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14 **UNITED STATES DISTRICT COURT**

15 **DISTRICT OF NEVADA**

16 SECURITIES AND EXCHANGE
17 COMMISSION,

18 Plaintiff,

19 vs.

20 MATTHEW WADE BEASLEY *et al.*

21 Defendants;

22 THE JUDD IRREVOCABLE TRUST *et al.*

23 Relief Defendants.

Case No. 2:22-cv-00612-CDS-EJY

**PLAINTIFF SECURITIES AND
EXCHANGE COMMISSION’S, THE
RECEIVER’S, DEFENDANT
CHRISTOPHER HUMPHRIES’, AND
NON-PARTY JESSICA
HUMPHRIES’ FIRST STIPULATION
CONCERNING LIVING EXPENSES**

24 Plaintiff United States Securities and Exchange Commission (“SEC”, “Commission”, or
25 “Plaintiff”), the Court’s appointed Receiver, Geoff Winkler of American Fiduciary Services LLC
26 (the “Receiver”), defendant Christopher Humphries (“Mr. Humphries”), relief defendant CJ
27 Investments, LLC (“Relief Humphries Company”), and non-party Jessica Humphries (“Mrs.
28 Humphries”) (collectively the “Humphries”) hereby provide this first stipulation regarding the

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1 following and ask this Court to enter an ORDER consistent with this stipulation regarding the
2 release of living expenses for Mrs. Humphries, her husband defendant Christopher Humphries,
3 and their four children.

4 **I. RECITALS**

5 **WHEREAS**, on April 12, 2022, Plaintiff filed its Complaint in this matter, alleging
6 violations of the registration and/or antifraud provisions of the federal securities laws by the eleven
7 named Defendants (who include Mr. Humphries), and the receipt of ill-gotten proceeds of such
8 violations by the eleven Relief Defendants (which include CJ Investments, LLC). (Dkt. No. 1.)

9 **WHEREAS**, on April 13, 2022, the Commission filed an Ex Parte Application for Entry
10 of a Temporary Restraining Order and other equitable relief as to Defendants and an asset freeze
11 as to Defendants and Relief Defendants (Dkt. No. 2), which was granted by the Court on April 13,
12 2022. (Dkt. No. 3.)

13 **WHEREAS**, on or about April 15th, 2022, pursuant to the Court’s asset freeze, Wells
14 Fargo bank and U.S. Bank froze the following accounts with the following balances:

- | | | |
|----|--|------------------------|
| 15 | a) US Bank Personal Checking xx8067 | Balance \$1,338,691.24 |
| 16 | b) US Bank Personal Savings xx1591 | Balance \$500.00 |
| 17 | c) US Bank CJ Investments xx0526 | Balance \$1,128,269.48 |
| 18 | d) US Bank CJ Humphries Foundation xx0913 | Balance \$346,704.08 |
| 19 | e) Wells Fargo Personal Checking xx5547 | Balance \$47,203.75 |
| 20 | f) Wells Fargo Personal Savings xx2164 | Balance \$1,100.27 |
| 21 | g) Wells Fargo Teen Checking xx0829 | Balance \$17.65 |
| 22 | h) Wells Fargo Doterra Essential Oils xx8722 | Balance \$5,186.21 |
| 23 | i) Wells Fargo Anderson Dairy Creamery xx 1189 | Balance \$2.24 |
| 24 | j) Wells Fargo CJ Investments LLC xx6358 | Balance \$52,650.58 |
| 25 | k) Wells Fargo BugRaiders Checking xx0377 | Balance \$51,314.74 |
| 26 | l) Wells Fargo BugRaiders Savings xx9745 | Balance \$1,800.34 |
| 27 | m) Wells Fargo JCH Consulting LLC xx1243 | Balance \$8,427.38 |

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1 **II. STIPULATED TERMS**

- 2 1. Living expenses for Mr. and Mrs. Humphries and their four minor children are
3 approved for a six month period in the amount of \$6,630 per month for a total of
4 \$39,780.
- 5 2. In lieu of paying the living expenses identified above, the \$39,780 will be credited
6 towards the outstanding amount owed on the mortgage for the Humphries residence
7 in Huntington Beach (the precise address is listed in the sealed assets list filed with
8 the Court April 20, 2022; DKT 37) and the Receiver will forbear the right to seek
9 any remaining amounts from the Humphries relating to the Huntington Beach
10 property and will utilize the proceeds of the sale of the property to address any
11 deficit.
- 12 3. The Receiver and the SEC shall permit the Humphries to retain the following
13 vehicles. The Humphries agree to maintain insurance on these vehicles:
- 14 a. 2021 Chevrolet Tahoe (NV License Plate ALC402) registered to CJ
15 Investments that Mr. Humphries drives as his primary vehicle;
 - 16 b. 2020 Tesla Model X (NV License Plate ALC406) registered to CJ
17 Investments that Mrs. Humphries drives as her primary vehicle;
 - 18 c. 2014 Nissan Frontier (NV License Plate 120U84) registered to BugRaiders
19 Pest Control which is used as a work vehicle by the BugRaiders business
20 (replacement for the totaled 2022 Chevrolet Colorado work truck); and
 - 21 d. 2021 Chevrolet Colorado (NV License Plate 729N71) registered to
22 BugRaiders Pest Control which is used as a work vehicle by the BugRaiders
23 business.
- 24 4. The Humphries agree to cooperate with the Receiver and the SEC to turn over no
25 later than August 31, 2022, to the Receiver at the Huntington Beach house the
26 following vehicles:

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- 1 a. 1977 VW Bus (NV License Plate 5Y78) registered to CJ Investments; and
- 2 b. 2021 Tomberlin Golf Cart (CA License Plate 8XYS271) registered to Mr.
- 3 and Mrs. Humphries.

4 5. The Humphries agree to cooperate with the Receiver and the SEC to turn over no
5 later than September 30, 2022, to the Receiver at the Huntington Beach house the
6 following vehicle:

- 7 a. 2021 Jeep Wrangler (NV License Plate xx0242) registered to Mr. and Mrs.
- 8 Humphries which their 16 year old daughter has been using while attending
- 9 high school.

10 6. Once they turn over the keys of the vehicles identified in paragraphs 4 and 5 to the
11 Receiver, the Humphries have no responsibility to maintain these vehicles, pay
12 taxes, insure them, or pay any other costs associated with any of these vehicles.

13 7. The Humphries have moved back into their home in Henderson, Nevada (the
14 precise address is listed in the sealed assets list filed with the Court April 20, 2022;
15 DKT 37). Mrs. Humphries and their four children have vacated the residence in
16 Huntington Beach as promised by August 15, 2022 (the precise address is listed in
17 the sealed assets list filed with the Court April 20, 2022; DKT 37) to live full-time
18 in the Henderson house. The Humphries agree to turn over the keys and access to
19 the house by no later than August 31, 2022. Once they turn over the keys to the
20 Receiver, the Humphries have no responsibility to maintain the home, the
21 mortgage, the taxes, the insurance or any other costs associated with the Huntington
22 Beach house.

23 8. Mrs. Humphries' parents have also moved into the Henderson house. Mr. and Mrs.
24 Humphries have a homestead recorded against their Henderson house. The house
25 is owned by the Humphries' Living Trust. The Receiver and the SEC agree to
26 permit the Humphries and their extended family to reside in this Henderson home
27 for the time being in light of their cooperation and the large number of
28 family members living in the Henderson house. If the Receiver or the SEC wants

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1 the Humphries to leave the Henderson house, the SEC, the Receiver and the
2 Humphries will meet and confer at least 60 days ahead of any requested date to
3 leave to discuss the request. While they reside in the Henderson house, the
4 Humphries agree to maintain insurance on the Henderson house, pay the property
5 taxes, and pay the HOA fees.

6 9. The Humphries own a rental property in Hurricane, Utah (the precise address is
7 listed in the sealed assets list filed with the Court April 20, 2022; DKT 37) which
8 currently has a tenant residing in the property; the current lease expires in or about
9 February 2022. The Humphries agree to cooperate with the Receiver and the SEC
10 to turn over to the Receiver the Hurricane rental property so that the Receiver can
11 sell it. It is not responsibility of the Humphries to pay the tenant or evict the tenant.
12 The Humphries agree to turn over the owner's set of the keys to the Receiver by
13 September 9, 2022. Once they turn over the keys to the Receiver, the Humphries
14 have no responsibility to maintain the home, the taxes, the insurance or any other
15 costs associated with the Hurricane house.

16 10. Wells Fargo Bank froze the account of Nathan Hall (Account XXX0420; the full
17 account number is listed in the sealed assets list filed with the Court April 20, 2022;
18 DKT 37). Nathan Hall, who is Mrs. Humphries' uncle, needs the funds and has
19 supplied a declaration signed by Nathan Hall to the Receiver and the SEC. Within
20 10 days of this Order, the monies in this Nathan Hall account shall be unfrozen and
21 made available against to Mr. Hall. The account statements for this account shall
22 not be subject to the requirements set forth below in paragraph 11.

23 11. Mr. Humphries and Mrs. Humphries must provide to counsel to the Commission
24 and counsel to the Receiver, without further request or subpoena, their monthly
25 account statements. These consist of (a) Jessica Humphries new checking account
26 at Farmers & Merchants and her old Ally Bank account; (b) Christopher Humphries
27 new checking account at Ally Bank; and (c) the Bug Raiders new checking account
28 at East West Bank, for review and inspection by no later than the 5th of each month
while this stipulation is in effect. The Humphries agree to provide the earlier

1 statements for these accounts from January 1, 2022 or opening of these new
2 accounts (whichever is earlier) through the date of this stipulation. These
3 statements shall be provided to counsel to the Commission by email to Casey R.
4 Fronk (fronkc@sec.gov) and Tracy S. Combs (combst@sec.gov). These
5 statements shall also be provided to the Receiver
6 (geoff@americanfiduciaryservices.com) and to his counsel Kara Hendricks
7 (hendricksk@gtlaw.com).

8 12. To the extent Mr. Humphries and Mrs. Humphries earn additional, going-forward
9 income that they demonstrate, to the satisfaction of counsel for the Commission
10 and the Receiver, is unconnected to the conduct alleged in the Amended Complaint,
11 such income may be used for the payment of necessary and reasonable living
12 expenses and a portion of the civil and criminal attorney’s fees and defense costs
13 needed for this Action and the pending parallel criminal investigation. As of the
14 date of this stipulation, such income consists of the following:

- 15 a. the income and other earnings of Jessica Humphries at her law firm in
- 16 California that began on or about May 18, 2022 and future earnings at a law
- 17 firm in Nevada after the August 2022 move back to Henderson; and
- 18 b. the income and future earnings from the Bug Raiders Pest Control business.

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1 Before October 31, 2022, the Humphries reserve the right to seek the release of additional
2 living expenses and housing expenses, and monies for attorneys' fees and costs.

3 Dated: September 14, 2022.

**U.S. SECURITIES AND EXCHANGE
COMMISSION**

4
5 /s/Casey R. Fronk
6 TRACY S. COMBS
7 CASEY R. FRONK
8 *Attorneys for Plaintiff U.S. Securities and
Exchange Commission*

8 Dated: September 14, 2022.

**Defendant Christopher Humphries and relief
Defendant CJ Investments, LLC**

9
10 /s/ Kendelee Leascher Works
11 PETER CHRISTIANSEN
12 KENDELEE WORKS
13
14 CHRISTIANSEN TRIAL LAWYERS

13 Dated: September 14, 2022.

Non-Party Jessica Humphries

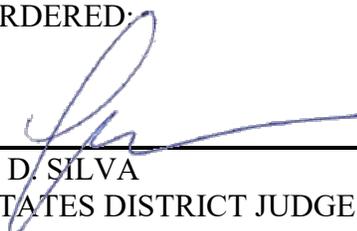
14
15 /s/ Pamela L. Johnston
16 FOLEY & LARDNER LLP
17 THOMAS CARLUCCI
18 PAMELA JOHNSTON
19 555 S. Flower Street, Suite 3300
20 Los Angeles, CA 90071

18 Dated: September 14, 2022.

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21 By: Kara B. Hendricks
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23 JASON K. HICKS
24 KYLE A. EWING
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26 Las Vegas, NV 89135

Attorneys for Receiver Geoff Winkler
IT IS SO ORDERED:

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28 _____
CRISTINA D. SILVA
UNITED STATES DISTRICT JUDGE

DATED: September 15, 2022

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