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 14 GEOFF WINKLER

15 UNITED STATES DISTRICT COURT
 16 CENTRAL DISTRICT OF CALIFORNIA
 17 WESTERN DIVISION

18 SECURITIES AND EXCHANGE
 19 COMMISSION,

20 Plaintiff,

21 v.

22 RALPH T. IANNELLI and ESSEX
 23 CAPITAL CORP.,

24 Defendants.

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

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

Date: September 23, 2021

Time: 10:00 a.m.

Ctrm: 6D

Judge Hon. Fernando M. Olguin

25 **TO ALL INTERESTED PARTIES, THEIR COUNSEL OF RECORD,**
 26 **AND THIS HONORABLE COURT:**

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

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

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 (the "Fourth Report") (ECF No. 149);
10 Fifth Interim Report and Petition for Instructions and Supplement to Fifth Interim
11 Report and Petition for Instructions (collectively, the "Fifth Report") (ECF Nos. 174
12 and 185); Sixth Interim Report and Petition for Instructions (the "Sixth Report")
13 (ECF No. 197); and the Seventh Report (ECF No. 206), the Receiver continues to
14 make substantial progress in his efforts to identify, marshal, and administer the
15 available assets of the Receivership Entities ("Receivership Assets" or "Assets").
16 During the Reporting Period, and in addition to ordinary receivership estate
17 ("Estate") administration matters, the Receiver has largely focused on two
18 categories of efforts: (1) recovering Receivership Assets from profiting investors
19 and others in possession of Receivership Assets, including via the commencement
20 of litigation brought on behalf of the Receivership Entities; and (2) processing
21 timely investor claims and developing his recommendations regarding the treatment
22 of claims and an associated, proposed plan for distribution on claims ultimately
23 deemed allowed by the Court.

24 Most notably, during the Reporting Period, the Receiver has:

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27 ¹ The Receiver's prior Seventh Interim Report and Petition for Further Instructions
28 (the "Seventh Report") (ECF No. 206) reported certain actions also taken by the
Receiver and his professionals during April 2021. The Reporting Period here
again includes April 2021 in an effort to reconcile the Reporting Period with the
Receiver's quarterly reporting goals.

- 1 • Continued his successful efforts to settle prospective disgorgement
2 claims against seven (7) profiting investors, resulting in gross
3 recoveries from settlement during the Reporting Period in the
4 approximate amount of \$501,936.36, and total gross recoveries, as of
5 the submission of this Report, in the approximate amount of
6 \$1,952,621.03;
- 7 • Commenced the prosecution of eight (8) disgorgement actions against
8 profiting investors, seeking to recover, in the aggregate, as much as
9 approximately \$5.5 million in apparent profits paid to these investors²;
- 10 • Resolved prospective disgorgement claims against seven (7) charities
11 and similar institutions confirmed to have received voidable or
12 recoverable transfers of investor funds wrongfully diverted from the
13 Receivership Entities, resulting in gross recoveries during the
14 Reporting Period of approximately \$90,100.00, and total gross
15 recoveries, as of the submission of this Report, in the approximate
16 amount of \$160,200.00;
- 17 • After a review of information unavailable at the commencement of
18 litigation, and with Court permission, successfully settled the
19 professional negligence action styled Winkler v. Seed Mackall, LLP,
20 USDC, C.D. Cal. Case No. 2:18-cv-05008-FMO-AFM (the "Seed
21 Mackall Action");
- 22 • Continued the prosecution of the Asset recovery action styled Winkler
23 v. 915 Elm Avenue CVL, LLC, USDC, C.D. Cal. Case No. 2:21-cv-
24 00869-FMO-AFM (the "CVL Action"); and

27 ² Since the commencement of these actions, the Receiver has settled with
28 one (1) of these investors and is in ongoing settlement discussions with certain
other investors.

- 1 • Continued and nearly completed his review of timely claims submitted
2 in accordance with the Court-approved claims procedures, and worked
3 to develop a plan for distribution on allowed claims for submission to
4 this Court.

5 In addition to the above, the Receiver has continued to administer the
6 remaining Assets of the Estate, and, as of the date of his Standardized Fund
7 Accounting Report for the Reporting Period ("SFAR"), held approximately
8 \$4,524,402.51, in cash, for the administration and benefit of the Receivership
9 Entities.

10 **II. RELEVANT PROCEDURAL HISTORY.**

11 The Receiver invites the Court and all interested parties to review the
12 following materials³ for a general summary of the relevant facts and procedural
13 background relating to the subjects addressed in this Report:

- 14 • Securities and Exchange Commission's Complaint, filed on June 5,
15 2018 (ECF No. 1);
- 16 • Essex's Answer to the Complaint, filed on August 1, 2018 (ECF
17 No. 37);
- 18 • The Appointment Order, entered on December 21, 2018 (ECF No. 66);
- 19 • The Order in Aid, entered on February 1, 2019 (ECF No. 69);
- 20 • Mediation Report, filed on April 5, 2019 (ECF No. 74);
- 21 • First Report, filed on April 30, 2019 (ECF No. 78);
- 22 • Final Judgment as to Defendant Ralph T. Iannelli, entered on June 5,
23 2019 (ECF No. 93);
- 24 • Second Report, filed on August 14, 2019 (ECF No. 103);
- 25 • Judgment Against Defendant Essex, entered on September 9, 2019
26 (ECF No. 110);

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28 ³ These materials, and others, are available on the Receiver's website, www.essex-receivership.com.

- 1 • Permanent Injunction, entered on September 9, 2019 (ECF No. 113);
- 2 • Third Report, filed on November 18, 2019 (ECF No. 123);
- 3 • Motion for Authority to Pursue Litigation Against 915 Elm Avenue
- 4 CVL, LLC (ECF No. 125);
- 5 • Fourth Report, filed on March 2, 2020 (EFC No. 149);
- 6 • Stipulation for Order: (1) Establishing Claims Procedures; and
- 7 (2) Setting Claims Bar Date, filed on April 20, 2020 (ECF No. 168) and
- 8 Order therein (ECF No. 179);
- 9 • Motion for Order Approving and Authorizing Performance of
- 10 Settlement Agreement, filed on June 11, 2020 (ECF No. 172), and
- 11 Order therein (ECF No. 178);
- 12 • Fifth Report, filed on July 24, 2020, with a supplement filed on
- 13 August 12, 2020 (ECF Nos. 174, 185);
- 14 • Motion for Authority to Prosecute Claims Against Seed Mackall LLP ,
- 15 filed on August 10, 2020) (ECF No. 184) and Order thereon (ECF
- 16 No. 186);
- 17 • Stipulation to Authorize Receiver's Sale of Leased Assets, Free and
- 18 Clear of Liens and Encumbrances, filed on September 23, 2020) (ECF
- 19 No. 188) and Order therein (ECF No. 188);
- 20 • Motion for Authority to Establish Disgorgement Procedures and
- 21 Undertake Disgorgement Efforts, filed on October 13, 2020 (ECF
- 22 No. 190) and Order thereon (ECF No. 195);
- 23 • Sixth Report, filed on December 8, 2020 (ECF No. 197); and
- 24 • Seventh Report, filed on May 19, 2021 (ECF No. 206).

25 **III. RECEIVER'S ACTIVITIES AND EFFORTS SINCE THE SEVENTH**
26 **REPORT.**

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

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

2 As reflected in his most recent SFAR, attached hereto as **Exhibit 1**, at the end
3 of the Reporting Period, the Receiver held a total of approximately \$4,524,402.51,
4 in cash, for the administration and benefit of the Receivership Entities. In addition,
5 he continues to hold and administer non-cash Assets, the value of which he has
6 estimated at as much as \$10 million⁴, inclusive of prospective third-party recoveries.
7 In addition to the cash and non-cash Assets already in the Receiver's possession and
8 which he believes are recoverable, during the Reporting Period, the Receiver
9 undertook the following efforts to recover additional Assets, in accordance with his
10 authority under the Permanent Injunction and this Court's subsequent Orders:

11 1. Settlement of Prospective Disgorgement Claims Against
12 Profiting Receivership Entity Investors.

13 On November 12, 2020, this Court entered its Order Granting Motion of
14 Receiver, Geoff Winkler, for Authority to Establish Disgorgement Procedures and
15 Undertake Disgorgement Efforts (the "Disgorgement Procedures Order") (ECF
16 No. 195). The Disgorgement Procedures Order authorized the Receiver to
17 commence disgorgement efforts against those Receivership Entity investors whom
18 he determined, on the basis of his forensic accounting, had received more in
19 payments from the Entities than they invested in or contributed to the Entities. The
20 Disgorgement Procedures Order also authorized the Receiver to settle his
21 prospective disgorgement claims without further order of the Court, provided any
22 settlements he negotiated fell within the parameters established by the Court.⁵

23 As reflected in the Seventh Report, the Receiver commenced issuing
24 disgorgement demands, paired with settlement proposals consistent with the
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26 ⁴ In previous Interim Reports, the Receiver presented a higher estimate of the
27 Entities' non-cash Assets. He has reduced this estimate based on accounting
28 refinements completed, and additional information obtained, during the
Reporting Period.

⁵ Settlements outside the Court-established limits require separate motions for
Court approval under certain circumstances.

1 parameters of the Disgorgement Procedures Order, to suspected profiting investors
2 in early 2021. All told, the Receiver issued a total of sixty-five (65) disgorgement
3 demands and settlement proposals to suspected profiting investors.

4 Thereafter, the Receiver entered into negotiations with a number of profiting
5 investors, through their representatives (often counsel) or directly, to settle his
6 claims without resorting to litigation. This negotiation and settlement process has
7 been extensive, and is proceeding even as this Report is filed. Nonetheless, as of the
8 end of the Reporting Period, the Receiver has realized extraordinary success in
9 connection with his settlement efforts, and has recovered Assets totaling
10 \$2,112,821.03, including \$592,036.36 recovered during the Reporting Period. The
11 Receiver remains in discussions with a significant number of additional profiting
12 investors, and he remains optimistic that additional recoveries may be made without
13 resorting to litigation.

14 2. Prosecution of Disgorgement Claims Against Profiting Investors.

15 In accordance with his authority under the Disgorgement Procedures Order,
16 the Receiver has commenced a total of eight (8) Asset recovery actions against
17 profiting investors, including five (5) commenced during the Reporting Period. The
18 lawsuits initiated to date are styled as follows:

- 19 • *Winkler v. Fazio, et al.*, USDC C.D. Cal. Case No. 2:21-cv-02987-
20 FMO-AFM;
- 21 • *Winkler v. WLD Davis Holdings, LLC, et al.*, USDC C.D. Cal. Case
22 No. 2:21-cv-03209-FMO-AFM⁶;
- 23 • *Winkler v. Siemens, et al.*, USDC C.D. Cal. Case No. 2:21-cv-04515-
24 FMO-AFM;

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28 ⁶ This disgorgement action was dismissed by the Receiver, with prejudice, on
July 21, 2021, following the parties' settlement of all claims and causes of action
relating to the Receiver's Complaint.

- 1 • *Winkler v. Fead, et al.*, USDC C.D. Cal. Case No. 2:21-cv-04519-
2 FMO-AFM;
- 3 • *Winkler v. Largura, et al.*, USDC C.D. Cal. Case No. 2:21-cv-04534-
4 FMO-AFM;
- 5 • *Winkler v. Reyner, et al.*, USDC C.D. Cal. Case No. 2:21-cv-05730-
6 FMO-AFM;
- 7 • *Winkler v. McCloskey, et al.*, USDC C.D. Cal. Case No. 2:21-cv-
8 05757-FMO-AFM; and
- 9 • *Winkler v. Hopen Life Science Ventures, et al.*, USDC C.D. Cal. Case
10 No. 2:21-cv-06049-FMO-AFM

11 While the Receiver is confident in the causes of action alleged in the above-
12 identified matters, and is prepared to take the pending matters to trial if necessary,
13 he remains amenable to reasonable settlements. Accordingly, and notwithstanding
14 the commencement of litigation, the Receiver will continue efforts to negotiate
15 appropriate settlements in the pending matters, in the hope of avoiding the expense
16 and delay associated with litigation.

17 3. Resolution of Claims Against Charities and Similar Institutions.

18 As reflected in the Seventh Report and his Forensic and Investigative
19 Accounting Report [ECF No. 171], in addition to confirming that certain investors
20 profited from their investments in the Receivership Entities, the Receiver further
21 confirmed that as much as \$800,000 in Estate funds were diverted to
22 eighteen (18) charities and similar institutions in the years preceding the instant
23 receivership. The Receiver has made disgorgement demands to many of these
24 charities and similar institutions and, as of the date of this Report, has recovered
25 approximately \$160,200.00, including \$90,100.00 paid during the Reporting Period.
26 The Receiver's efforts to recover any remaining amounts subject to disgorgement
27 will continue, guided by the Receiver's reasonable business judgment. As of the
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1 date of this Report, settlement discussions are ongoing and the Receiver remains
2 optimistic that additional recoveries may be made without resorting to litigation.

3 4. Settlement of the Seed Mackall Action.

4 On September 2, 2020, this Court authorized the Receiver to commence the
5 Seed Mackall Action (see ECF No. 186). Thereafter, on September 11, 2020, the
6 Receiver filed his Complaint in the Seed Mackall Action, alleging causes of action
7 arising from services provided by Seed Mackall LLP ("Seed Mackall") to Essex in
8 connection with the formation of 915 Elm Avenue CVL, LLC ("CVL") and CVL's
9 acquisition of a hardware and building materials store in Carpinteria, California, and
10 its associated personal and real property (collectively, the "Lumber Yard"), along
11 with associated benefits that flowed to CVL and Mr. Iannelli at Essex's expense. On
12 October 20, 2020, Seed Mackall moved to dismiss the Receiver's Complaint, and the
13 Receiver submitted an opposition to Seed Mackall's motion on October 29, 2020.
14 The Court granted Seed Mackall's motion to dismiss, with leave to amend, on
15 May 3, 2021.

16 After the Court granted Seed Mackall's motion to dismiss, with leave to
17 amend, and in order to avoid the cost and uncertainty associated with continued
18 litigation, the Receiver and Seed Mackall agreed to a settlement of the Receiver's
19 claims in the Seed Mackall Action, the terms and conditions of which were
20 approved by the Court on June 28, 2021. The terms of the settlement expressly
21 provide for no admission or finding of breach of fiduciary duty, professional
22 negligence, or other wrongdoing by Seed Mackall.

23 5. Continued Prosecution of the CVL Action.

24 On July 29, 2020, the Court entered a Minute Order authorizing the Receiver
25 to prosecute claims against CVL, an LLC created in November 2015, by and
26 between Defendant Ralph Iannelli and another individual, William S. Reyner, Jr., to
27 purchase, own, and operate the Lumber Yard. The Receiver has concluded that
28 CVL's purchase of the Lumber Yard was funded in large part by transfers from

1 Essex and a note in the principal amount of \$1.5 million (the "Gally Note"), payable
2 by Essex – which at the time of the purchase had no interest in CVL – to J&G Clay
3 Properties, LLC and its principal, James Gally (collectively, "Mr. Gally").
4 Contemporaneously with the Gally Note, CVL executed a companion note (the
5 "CVL Note") in the amount of \$1.5 million, payable to Essex and which was
6 intended to repay Essex for its extension of credit and obligation to repay the Gally
7 Note. CVL later issued Essex a second note (the "Second CVL Note") in the
8 amount of \$125,000, along with another note in the amount of \$125,000 payable to
9 Mr. Iannelli, and which the Receiver's analysis indicates was funded with money
10 from the Receivership Entities.

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

20 The Receiver filed his Complaint in the CVL Action on January 29, 2021,
21 asserting claims for avoidance of fraudulent transfers, breach of contract, and unjust
22 enrichment, based on the facts described above. The parties have met their initial
23 disclosure obligations, the Court has issued a scheduling order, and fact discovery is
24 underway in anticipation of a mandatory settlement conference to be held on or
25 before October 27, 2021.

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1 **B. Claims Processing And Development Of Prospective Distribution**
2 **Plan.**

3 A total of seventy-two (72) claims were transmitted to the Receiver in
4 connection with the Court-established claims process, comprised of sixty-
5 two (62) claims from investors identified as net losers, four (4) claims from putative
6 non-investor creditors, and six (6) claims from investors identified as net winners,
7 for a total of just over \$50 million in claims. A total of fifty-five (55) net-loser
8 investor claimants signed off on the Receiver's estimation of their claims, reflecting
9 a net-loser ratification rate for the Receiver's accounting of over 88%.

10 The Receiver has completed his processing of the overwhelming majority of
11 all timely claims. Indeed, only one (1) timely submitted claim remains unresolved
12 or disputed. Accordingly, the Receiver anticipates submitting his recommendation
13 for the treatment of claims to this Court, and moving for an order regarding his
14 recommendations within thirty (30) days of the submission of this Report.

15 The Receiver is also examining alternatives for a proposed distribution plan
16 pursuant to which recovered funds would ultimately be distributed on allowed
17 claims. The Receiver anticipates submitting his proposed distribution plan for Court
18 approval contemporaneously with his forthcoming motion to approve recommended
19 treatment of claims.

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

21 During the Reporting Period, there were two (2) matters pending before the
22 Superior Court of California, County of Santa Barbara, both of which were stayed
23 pursuant to the Permanent Injunction: (1) Gabler v. Essex Capital Corp., et al.,
24 Santa Barbara Superior Court Case No. 18CV03423 (the "Gabler Action")⁷; and
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28 ⁷ After the Reporting Period commenced 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 (2) Dennis v. Iannelli, et al., Santa Barbara Superior Court Case No. 18CV03317
2 (the "Dennis Action").

3 The plaintiff in the Gabler Action had alleged that defendants Melissa
4 Iannelli, Ralph Iannelli, and Essex breached the terms of a promissory note,
5 pursuant to which the plaintiff allegedly loaned \$2.2 million to Essex. The plaintiff
6 in the Dennis Action alleges that defendants Ralph Iannelli and Essex operated a
7 fraudulent investment scheme, and seeks relief upon a number of tort claims.

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

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

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

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

25 Assuming the Court approves this Report and authorizes the Receiver to
26 undertake the actions recommended herein, as well as to continue those actions
27 provided for in the Appointment Order, the Order in Aid, and the Permanent
28 Injunction, the Receiver proposes to submit a further interim report to this Court,

1 addressing his progress, findings, conclusions, and additional recommendations, in
2 approximately 90-120 days.

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

- 5 1. Accepting this Report;
- 6 2. Authorizing the Receiver to continue to administer the Receivership
7 Entities and their Estate in accordance with the terms of the Appointment Order, the
8 Order in Aid, and the Permanent Injunction; and
- 9 3. Providing such other and further relief as the Court deems necessary
10 and appropriate.

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12 Dated: August 24, 2021

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

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15 By: /s/ Joshua A. del Castillo

JOSHUA A. DEL CASTILLO
Attorneys for Receiver
GEOFF WINKLER

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VERIFICATION

I have read the foregoing EIGHTH 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 August 24, 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 04/01/2021 to 06/30/2021

FUND ACCOUNTING (See instructions)				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 04/01/2021):	\$ 4,201,749.18		
	Increases in Fund Balance:			
Line 2	Business Income	\$ -		
Line 3	Cash and Securities (in transit)	-		
Line 4	Interest/Dividend Income	-		
Line 5	Business Asset Liquidation	-		
Line 6	Personal Asset Liquidation	-		
Line 7	Third-Party Litigation Income	592,036.36		
Line 8	Miscellaneous - Other	-		
	Total Funds Available (Lines 1 - 8):		\$ 592,036.36	\$ 4,793,785.54
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	(249,383.03)		
Line 10b	Business Asset Expenses	(20,000.00)		
Line 10c	Personal Asset Expenses	-		
Line 10d	Investment Expenses	-		
Line 10e	Third-Party Litigation Expenses	-		
	1. Attorney Fees	\$ -		
	2. Litigation Expenses	-		
	Total Disbursements for Receivership Operations		\$ (269,383.03)	
Line 10f	Tax Administrator Fees and Bonds		-	
Line 10g	Federal and State Tax Payments		-	
	Total Disbursements for Receivership Operations			\$ (269,383.03)
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	-		
	Total Plan Development Expenses		\$ -	
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	-		
	Total Plan Implementation Expenses		\$ -	
	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):			\$ (269,383.03)
Line 13	Ending Balance (As of 06/30/2021):			\$ 4,524,402.51
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents		4,524,402.51	
Line 14b	Investments		2,606,389.00	
Line 14c	Other Assets or Uncleared Funds		7,444,680.00	
	Total Ending Balance of Fund - Net Assets			\$ 14,575,471.51

STANDARDIZED FUND ACCOUNTING REPORT for SEC v. Essex Capital Corporation
 Receivership; Civil Docket No. 18-cv-05008-FMO-AFM
 Reporting Period from 04/01/2021 to 06/30/2021

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>	0		
<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: July 31, 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 **August 24, 2021**, I caused to be served on all the parties to this action addressed as stated on the attached service list the document entitled: **EIGHTH 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 **August 24, 2021** at Los Angeles, California.

/s/ Martha Diaz
Martha Diaz