Injunction") (ECF No. 113), Geoff Winkler (the "Receiver"), the Court-appointed
 27 permanent receiver for Defendant Essex Capital Corporation ("Essex") and its
 28 subsidiaries and affiliates (collectively, the "Receivership Entities" or "Entities"),

1 hereby submits the following Seventh Interim Report and Petition for Further
2 Instructions (the "Report") for the period from December 1, 2020 through April 30,
3 2021 (the "Reporting Period").

4 **I. PRELIMINARY STATEMENT.**

5 As reflected in the Receiver's First Interim Report and Petition for Further
6 Instructions (the "First Report") (ECF No. 78); Second Interim Report and Petition
7 for Further Instructions (the "Second Report") (ECF No. 103); Third Interim Report
8 and Petition for Further Instructions (the "Third Report") (ECF No. 123); Fourth
9 Interim Report and Petition for Instructions ("Fourth Report") (ECF No. 149); Fifth
10 Interim Report and Petition for Instructions and Supplement to Fifth Interim Report
11 and Petition for Instructions (collectively, the "Fifth Report") (ECF Nos. 174 and
12 185); and Sixth Interim Report and Petition for Instructions (the "Sixth Report")
13 (ECF No. 197), the Receiver continues to make substantial progress in his efforts to
14 identify, marshal, and administer the available assets of the Receivership Entities
15 ("Receivership Assets" or "Assets"). During the Reporting Period, and in addition
16 to ordinary receivership estate ("Estate") administration matters, the Receiver has
17 largely focused on two categories of efforts: (1) recovering Receivership Assets
18 from profiting investors and via the prosecution of claims brought on behalf of the
19 Receivership Entities; and (2) processing timely investor claims and developing his
20 recommendations regarding the treatment of claims and an associated, proposed
21 plan for distribution on claims ultimately deemed allowed by the Court. More
22 specifically, during the Reporting Period, the Receiver has:

- 23 • After the entry of attendant enabling orders from this Court, issued
24 demand letters to sixty-five (65) investors determined by the Receiver
25 to have profited from their investments in the Receivership Entities;
- 26 • Undertaken successful efforts to settle his prospective disgorgement
27 claims against fourteen (14) profiting investors, resulting in gross
28

- 1 recoveries from settlement in the approximate amount of
2 \$1,547,001.43, as of the end of the Reporting Period;
- 3 • Issued demand letters to eighteen (18) charities and similar institutions
4 determined to have received, in the aggregate, more than \$811,375.00
5 in voidable or recoverable transfers of funds wrongfully diverted from
6 the Receivership Entities;
 - 7 • Continued the prosecution of the professional negligence action styled
8 Winkler v. Seed Mackall, LLP (the "Seed Mackall Action"), USDC,
9 C.D. Cal. Case No. 2:18-cv-05008-FMO-AFM;
 - 10 • Commenced the prosecution of the Asset recovery action styled
11 Winkler v. 915 Elm Avenue CVL, LLC (the "CVL Action"), USDC,
12 C.D. Cal. Case No. 2:21-cv-00869-FMO-AFM;
 - 13 • Commenced the prosecution of two (2) disgorgement actions against
14 profiting investors, seeking to recover, in the aggregate, as much as
15 approximately \$3,050,798.35 in profits paid to these investors; and
 - 16 • Continued his review of timely claims submitted in accordance with the
17 Court-approved claims procedures and worked to develop a more
18 specific, proposed plan for distribution on allowed claims.

19 In addition to the above, the Receiver has continued to administer the
20 remaining Assets of the Estate, and, as of the date of his latest Standardized Fund
21 Accounting Report ("SFAR"), held approximately \$4,201,749.18, in cash, for the
22 administration and benefit of the Receivership Entities.

23 **II. RELEVANT PROCEDURAL HISTORY.**

24 The Receiver invites the Court and all interested parties to review the
25 following materials¹ for a general summary of the relevant facts and procedural
26 background relating to the subjects addressed in this Report:

27 _____
28 ¹ These materials, and others, are available on the Receiver's website, www.essex-receivership.com.

- 1 • Securities and Exchange Commission's Complaint, filed on June 5,
2 2018 (ECF No. 1);
- 3 • Essex's Answer to the Complaint, filed on August 1, 2018 (ECF
4 No. 37);
- 5 • The Appointment Order, entered on December 21, 2018 (ECF No. 66);
- 6 • Order in Aid, entered on February 1, 2019 (ECF No. 69);
- 7 • Mediation Report, filed on April 5, 2019 (ECF No. 74);
- 8 • First Report, filed on April 30, 2019 (ECF No. 78);
- 9 • Final Judgment as to Defendant Ralph T. Iannelli, entered on June 5,
10 2019 (ECF No. 93);
- 11 • Second Report, filed on August 14, 2019 (ECF No. 103);
- 12 • Judgment Against Defendant Essex, entered on September 9, 2019
13 (ECF No. 110);
- 14 • Permanent Injunction, entered on September 9, 2019 (ECF No. 113);
- 15 • Third Report, filed on November 18, 2019 (ECF No. 123);
- 16 • Fourth Report, filed on March 2, 2020 (EFC No. 149);
- 17 • Stipulation for Order: (1) Establishing Claims Procedures; and
18 (2) Setting Claims Bar Date, filed on April 20, 2020 (ECF No. 168) and
19 Order therein (ECF No. 179);
- 20 • Motion for Order Approving and Authorizing Performance of
21 Settlement Agreement, filed on June 11, 2020 (ECF No. 172), and
22 Order therein (ECF No. 178);
- 23 • Fifth Report, filed on July 24, 2020, with a supplement filed on
24 August 12, 2020 (ECF Nos. 174, 185);
- 25 • Motion for Authority to Prosecute Claims Against Seed Mackall LLP ,
26 filed on August 10, 2020) (ECF No. 184) and Order thereon (ECF
27 No. 186);
- 28

- 1 • Stipulation to Authorize Receiver's Sale of Leased Assets, Free and
2 Clear of Liens and Encumbrances, filed on September 23, 2020) (ECF
3 No. 188) and Order therein (ECF No. 188);
- 4 • Motion for Authority to Establish Disgorgement Procedures and
5 Undertake Disgorgement Efforts, filed on October 13, 2020 (ECF
6 No. 190) and Order thereon (ECF No. 195); and
- 7 • Sixth Report, filed on December 8, 2020 (ECF No. 197).

8 **III. RECEIVER'S ACTIVITIES AND EFFORTS SINCE THE SIXTH**
9 **REPORT.**

10 Of the tasks identified above, the Receiver's most critical undertakings during
11 the Reporting Period include:

12 **A. Asset Identification, Administration, Recovery, And Monetization.**

13 As of the date of his most recent SFAR, attached hereto as **Exhibit 1**, the
14 Receiver held a total of approximately \$4,201,749.18, in cash, for the administration
15 and benefit of the Receivership Entities. In addition, he continues to hold and
16 administer non-cash Assets, the value of which he has estimated at as much as
17 \$15.6 million, inclusive of prospective third-party recoveries. In addition to the
18 cash and non-cash Assets already in the Receiver's possession and which he believes
19 are recoverable, during the Reporting Period, the Receiver undertook the following
20 efforts to recover additional Assets, in accordance with his authority under the
21 Permanent Injunction and this Court's subsequent Orders:

22 1. **Issuance of Demands to Profiting Investors, With Resultant**
23 **Settlements and Recoveries Exceeding \$1.5 Million.**

24 During the Reporting Period, the Receiver expended significant time in
25 connection with efforts to recover Assets from profiting investors, including via the
26 issuance of demand letters, extended accounting discussions and prove-ups, and
27 extended settlement discussions and negotiation, as detailed further below.
28

1 On November 12, 2020, this Court entered its Order Granting Motion of
2 Receiver, Geoff Winkler, for Authority to Establish Disgorgement Procedures and
3 Undertake Disgorgement Efforts (the "Disgorgement Procedures Order") (ECF
4 No. 195). The Disgorgement Procedures Order authorized the Receiver to
5 commence disgorgement efforts against those Receivership Entity investors whom
6 he determined, on the basis of his forensic accounting, had received more in
7 payments from the Entities than they invested in or contributed to the Entities. The
8 Disgorgement Procedures Order further authorized the Receiver to make settlement
9 proposals to investors, subject to certain restrictions, and to settle his prospective
10 disgorgement claims without further order of the Court, provided any settlements he
11 negotiated fell within the parameters established by the Court.²

12 In early 2021, the Receiver commenced issuing disgorgement demands,
13 paired with settlement proposals consistent with the parameters of the Disgorgement
14 Procedures Order, to suspected profiting investors. All told, the Receiver issued a
15 total of sixty-five (65) disgorgement demands and settlement proposals to suspected
16 profiting investors.

17 Almost immediately upon issuing his demands, the Receiver began to be
18 contacted by representatives (typically, counsel) of the recipient investors, many of
19 whom sought to challenge the Receiver's calculation of their alleged profits, or to
20 question his ability to collect profits, on statute of limitations or other grounds.

21 While the Receiver's discussions with investors or their representatives took
22 some time, and in many cases required multiple rounds of dialogue and the
23 exchange of critical accounting information, and in certain cases those dialogues and
24 exchanges remain ongoing, the Receiver was successfully able to demonstrate to the
25 investors the basis for his accounting conclusions, as well as to resolve many statute
26

27 ² Pursuant to the Disgorgement Procedures Order, the Receiver was authorized to
28 settle with suspected profiting investors within certain limits, without further
order of the Court. Settlements outside the Court-established limits require
separate motions for Court approval.

1 of limitations challenges. Indeed, the Receiver is pleased to report that, as of the
2 end of the Reporting Period, the Receiver had successfully settled with
3 fourteen (14) profiting investors, and recovered a total of \$1,547,001.43. As of the
4 submission of this Report, the Receiver remains in discussions with a significant
5 number of additional profiting investors, and he remains optimistic that significant
6 additional recoveries may be made without resorting to litigation.

7 2. Issuance of Demands to Charities and Similar Institutions, With
8 Resultant Settlements.

9 As he did with profiting investors, the Receiver also issued disgorgement
10 demands to eighteen (18) charities and similar institutions whom he determined, on
11 the basis of his forensic accounting, had been the recipients of voidable transfers
12 made with funds improperly diverted from the Receivership Entities. As of the date
13 of this Report, the Receiver has settled with one (1) of these entities, and recovered
14 a total of \$6,000. Additional settlement discussions are ongoing and the Receiver
15 remains optimistic that additional recoveries may be made without resorting to
16 litigation.

17 3. Prosecution of Seed Mackall Action.

18 On September 2, 2020, this Court authorized the Receiver to commence the
19 Seed Mackall Action (see ECF No. 186). Thereafter, on September 11, 2020, the
20 Receiver filed his Complaint in the Seed Mackall Action, alleging causes of action
21 arising from services provided by Seed Mackall LLP ("Seed Mackall") to Essex in
22 connection with the formation of 915 Elm Avenue CVL, LLC ("CVL") and CVL's
23 acquisition of a hardware and building materials store in Carpinteria, California, and
24 its associated personal and real property (collectively, the "Lumber Yard"), along
25 with associated benefits that flowed to CVL and Mr. Iannelli at Essex's expense. On
26 October 20, 2020, Seed Mackall moved to dismiss the Receiver's Complaint, and the
27 Receiver submitted an opposition to Seed Mackall's motion on October 29, 2020.
28 The Court granted Seed Mackall's motion to dismiss, with leave to amend, on

1 May 3, 2021. As of the filing of this Report, the Receiver is in the process of
2 reviewing relevant evidence and assessing the merits of filing an amended
3 Complaint, while remaining in contact with Seed Mackall to discuss the possibility
4 of avoiding further litigation via settlement.

5 4. Prosecution of the CVL Action.

6 On July 29, 2020, the Court entered a Minute Order authorizing the Receiver
7 to prosecute claims against CVL, an LLC created in November 2015, by and
8 between Defendant Ralph Iannelli and another individual, William S. Reyner, Jr., to
9 purchase, own, and operate the Lumber Yard.

10 As reflected in prior submissions to the Court, the Receiver has concluded
11 that CVL's purchase of the Lumber Yard was funded in large part by transfers from
12 Essex and a note in the principal amount of \$1.5 million (the "Gally Note"), payable
13 by Essex – which had no interest in CVL – to J&G Clay Properties, LLC and its
14 principal, James Gally (collectively, "Mr. Gally"). Contemporaneously with the
15 Gally Note, CVL executed a companion note (the "CVL Note") in the amount of
16 \$1.5 million, payable to Essex and which was intended to repay Essex for its
17 extension of credit and obligation to repay the Gally Note. CVL later issued Essex a
18 second note (the "Second CVL Note") in the amount of \$125,000, along with
19 another note in the amount of \$125,000 payable to Mr. Iannelli, and which the
20 Receiver's analysis indicates was funded with money from the Receivership Entities.

21 The CVL Note matured on January 14, 2019 and is now in default. The
22 Second CVL Note is payable on demand. CVL has contested its repayment
23 obligations to Essex in connection with the CVL Note and the Second CVL Note,
24 each of which is now in default. Over and above the payment obligation incurred by
25 Essex to Mr. Gally, and Essex's attendant right to be repaid by CVL, the Receiver
26 further confirmed that an estimated \$1.1 million was diverted from Essex accounts
27 and transferred for the benefit of CVL. In total, over \$2,100,000 in Essex funds and
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1 obligations were used and incurred in connection with CVL's formation, and its
2 purchase and operation of the Lumber Yard.

3 After months of attempting to negotiate a settlement with CVL, the Receiver
4 filed his Complaint in the CVL Action on January 29, 2021, asserting claims for
5 avoidance of fraudulent transfers, breach of contract, and unjust enrichment, based
6 on the facts described above. The parties recently submitted their Joint Status
7 Report to the Court, and a scheduling order has issued.

8 5. Commencement of Disgorgement Actions Against Profiting
9 Investors.

10 While, as noted above, the Receiver has met with great, early success in his
11 efforts to settle disgorgement claims against profiting investors, not all such
12 investors have been receptive to his offers. As of the end of the Reporting Period,
13 the Receiver had commenced two (2) disgorgement actions against investors, styled
14 Winkler v. Fazio, et al., USDC C.D. Cal. Case No. 2:21-cv-02987; and Winkler v.
15 WLD Davis Holdings, LLC, et al., USDC C.D. Cal. Case No. 2:21-cv-03209,
16 seeking to recover, in the aggregate, potentially as much as \$3 million in profits paid
17 to the defendant investors. The Receiver is in the process of negotiating potential
18 settlements in connection with these actions, and will provide more detailed updates
19 on this litigation in future submissions to the Court.

20 **B. Claims Processing And Development Of Prospective Distribution**
21 **Plan.**

22 A total of seventy-two (72) timely claims were transmitted to the Receiver by
23 the Court-established bar date of November 30, 2020, comprised of sixty-
24 two (62) claims from investors identified as net losers, four (4) claims from putative
25 non-investor creditors, and six (6) claims from investors identified as net winners,
26 for a total of just over \$52 million in claims. A total of fifty-five (55) net-loser
27 investor claimants signed off on the Receiver's estimation of their claims, reflecting
28

1 a net-loser ratification rate for the Receiver's accounting of over 88%. Another
2 seven (7) net-loser investors disputed the Receiver's calculations.

3 As of the date of this Report, and as reflected above, the Receiver has
4 completed his processing of the bulk of these timely claims. However, a total of
5 twenty-three (23) of these claims remain unresolved, either because of missing
6 claimant documentation or because they require additional investigation or
7 accounting confirmation. The Receiver anticipates that he will have completed his
8 processing of all timely claims against the Estate on or before May 31, 2021. The
9 Receiver will move this Court for an order regarding his recommended treatment of
10 claims after all claims processing is completed. The Receiver is also simultaneously
11 examining alternatives for a proposed distribution plan pursuant to which recovered
12 funds would ultimately be distributed on allowed claims. The Receiver anticipates
13 submitting his proposed distribution plan for Court approval contemporaneously
14 with his forthcoming motion to approve recommended treatment of claims.

15 **C. Attending To Pre-Receivership Litigation Matters.**

16 During the Reporting Period, there were two (2) matters pending before the
17 Superior Court of California, County of Santa Barbara, both of which were stayed
18 pursuant to the Permanent Injunction: (1) Gabler v. Essex Capital Corp., et al.,
19 Santa Barbara Superior Court Case No. 18CV03423 (the "Gabler Action")³; and
20 (2) Dennis v. Iannelli, et al., Santa Barbara Superior Court Case No. 18CV03317
21 (the "Dennis Action").

22 The plaintiff in the Gabler Action had alleged that defendants Melissa
23 Iannelli, Ralph Iannelli, and Essex breached the terms of a promissory note,
24 pursuant to which the plaintiff allegedly loaned \$2.2 million to Essex. The plaintiff
25
26

27 _____
28 ³ After the Reporting Period but before the submission of the instant Report, the
plaintiff in the Gabler Action filed a Request for Dismissal of his complaint,
without prejudice, on May 5, 2021.

1 in the Dennis Action alleges that defendants Ralph Iannelli and Essex operated a
2 fraudulent investment scheme, and seeks relief upon a number of tort claims.

3 The Receiver and his counsel of record, Allen Matkins Leck Gamble Mallory
4 & Natsis LLP, have continued to monitor the Gabler Action and the Dennis Action,
5 and have informed the courts presiding over both actions of the litigation stay
6 imposed by the Appointment Order and maintained by the Permanent Injunction, in
7 order to protect and preserve the Estate from diminution. The Receiver will
8 continue to monitor and, through counsel, make necessary appearances, and keep
9 the courts presiding over those actions abreast of developments in the instant action,
10 as appropriate.

11 **D. Communications With Investors And Other Interested Parties.**

12 In accordance with the Order in Aid, the Receiver continues to maintain a
13 receivership website for this matter, which, among other things, he uses as a means
14 of communicating with Receivership Entity investors. Specifically, the Receiver
15 posts all of his filings to the website, which also includes a portal through which
16 investors and other interested parties may register to receive email notice of such
17 filings. The Receiver will continue to post additional updates to the website as they
18 become relevant and available.

19 **IV. CONCLUSION AND PETITION FOR FURTHER INSTRUCTIONS.**

20 Assuming the Court approves this Report and authorizes the Receiver to
21 undertake the actions recommended herein, as well as to continue those actions
22 provided for in the Appointment Order, the Order in Aid, and the Permanent
23 Injunction, the Receiver proposes to submit a further interim report to this Court,
24 addressing his progress, findings, conclusions, and additional recommendations, in
25 approximately 90-120 days.

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

- 28 1. Accepting this Report;

1 2. Authorizing the Receiver to continue to administer the Receivership
2 Entities and their Estate in accordance with the terms of the Appointment Order, the
3 Order in Aid, and the Permanent Injunction; and

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

6
7 Dated: May 18, 2021

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
DAVID R. ZARO
JOSHUA A. DEL CASTILLO
NORMAN M. ASPIS

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10 By: /s/ Joshua A. del Castillo

11 JOSHUA A. DEL CASTILLO
12 Attorneys for Receiver
13 GEOFF WINKLER
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VERIFICATION

I have read the foregoing SEVENTH INTERIM REPORT AND PETITION FOR FURTHER INSTRUCTIONS OF RECEIVER, GEOFF WINKLER, and know its contents.

I am the Receiver appointed in the above-entitled action. I believe the matters stated in the foregoing document are true, to the best of my knowledge.

Executed on May 17, 2021, at Salem, Oregon.



Geoff Winkler, Receiver

EXHIBIT 1**STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Essex Capital Corporation**

Receivership; Civil Docket No. 18-cv-05008-FMO-AFM

Reporting Period from 01/01/2021 to 03/31/2021

FUND ACCOUNTING (See instructions)				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 01/01/2021):	\$ 3,416,539.64		
	Increases in Fund Balance:			
Line 2	Business Income	\$ -		
Line 3	Cash and Securities (in transit)	-		
Line 4	Interest/Dividend Income	5,885.72		
Line 5	Business Asset Liquidation	-		
Line 6	Personal Asset Liquidation	86,153.15		
Line 7	Third-Party Litigation Income	1,350,684.67		
Line 8	Miscellaneous - Other	-		
	Total Funds Available (Lines 1 - 8):		\$ 1,442,723.54	\$ 4,859,263.18
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
<i>Line 10a</i>	<i>Disbursements to Receiver or Other Professionals</i>	(593,070.00)		
<i>Line 10b</i>	<i>Business Asset Expenses</i>	(64,444.00)		
<i>Line 10c</i>	<i>Personal Asset Expenses</i>	-		
<i>Line 10d</i>	<i>Investment Expenses</i>	-		
<i>Line 10e</i>	<i>Third-Party Litigation Expenses</i>	-		
	1. Attorney Fees	\$ -		
	2. Litigation Expenses	-		
	Total Disbursements for Receivership Operations		\$ (657,514.00)	
<i>Line 10f</i>	<i>Tax Administrator Fees and Bonds</i>		-	
<i>Line 10g</i>	<i>Federal and State Tax Payments</i>		-	
	Total Disbursements for Receivership Operations			\$ (657,514.00)
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
<i>Line 11a</i>	<i>Distribution Plan Development Expenses:</i>			
	1. Fees:			
	Fund Administrator.....	\$ -		
	Independent Distribution Consultant (IDC).....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisers.....	-		
	Tax Advisers.....	-		
	2. Administrative Expenses	-		
	3. Miscellaneous	-		
	Total Plan Development Expenses		\$ -	
<i>Line 11b</i>	<i>Distribution Plan Implementation Expenses:</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. Federal Account for Investor Restitution (FAIR) Reporting Expenses	-		
	Total Plan Implementation Expenses		\$ -	
	Total Disbursements for Distribution Expenses Paid by the Fund			\$ -
Line 12	Disbursements to Court/Other:			
<i>Line 12a</i>	<i>Investment Expenses/Court Registry Investment System (CRIS) Fees</i>	\$ -		
<i>Line 12b</i>	<i>Federal Tax Payments</i>	-		
	Total Disbursements to Court/Other:		\$ -	
	Total Funds Disbursed (Lines 9 - 11):			\$ (657,514.00)
Line 13	Ending Balance (As of 03/31/2021):			\$ 4,201,749.18
Line 14	Ending Balance of Fund - Net Assets:			
<i>Line 14a</i>	<i>Cash & Cash Equivalents</i>		4,201,749.18	
<i>Line 14b</i>	<i>Investments</i>		3,213,627.00	
<i>Line 14c</i>	<i>Other Assets or Uncleared Funds</i>		12,477,263.04	
	Total Ending Balance of Fund - Net Assets			\$ 19,892,639.22

STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Essex Capital Corporation
 Receivership; Civil Docket No. 18-cv-05008-FMO-AFM
 Reporting Period from 01/01/2021 to 03/31/2021

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>	1		
<i>Line 18b</i>	<i># of Claims Received Since Inception of Fund</i>	75		
Line 19	No. of Claimants/Investors:			
<i>Line 19a</i>	<i># of Claimants/Investors Paid This Reporting Period</i>	0		
<i>Line 19b</i>	<i># of Claimants/Investors Paid Since Inception of Fund</i>	0		

Receiver: **Geoff Winkler**

By: 

Geoff Winkler
 (printed name)

Chief Executive Officer
American Fiduciary Services LLC
Receiver, Essex Capital Corporation, et al.

Date: April 30, 2021

PROOF OF SERVICE

Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation
USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017-2543.

On **May 19, 2021**, I caused to be served on all the parties to this action addressed as stated on the attached service list the document entitled: **SEVENTH INTERIM REPORT AND PETITION FOR FURTHER INSTRUCTIONS OF RECEIVER, GEOFF WINKLER**

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

OVERNIGHT DELIVERY: I deposited in a box or other facility regularly maintained by express service carrier, or delivered to a courier or driver authorized by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelope(s) or package(s) designed by the express service carrier, addressed as indicated on the attached service list, with fees for overnight delivery paid or provided for.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on **May 19, 2021** at Los Angeles, California.

/s/ Martha Diaz
Martha Diaz