

**EXHIBIT I**  
**(Murphy's State Amended Complaint)**

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7 **DISTRICT COURT**  
8 **CLARK COUNTY, NEVADA**

10 **MARK A. MURPHY, an individual; and**  
11 **MARK A MURPHY, LTD., a Nevada**  
12 **Limited Liability Company,**  
13 **Plaintiff,**

13 **v.**

14 **MATTHEW BEASLEY, an individual;**  
15 **BEASLEY LAW GROUP PC, a Nevada**  
16 **Professional Corporation; JEFFREY JUDD,**  
17 **an individual; J&J CONSULTING**  
18 **SERVICES, INC., a Nevada Corporation; J**  
19 **AND J PURCHASING, LLC; a Florida**  
20 **Limited Liability Company; JASON**  
21 **JONGEWARD, an individual; SHANE**  
22 **JAGER, an individual; PAULA BEASLEY;**  
23 **an individual; ECO BATTERY, LLC; a Utah**  
24 **Limited Liability Company; BJ HOLDINGS**  
25 **LLC, a Nevada Limited Liability Company;**  
26 **DOE INDIVIDUALS I through XX; and**  
27 **ROE ENTITIES I through XX, inclusive,**  
28 **Defendants.**

**CASE NO. A-22-849806-B**  
**DEPT. NO. XXII**

**BUSINESS COURT**

**AMENDED COMPLAINT**

**JURY TRIAL DEMANDED**

**EXEMPT FROM ARBITRATION**  
(Seeks Declaratory Relief and Receivership)

Hearing Date:  
Hearing Time:

23 COMES NOW, Plaintiffs, Mark A. Murphy, (hereinafter "Plaintiff" or "Mr. Murphy")  
24 and Mark A Murphy, Ltd. (hereinafter "Plaintiff" or "Murphy Ltd."), by and through their  
25 attorney of record, Marc P. Cook, Esq., of the law firm of Cook & Kelesis, Ltd., and pursuant to  
26 the Nevada Rules of Civil Procedure complain and allege as follows:  
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I.

**INTRODUCTION**

1. Plaintiffs are pursuing this litigation for lost funds in a purported Ponzi scheme to which Plaintiff provided funds and was victimized and to which Plaintiff is aware of a multitude of other victims. In this action, Plaintiff requests a constructive trust over all funds of all victims for the purpose of a pro rata distribution to each victim and, in an effort to provide the necessary funds to make all the victims whole, not just moving Plaintiffs through the creation of a Receivership as pled hereinbelow.
2. Plaintiff, Murphy, is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
3. Plaintiff Mark A Murphy, Ltd., is and was at all times relevant hereto, a Nevada domestic professional limited liability company, duly registered in the State of Nevada, and authorized to conduct business in the County of Clark, State of Nevada.
4. Defendant, Matthew Beasley, (hereinafter “Defendant” or “M. Beasley”), is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
5. Defendant, Beasley Law Group PC, (hereinafter “Defendant” or “Beasley Law Group”), is and was at all times relevant hereto, a Nevada domestic professional corporation, duly registered in the State of Nevada, and authorized to conduct business in the County of Clark, State of Nevada.
6. Defendant, Jeffrey Judd, (hereinafter “Defendant” or “Judd”), is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
7. Defendant, J&J Consulting Services, Inc., (hereinafter “Defendant” or “J&J Consulting”), is and was at all times relevant hereto, a Nevada domestic corporation, duly registered in the State of Nevada, and authorized to conduct business in the County of Clark, State of Nevada.
8. Defendant, J and J Purchasing, LLC, (hereinafter “Defendant” or “J and J Purchasing”), is

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- and was at all times relevant hereto, a Florida limited liability company authorized to conduct business in the County of Clark, State of Nevada.
9. Defendant, Jason Jongeward (hereinafter “Defendant” or “Jongeward”), is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
10. Defendant, Shane Jager, (hereinafter “Defendant” or “Jager”), is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
11. Defendant, Paula Beasley, (hereinafter “Defendant” or “P. Beasley”), is and was at all times relevant hereto, a resident of the County of Clark, State of Nevada.
12. Defendant Eco Battery, LLC (hereinafter “Defendant” or “Eco Battery”), is and was at all times relevant hereto, a Utah limited liability company soliciting investments in Nevada and operating in Nevada including operating through a Mesquite, Nevada dealership.
13. Defendant, BJ Holdings, LLC (hereinafter “Defendant” or “BJ Holdings”), is and was at all times relevant hereto, a Nevada limited liability company duly registered in the State of Nevada, and authorized to conduct business in the County of Clark, State of Nevada.
14. The true names or capacities, whether individual, corporate, associate or otherwise, of Defendants, DOE Individuals I through XX are unknown to Plaintiffs who, therefore, sue said Defendants by such fictitious names; Plaintiffs are informed and believe and thereon allege that each of the Defendants designated herein as DOE are responsible in some manner for the events and happenings referred to and caused damages proximately to Plaintiffs as herein alleged and that Plaintiffs will ask leave of this Court to amend this Complaint to insert the true names and capacities of DOES I through XX when the same have been ascertained and to join such Defendant in this action.
15. The true names or capacities, whether corporate, associate or otherwise, of ROE Entities, I through XX are unknown to Plaintiffs who, therefore, sue said Defendants by such fictitious names; Plaintiffs are informed and believe and thereon allege that each of the Defendants designated herein as ROE are responsible in some manner for the events and

1 happenings referred to and caused damages proximately to Plaintiffs as herein alleged and  
2 that Plaintiffs will ask leave of this Court to amend this Complaint to insert the true  
3 names and capacities of ROE Entities I through XX when the same have been ascertained  
4 and to join such Defendant in this action.

5 16. As a result of the actions as outlined herein, Plaintiffs have been forced to obtain the  
6 services of an attorney to prosecute this action and are entitled to an award of reasonable  
7 attorney's fees.

8 **II.**

9 **GENERAL FACTUAL ALLEGATIONS**

10 17. Jeffrey Judd was president of J and J Consulting to whom Plaintiffs and each of them  
11 understood have been operating since at least 2005 and was a legal, viable entity.

12 18. Matthew Beasley, Esq., is the owner of Beasley Law Group PC since approximately 2011  
13 and has been practicing law since 2006. M. Beasley had the highest rating available on  
14 Martindale-Hubbel, the lawyers/attorneys rating site.

15 19. Plaintiff met Judd in or around 2002. At that time Judd was a mortgage loan officer.

16 20. Over the next few years, Judd was involved in different businesses and Plaintiff's  
17 company did the tax returns for those entities.

18 21. During 2017, Judd said that he had an attorney, Matthew Beasley of the Beasley Law  
19 Group, who had started a company. The function of the company was to provide  
20 financial assistance to parties suffering from various types of injuries in which an attorney  
21 was seeking monetary settlements from insurance companies.

22 22. Judd and M. Beasley represented that they were conducting a business wherein  
23 individuals would provide funds related to providing personal injury clients with quicker  
24 access to funds to which they would pay interest and the individual would receive a short  
25 return profit on each loan. Defendants and each of them represented that this process was  
26 legal and sound. Defendants provided contracts for the individuals, initially under J&J

- 1 Consulting Services, to Plaintiff beginning in 2017
- 2 23. The idea and the business model presented appeared legitimate and meritorious.
- 3 24. During 2018, clients of Murphy asked if they could also invest. American Colocation  
4 Services, LLC, a company properly formed by Murphy individually, was used to  
5 segregate funds to be invested from those other sources.
- 6 25. Murphy individually invested in the company with a beginning amount of \$100,000.00.
- 7 26. Murphy received his first check in December 2017. Thereafter, Murphy received checks  
8 every three months timely and without issues or problems.
- 9 27. Over time, Murphy invested \$700,000.00 with the same results.
- 10 28. Plaintiffs began investing with Defendants and each of them beginning in 2017 through  
11 March 2022 in Nevada and had invested significant sums by 2022.
- 12 29. Plaintiffs' investments increased and gradually, with continued returns on investments  
13 from 2017 through March 3, 2022, began assisting clients in placing these investments  
14 with Defendants and each of them.
- 15 30. From 2017 through March 3, 2022, Plaintiffs, by and through Mark Murphy, had multiple  
16 conversations with Jeffrey Judd wherein the soundness and legality of these investments  
17 was represented by Judd. These representations continued relative to new individuals  
18 wherein Judd would personally represent to these new lenders and to Murphy the  
19 soundness, legality and fluidity of this continued enterprise.
- 20 31. These discussions preceded funding from the individuals and took place telephonically in  
21 Las Vegas, Nevada.
- 22 32. Based on the return on these funds and representations of continued returns, the  
23 individuals left their original principle to be used in new contracts after the initial 90  
24 days.
- 25 33. Plaintiff and other victims Plaintiff was aware were led to believe that this process would  
26 continue paying and therefore, based on the representation of the legality and continued  
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- 1 funds, agreed to continue the process.
- 2 34. The returns were as represented from 2017 through March 2022.
- 3 35. Plaintiffs and other victims wired money to the Beasley trust fund or as otherwise  
4 directed by M. Beasley and Judd.
- 5 36. Plaintiffs and other victims were promised a return of 7.5 - 13% in 90 days.
- 6 37. Plaintiffs and each of them reasonably relied on the representations by each and every  
7 Defendant throughout this process including at the time of each loan.
- 8 38. Beginning in January 1, 2022, these same services were to be provided through J and J  
9 Purchasing which was represented to be a Florida company.
- 10 39. In representing the legality of the same, Defendants and each of them provided a copy of  
11 a confidential private placement memorandum purportedly prepared by a law firm in  
12 Dallas, Texas. This documentation included operating agreements, disclosures, and what  
13 appeared to all be appropriate business paperwork to demonstrate the sound legal  
14 investments to which Defendants and each of them were soliciting.
- 15 40. Judd formed J and J Purchasing as part of doing an SEC Reg. D filing which was  
16 represented to take effect January 2022.
- 17 41. On March 2, 2022, Murphy received a phone call from Judd. Judd said that the FBI had  
18 been to his home to question him about this business. Judd also told Murphy that the FBI  
19 had been to M. Beasley's home and M. Beasley had been injured. Judd had advised that  
20 his home was raided by the FBI and his assets were frozen or taken based on the FBI's  
21 allegations of a Ponzi Scheme. Even in this conversation, Judd represented that it was  
22 not a Ponzi Scheme, the investments were solid, the business was legal, and if allowed to  
23 continue, the profit distributions would continue as well.
- 24 42. Based on the FBI report, the FBI advised that these investments were part of a Ponzi  
25 Scheme that had operated from 2017 to March 2022 in Nevada, Utah and California  
26 promising up to a 13% return in 90 days if investorss invested \$80,000 or \$100,000 into  
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1 personal injury investments.

2 43. As the FBI's statement attested, Plaintiffs' earlier contracts were 4 - 5 pages long and  
3 often contained references to slip and fall incidents, the name of slip and fall victims  
4 attorney, a settlement monetary award, a non-disclosure agreement, a purchasing  
5 agreement and an investor agreement.

6 44. From the time it began in 2017 until March 2022, there have been over 163 total victims.  
7 Plaintiff is aware of investing over \$16,000,000.00 in contracts. Some contracts have  
8 only one victim while others have several.

9 45. Defendant M. Beasley responded to an FBI inquiry investigating this Ponzi scheme by  
10 drawing a gun on himself and then the FBI agents.

11 46. After being shot, M. Beasley barricaded himself in his home. While barricaded, M.  
12 Beasley was speaking with the FBI negotiator and repeatedly confessed to his  
13 involvement in what M. Beasley self-described as a Ponzi scheme.

14 47. M. Beasley admitted to FBI negotiators that since 2017, he has taken in more than \$300  
15 Million through his IOLTA account related to this scheme.

16 48. At all times relevant herein, Defendant, Jason Jongeward, acted as a key marketer for the  
17 Ponzi scheme.

18 49. Jongeward's prior work experience included running a small construction company  
19 before quitting to raise capital full time for the Ponzi scheme.

20 50. Jongeward represented to potential victims that in multiple years of this business there  
21 have been zero defaults. Jongeward further represented that the company was at 20,000  
22 contracts successfully closed with zero defaults. At the time of these representations, the  
23 Defendants and each of them knew, or should have known, that the statements were false.

24 51. Jongeward represented that 25% of the investment comes back to the principals and they  
25 divide that cut in half and share half of that profit with the investors.

26 52. Jongeward represented that he manages 150 investors and a group that represents about  
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1 \$53 Million of the operating capital and was acting as the full turnkey manager for the  
2 entire group.

3 53. Jongeward represented to potential investors that proceeds go from M. Beasley to  
4 Jongeward's supervisor, Shane Jager, and then from Shane Jager to Jongeward.

5 54. Jongeward also falsely represented that a lien was placed through the purchase  
6 agreements to secure payments.

7 55. On March 8, 2022, Jongeward and Jager forwarded an email to victims falsely  
8 representing that they were pausing the payments due to the litigation as opposed to the  
9 Ponzi scheme having run out of money and/or being frozen by the FBI.

10 56. Jongeward and Jager further misrepresented in this email that Jager and Jongeward would  
11 be pursuing litigation on behalf of the victims.

12 57. Jager, in an effort to solicit victims to place money into this Ponzi scheme, advised that  
13 they would make significant funds in return to the extent that he, M. Beasley and Judd  
14 were altruistically doing this to help people "living her best life."

15 58. Jager represented to the victims that the attorney representing the plaintiffs in the personal  
16 injury cases that initiate these loans are receiving administrative fees although he knew or  
17 should have known that these payments would have been illegal kickbacks.

18 59. Jongeward reported directly to Jager. Thus, Jager was aware, in form or in substance, of  
19 the misrepresentations of Jongeward as stated above and knew the same to be false  
20 representations.

21 60. Jager also falsely represented to victims of this Ponzi scheme that J and J Purchasing was  
22 formed after an audit of J & J Consulting and that this audit was performed by a company  
23 that works with the SEC and the FBI to make sure the company was above board in all  
24 matters. This representation was false and known to be false when made.

25 61. Jager had been asked by multiple people if the business operated as a Ponzi scheme.  
26 Jager informed those third persons that he had seen the attorney M. Beasley's IOLTA

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1 accounts and that he had signed some non-disclosure agreements so he could not give the  
2 detailed information, but that the actual payouts on the attorney's contract was legitimate  
3 based on his review of bank account information. This statement was false and known to  
4 be false when made.

5 62. The Defendants, and each of them, have transferred assets and are transferring assets that  
6 were illegally derived from victims of this Ponzi scheme.

7 63. Jager is a principal investor and owner in Defendant, Eco Battery. Jager had been  
8 soliciting funds for and investing funds with Eco Battery from proceeds derived from the  
9 Ponzi scheme.

10 64. Jager is a principal investor and owner in Elite Pest Control.

11 65. On information and belief, Jager has been investing funds with Elite Pest Control from  
12 proceeds derived from the Ponzi scheme.

13 66. Jager has recently placed his home on the market for \$6,750,000.00. This home was paid  
14 for, in whole or in part, from proceeds from this Ponzi scheme.

15 67. Paula Beasley was aware of the investigation of the Ponzi scheme, including, but not  
16 limited to, the FBI's negotiation and the arrest of her husband M. Beasley.

17 68. Immediately after M. Beasley's confession and arrest related to this Ponzi scheme, and in  
18 an effort to keep funds derived from the victims of this Ponzi scheme fraudulently  
19 conveyed to the Beasley's, P. Beasley and M. Beasley filed a joint petition for divorce.

20 69. While M. Beasley was in jail on March 17, 2022, a joint divorce petition was filed.

21 70. A divorce decree was entered between the Beasleys on March 21, 2022 with an order  
22 sealing the property division of the same on March 23, 2022.

23 71. The proceeds in both Beasleys custody and/or control are the proceeds derived from the  
24 victims of this Ponzi scheme.

25 72. Defendant Judd, shortly after the filing of this lawsuit and the arrest of his co-conspirator  
26 M. Beasley, placed his home for sale on March 22, 2022.

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1 73. One week later and 2 days before the hearing seeking the appointment of a receiver, Judd  
2 reduced the sale value by \$1.1 Million in an effort to acquire proceeds and keep those  
3 proceeds from the victims of this Ponzi scheme.

4 74. Based on information and belief, Beasley Law Group PC and/or BJ Holdings LLC is the  
5 registered owner of a Hawker 900 XP private jet directly purchased from the proceeds of  
6 the victims of this Ponzi scheme. M. Beasley is the principal of BJ Holdings and  
7 purchased the jet with proceeds of this Ponzi scheme and placed the jet into his own  
8 company, BJ Holdings.

9 75. Judd and M. Beasley and/or P. Beasley have bought 16 luxury vehicles estimated to be  
10 worth \$2.6 Million derived directly from the proceeds from the victims of this Ponzi  
11 scheme. These purchases include, but are not limited to, a Rolls Royce Dawn, a Bentley  
12 Continental and four Porsches owned by Judd with a Bentley Continental, an Aston  
13 Martin, and a Mercedes Benz G Wagon, owned by M. Beasley and/or P. Beasley.

14 **FIRST CAUSE OF ACTION**

15 **(Piercing the Corporate Veil)**

16 76. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
17 74 of this Complaint and incorporates them by reference as though fully set forth herein.

18 77. Notwithstanding the various entity structures of Defendants', and each of them, each of  
19 them are jointly, severally, and individually liable under the doctrine of piercing the  
20 corporate veil.

21 78. Defendants, and each of them, have commingled funds, assets, and accounts without  
22 regard to entity formalities to perpetuate a fraud, to justify a wrong and/or create an  
23 injustice.

24 79. As a result of the above, each Defendant is individually, by and through their  
25 representatives, their boards and/or their trustees, responsible and liable for each and  
26 every cause of action referenced hereinabove.

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1 80. As a result of Defendants' actions and inactions, as referenced hereinabove, Plaintiffs  
2 have been damaged in an amount in excess of \$10,000.00 to be more specifically  
3 determined at the time of trial.

4 **SECOND CAUSE OF ACTION**

5 **(Accounting)**

6 81. Plaintiffs repeat and reallege each and every allegation set forth in Paragraphs 1 through  
7 79 of this Complaint and incorporates them by reference as though fully set forth herein.

8 82. Plaintiffs hereby demand that the Defendants, and each of them, produce for inspection  
9 and copying all of the business books, records, and financial records, including, but not  
10 limited to, all financial transactions, all bank account records, disbursement records, sales  
11 and tax records pertaining to each of the Defendant companies from 2017 forward.

12 83. Plaintiffs hereby demands that Defendants produce for inspection and copying all of the  
13 books and records pertaining to any transaction relating to any of Defendants' companies.

14 **THIRD CAUSE OF ACTION**

15 **(Breach of Contract)**

16 84. Plaintiffs repeat and reallege each and every allegation set forth in Paragraphs 1 through  
17 82 of this Complaint and incorporates them by reference as though fully set forth herein.

18 85. Plaintiffs had valid enforceable contracts with Defendants.

19 86. Plaintiffs have performed all conditions precedent and performed to the extent required.

20 87. Defendants, and each of them, have breached the terms of the contractual agreement as  
21 set forth hereinabove.

22 88. Plaintiffs have been substantially and materially harmed by such breach(es) in an amount  
23 in excess of \$10,000.00 to be more specifically determined at time of trial.

24 **FOURTH CAUSE OF ACTION**

25 **(Unjust Enrichment)**

26 89. Plaintiffs repeat and reallege each and every allegation set forth in Paragraphs 1 through  
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- 1 87 of this Complaint and incorporates them by reference as though fully set forth herein.
- 2 90. In the event that the trier of fact determines the parties do not have valid agreement, with  
3 the modifications and/or novation set forth herein, then the Defendants have been unjustly  
4 enriched.
- 5 91. Further, as to issues beyond the scope of any contract, Defendants and each of them, have  
6 been unjustly enriched.
- 7 92. Plaintiffs have been substantially and materially harmed by Defendants in an amount in  
8 excess of \$10,000.00 to be more specifically determined at time of trial.

9 **FIFTH CAUSE OF ACTION**

10 **(Breach of the Covenant of Good Faith and Fair Dealing)**

- 11 93. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
12 91 of this Complaint and incorporates them by reference as though fully set forth herein.
- 13 94. Under Nevada law, every contract contains an implied covenant of good faith and fair  
14 dealing that imposes on the parties the obligation to deal with each other fairly and  
15 honestly.
- 16 95. Defendants placed themselves in the position of trust with Plaintiffs.
- 17 96. The Defendants, in their treatment of Plaintiffs, have breached the covenant of good faith  
18 and fair dealing by engaging in a scheme of misinformation, withholding information and  
19 intentional misrepresentation, including, but not limited to the acts set forth in paragraphs  
20 16 - 74 hereinabove, all of which have been promulgated by Defendants and each of  
21 them, through M. Beasley and Judd individually and as an agent for the other Defendants  
22 in Las Vegas/Henderson, Nevada from approximately 2017, through the date of filing the  
23 Complaint.
- 24 97. As a result of Defendants' breaches of the covenant of good faith and fair dealing,  
25 Plaintiffs have suffered economic losses and have further suffered emotional distress that  
26 was reasonably foreseeable by the Defendants, all in an amount in excess of \$10,000.00.
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**SIXTH CAUSE OF ACTION**

**(Breach of Fiduciary Duty)**

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98. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through 96 of this Complaint and incorporates them by reference as though fully set forth herein.
99. Defendants and each of them, individually, as board members and officers, employees and/or trustees have mismanaged the entities and the associated companies and breached their obligations and duties owed to the entity, and its victims.
100. This breach of fiduciary duties by the board members of each Defendant specifically includes all actions alleged herein which were ratified by its board tacitly or actively or through willful blindness.
101. As a direct and proximate result of the foregoing, Plaintiffs have been damaged in an amount in excess of \$10,000.00 to be more specifically determined at the time of trial.

**SEVENTH CAUSE OF ACTION**

**(Conversion)**

102. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through 100 of this Complaint and incorporates them by reference as though fully set forth herein.
103. The above referenced acts of the Defendants and each of them, were intentional and resulted in serious interference with Plaintiffs' rights.
104. Defendants and each of them, exercised dominion and control over Plaintiffs' personal property by converting the same to their own use.
105. Defendants and each of them, are not the rightful owner of Plaintiffs' personal property and its acts caused the conversion of the Plaintiffs' property.
106. Plaintiffs have been substantially and materially harmed by Defendants in an amount in excess of \$10,000.00 to be more specifically determined at time of trial.

**EIGHTH CAUSE OF ACTION**

**(Embezzlement)**

1 107. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
2 105 of this Complaint and incorporates them by reference as though fully set forth herein.

3 108. The Defendants embezzled funds from Plaintiffs through several means, including, but  
4 not limited to, transferring money rightfully belonging to Plaintiffs to other accounts for  
5 Defendants' own use.

6 109. Plaintiffs are still gathering accounting information to account for some of the fraud and  
7 conversion/embezzlements but further details may not be ascertained until discovery  
8 takes place and information is obtained from Defendants.

9 110. Plaintiffs have been substantially and materially harmed by Defendants in an amount in  
10 excess of \$10,000.00 to be more specifically determined at time of trial.

11 **NINTH CAUSE OF ACTION**

12 **(Obtaining Money/Property Under False Pretenses)**

13 111. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
14 109 of this Complaint and incorporates them by reference as though fully set forth herein.

15 112. Defendants and each of them intended to defraud Plaintiffs from their money (or acted  
16 with reckless disregard for the truth).

17 113. Defendants' misrepresentations and misinformation was intentional or with reckless  
18 disregard for the truth, knowing the same would be, and in fact, were relied on by the  
19 Plaintiffs.

20 114. Plaintiffs have been substantially and materially harmed in an amount in excess of  
21 \$10,000.00 to be more specifically determined at time of trial.

22 **TENTH CAUSE OF ACTION**

23 **(Fraud)**

24 115. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
25 113 of this Complaint and incorporates them by reference as though fully set forth herein.

26 116. Defendants and each of them, made false representations and committed fraud by  
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1 omission as described in paragraphs 16 - 74 hereinabove, all of which have been  
2 promulgated by Defendants and each of them, through Judd, individually and as an agent  
3 for the other Defendants in Las Vegas/Henderson, Nevada from approximately 2017,  
4 through the date of filing the Complaint.

5 117. These representations were made by the above-referenced individual beginning in the Las  
6 Vegas/Henderson, Nevada area.

7 118. The representations and omissions were mutual and made in order to induce Plaintiffs to  
8 act.

9 119. Plaintiffs' and other victims' reliance on these representations was reasonable.

10 120. The statements made by the parties represented hereinabove were known to be false and  
11 fraudulent or made with reckless disregard for the truth and were part of the scheme on  
12 behalf of the Defendants and each of them, to defraud Plaintiffs and others.

13 121. Plaintiffs are still gathering accounting information to account for some of the fraud and  
14 conversion/embezzlements but further details may not be ascertained until discovery  
15 takes place and information is obtained from Defendants.

16 122. Plaintiffs have been substantially and materially harmed by Defendants in an amount in  
17 excess of \$10,000.00 to be more specifically determined at time of trial.

#### 18 **ELEVENTH CAUSE OF ACTION**

#### 19 **(Conspiracy to Defraud)**

20 123. Plaintiffs repeat and reallege each and every allegation set forth in Paragraphs 1 through  
21 121 of this Complaint and incorporates them by reference as though fully set forth herein.

22 124. Defendants and each of them, made false representations and committed fraud by  
23 omission as described in paragraphs 16 - 74 hereinabove, all of which had been  
24 promulgated by Defendants and each of them, through Judd, individually and as an agent  
25 for the other Defendants in Las Vegas/Henderson, Nevada from approximately 2017,  
26 through the date of filing the Complaint.

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- 1 125. These representations were made by the above-referenced individuals beginning in the  
2 Las Vegas/Henderson, Nevada area.
- 3 126. The representations and omissions were mutual and made in order to induce Plaintiffs to  
4 act.
- 5 127. Plaintiffs' reliance on these representations was reasonable.
- 6 128. The statements made by the Defendants represented hereinabove were known to be false  
7 and fraudulent or made with reckless disregard for the truth and were part of the scheme  
8 on behalf of the Defendants and each of them, to defraud Plaintiffs and others.
- 9 129. Defendants and each of them, together, and with each other and with third parties acting  
10 in concert with them did combine, conspire, confederate, and agree together and with  
11 each other to defraud the Plaintiffs.
- 12 130. In an overt act in furtherance of the conspiracy, Defendants and each of them acted  
13 together with third parties in an effort to acquire, transfer, or otherwise attain assets  
14 rightfully belonging to the Plaintiffs.
- 15 131. On information and belief, the Defendants and each of them, engaged in numerous  
16 transactions involving millions of dollars and transferring funds to third parties designed  
17 to further obscure and conceal the nature and extent of the fraud as well as the location of  
18 the moved assets.
- 19 132. All of the foregoing was done intentionally, willfully, and with the specific purpose of  
20 misleading and defrauding the Plaintiffs.
- 21 133. As a direct and proximate result of the Defendants, and each of their actions, Plaintiffs  
22 have been damaged in an amount in excess of \$10,000.00 but within the jurisdictional  
23 limits of this Court, to be more particularly determined at the time of trial.

24 **TWELFTH CAUSE OF ACTION**

25 **(Violation of the Uniform Fraudulent Transfer Act)**

- 26 134. Plaintiffs repeat and reallege each and every allegation set forth in Paragraphs 1 through  
27

1 132 of this Complaint and incorporates them by reference as though fully set forth herein.  
2 135. Defendants and each of them, made certain transfers from funds or from proceeds from  
3 funds derived from Plaintiffs and from other innocent third parties and transferred assets  
4 to other Defendant companies.

5 136. These transfers are described in Paragraphs 16 - 74 (and most particularly 61 - 74)  
6 hereinabove.

7 137. The transfers made and the obligations incurred by Defendants and each of them, were  
8 fraudulent as to the Plaintiffs and other third parties who are defined as creditors under  
9 NRS 112.150 because the Defendants and each of them, made transfers and otherwise  
10 incurred obligations with the actual intent to hinder, delay or defraud the Plaintiffs.

11 138. In this regard, the intent to defraud the Plaintiffs is evident in that (a) transfers or  
12 obligations were made to parties qualifying as insiders as that term is defined in NRS  
13 112.150; (b) that the Defendants retained possession or control of property after the  
14 transfer; (c) that transfers were made or obligations incurred after the Defendants or  
15 entities learned that Plaintiffs were creditors; (d) that the transfers were of substantially  
16 all of the Defendants' assets; (e) that the Defendants removed or concealed assets; and (f)  
17 that the transfers occurred shortly before or shortly after a substantial debt was incurred.

18 139. As a direct and proximate result of the Defendants, and each of their actions, Plaintiffs  
19 have been damaged in an amount in excess of \$10,000.00 but within the jurisdictional  
20 limits of this Court, to be more particularly determined at the time of trial.

21 **THIRTEENTH CAUSE OF ACTION**

22 **(Civil RICO)**

23 140. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
24 138 of this Complaint and incorporates them by reference as though fully set forth herein.

25 141. Defendants, and each of them have engaged in fraud, obtaining money and/or property  
26 under false pretenses, embezzlement, conversion and/or other general crimes including,  
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- 1 but not limited to those referenced in the causes of action hereinabove.
- 2 142. The foregoing acts that have been committed by the Defendants and each of them, are  
3 prerequisite Nevada State RICO acts in excess of three (3) separate occasions through the  
4 Defendants' enterprises.
- 5 143. The actions of Defendants, including, but not limited to, those acts as described in  
6 paragraphs 16 - 74 hereinabove, discussed on separate occasions to several third parties,  
7 including the Plaintiffs herein, all having the same or similar pattern, intents, results,  
8 accomplishments, victims or methods of commission or as otherwise interrelated by  
9 distinguishing characteristics, in a not isolated instance, having all occurred within a five  
10 (5) year period of time.
- 11 144. Plaintiffs have been injured in their business or property by reasons of Defendants and  
12 each of their violations of NRS 207.400 and resultantly have a cause of action against  
13 Defendants and each of them for damages three (3) times the actual amount sustained as  
14 well as attorney's fees, appellate costs, costs of investigation and litigation reasonably  
15 incurred.
- 16 145. Plaintiffs have been substantially and materially harmed in an amount to be proven and  
17 determined at trial, but in an amount in excess of this Court's minimal jurisdictional  
18 requirement.

19 **FOURTEENTH CAUSE OF ACTION**  
20 **(Declaratory Relief as Against All Defendants)**

- 21 146. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
22 144 of this Complaint and incorporates them by reference as though fully set forth herein.
- 23 147. Plaintiffs seek declaratory relief as to their rights to terminate certain agreements.
- 24 148. Plaintiffs seek an order from this Court terminating Defendants' self-dealing agreements  
25 between the parties.
- 26 149. It has become necessary for Plaintiffs to engage the services of an attorney to commence  
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1 this action and Plaintiffs are, therefore, entitled to reasonable attorney's fees and costs for  
2 damages.

3 **FIFTEENTH CAUSE OF ACTION**

4 **(Claim and Delivery)**

5 150. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
6 148 of this Complaint and incorporates them by reference as though fully set forth herein.

7 151. Defendants and each of them are wrongfully detaining, possessing and/or converting  
8 Plaintiffs' property. Plaintiffs are informed and believe, and based thereon allege that the  
9 actual value of said property is in excess of \$10,000.00 to be more specifically  
10 determined at the time of trial.

11 152. All demands for the return of said funds have been refused by Defendants.

12 153. Because of the Defendants never lawfully retained said funds, the Defendants must return  
13 said funds to its rightful owner, the Plaintiffs, or in the alternative, pay to Plaintiffs the  
14 actual value of said funds, to be more specifically determined at the time of trial.

15 154. As a result of Defendants' actions and inactions, as referenced hereinabove, Plaintiffs  
16 have been damaged in an amount in excess of \$10,000.00 to be more specifically  
17 determined at the time of trial.

18 **SIXTEENTH CAUSE OF ACTION**

19 **(Receiver/Accounting/Constructive Trust)**

20 155. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
21 153 of this Complaint and incorporates them by reference as though fully set forth herein.

22 156. The appointment of a receiver and/or constructive trust for each Defendant is appropriate  
23 for the reasons set forth hereinabove and, on information and belief, Defendants have (1)  
24 commingled funds from various individuals into multiple improper entities; (2)  
25 misrepresented company activities and earnings to various individuals and governmental  
26 agencies; (3) misrepresented company activities and earnings to various contracted  
27

1 professionals; (4) encumbered the Corporation financially in amounts in excess of what  
2 the Corporation could afford; (5) improperly engaged in self dealing; (6) engaging in a  
3 series of business decisions which have resulted in financial hardship for the Corporation;  
4 and (7) wholly mismanaged the entities as is more particularly set forth in the factual  
5 background hereinabove and outlined in the causes of action.

6 157. Plaintiffs are informed and believe that unless otherwise restrained by this Court,  
7 Defendants and/or others subject to their dominion, influence or control, will cause  
8 further damage to the entities, and their value to the irrevocable detriment of Plaintiffs.

9 158. Plaintiffs believe and allege the appointment of a receiver and/or constructive trust will  
10 assist the victims of all Defendant entities.

11 159. Plaintiffs make such application for a receiver in this matter pursuant to NRS 78.650 and  
12 32.010.

13 160. Plaintiffs are further entitled to an accounting and a Receiver and/or constructive trust to  
14 maintain these proceeds and account for the same and allow for the transition of the same  
15 to Plaintiffs, the rightful owner of the funds.

16 161. As a result of Defendants' actions and inactions, as referenced hereinabove, Plaintiffs are  
17 specifically entitled to the appointment of a Receiver and/or constructive trust.

### 18 SEVENTEENTH CAUSE OF ACTION

#### 19 (Punitive Damages)

20 162. Plaintiffs repeat and reallege each and every allegation contained in Paragraphs 1 through  
21 160 of this Complaint and incorporates them by reference as though fully set forth herein.

22 163. Various causes of action pled herein demonstrate that the conduct of Defendants and each  
23 of them are of such an egregious, reckless and/or intentional nature or with such depraved  
24 indifference for the rights of the Plaintiffs to the extent to permit Plaintiffs to recover  
25 punitive damages in an amount in an amount in excess of \$10,000.00 to be more  
26 specifically determined at the time of trial.

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WHEREFORE, Plaintiffs expressly reserve to amend their Complaint at the time of the trial herein to include all items of damage not yet ascertained, and prays for judgment against Defendants as follows:

- 164. For general damages in an amount in excess of \$10,000.00;
- 165. For special damages in an amount in excess of \$10,000.00;
- 166. For compensatory damages in an amount in excess of \$10,000.00;
- 167. For treble damages under civil RICO in an amount in excess of \$10,000.00;
- 168. For punitive damages in an amount in excess of \$10,000.00;
- 169. For declaratory relief;
- 170. For equitable relief;
- 171. For attorney's fees;
- 172. For costs of suit herein incurred;
- 173. For attorney's fees and costs incurred to collect any judgment entered herein;
- 174. For a Receivership to use this Court's legal and equitable power to distribute funds to victims of this Ponzi scheme.
- 175. For such other and further relief as the Court may deem just and proper.

DATED this 31<sup>st</sup> day of March, 2022

  
COOK & RELEISIS, LTD.

MARK H. COOK  
Nevada State Bar No. 004574  
517 South Ninth Street  
Las Vegas, Nevada 89101  
*Attorneys for Plaintiffs*

**EXHIBIT J**  
**(Order Appointing Receiver)**

ELECTRONICALLY SERVED

3/30/2022 8:04 AM

Electronically Filed  
03/30/2022 8:03 AM

CLERK OF THE COURT

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**ORDER**  
MARC P. COOK  
Nevada State Bar No. 004574  
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517 South Ninth Street  
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*Attorneys for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MARK A. MURPHY, an individual; and  
MARK A MURPHY, LTD., a Nevada  
Limited Liability Company,

Plaintiffs,

v.

MATTHEW BEASLEY, an individual;  
BEASLEY LAW GROUP PC, a Nevada  
Professional Corporation; JEFFREY JUDD,  
an individual; J&J CONSULTING  
SERVICES, INC., a Nevada Corporation; J  
AND J PURCHASING, LLC; a Florida  
Limited Liability Company; and DOE  
INDIVIDUALS I through XX, inclusive;  
ROE ENTITIES I through XX, inclusive,

Defendants.

CASE NO. **A-22-849806-B**  
DEPT. NO. **XXII**

**BUSINESS COURT**

**ORDER APPOINTING RECEIVER**

Hearing Date: March 29, 2022  
Hearing Time: 8:30 a.m.

**EXEMPT FROM ARBITRATION**  
(Seeks Declaratory Relief and Receivership)

**ORDER APPOINTING RECEIVER**

Pursuant to the Petition for Appointment of Receiver (“Petition”), the Affidavit of Marc P. Cook, Esq., and the Complaint, the Court having reviewed the pleadings and papers on file herein and hear the arguments presented by the parties at the hearings scheduled for this matter, and good cause appearing therefor:

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that:

1. Appointment of Receiver, Daniel Ayala of Parcelon (“Receiver”) is hereby appointed



1 permanent Receiver in this action, over the following Defendant entities and individuals:  
2 Matthew Beasley; Beasley Law Group PC; Jeffrey Judd; J&J Consulting Services, Inc.;  
3 and J and J Purchasing, LLC (“Receivership Estate”).<sup>1</sup> Such appointment shall be  
4 effective as of ~~the later of~~ the date this Order is executed by the undersigned District  
5 Court Judge (the “Effective Date”).

6 2. The business of the Receivership Estate has ceased to exist for purposes of appointment  
7 of a Receiver under NRS 78.600 as Beasley is in criminal custody and Defendant Judd  
8 cannot legally access his trust account where Plaintiffs believe the funds are transferred.  
9 Further, every entity likely keeps a separate set of books thus, it is necessary for a new  
10 third party to come in and evaluate the same for purposes consistent with the statute to  
11 “appoint one or more persons to be receivers of and for the corporation, to take charge of  
12 the estate and affects thereof, and to collect the debts and property due and belonging to  
13 the corporation, with power to prosecute and defend, in the name of the corporation, or  
14 otherwise, all such suits as may be necessary and proper for the purpose aforesaid, and to  
15 appoint an agent or agents under them, and to do all other acts which might be done by  
16 the corporation, if in being, that may be necessary for the final settlement of the  
17 unfinished business of the corporation.” As Defendant entities have ceased to exist in  
18 some manner, NRS 78.600 is satisfied and the Court should appoint a Receiver with the  
19 powers to marshal assets and operate the company as requested herein.

20 3. In the case *sub judice*, this investor as well as several other investors have an interest in  
21 the property and the proceeds thereof (NRS 32.010(1)) and have clearly demonstrated

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22  
23 <sup>1</sup>A Chapter 11 Involuntary Bankruptcy Petition has been filed as to J & J Consulting  
24 Services Inc. in the District of Nevada, Case No. 22-10942. A Chapter 11 Involuntary  
25 Bankruptcy Petition has also been filed as to J and J Purchasing LLC., in the District of Nevada,  
26 Case No. 22 -10943. Any and all applicable bankruptcy stays or restrictions shall apply to the  
27 extent that the same would preclude Receiver’s direct receivership over either or both of those  
28 entities. The Receiver will include in his initial report, and as an ongoing concern, the status of  
those bankruptcies to the extent that they may or may not limit the Receiver’s access to control  
over the same.

- 1 that the property or fund is in danger of being lost, removed or materially injured.  
2 Additionally, the issues addressed under NRS 78.600 hereinabove require a Receiver.
- 3 4. The Receiver shall be appointed to perform the following duties:
- 4 a. To marshal all assets from all of the Receivership Companies and trace assets out  
5 to any other sources and determine the legitimacy of ~~an~~ transfer/payments.  
6 ~~any~~
- 6 b. To the ~~extent~~ ~~extent~~ viable, to reinstate the entity in good standing to allow it to collect  
7 any and all outstanding receivables, if any.
- 8 c. To evaluate the legality of the licenses and evaluate actions, including, but not  
9 limited to, withdrawals /reinstatements of active licenses.
- 10 d. To take possession of all property and/or withdrawn and/or Secretary of State  
11 filings of all of the Receivership Companies to the extent necessary to determine  
12 where the assets and funds invested by Plaintiff and similarly situated investors,  
13 has been disgorged.
- 14 e. To address issues related to government agencies, including but not limited to  
15 amended tax returns, federal and state, state employment issues, license  
16 compliance issues, etc.
- 17 f. To have all powers vested in the board of directors of each entity.
- 18 g. To have all powers as identified pursuant to Nevada Revised Statutes.
- 19 h. All of the powers set forth in the Order Appointing Receiver.
- 20 5. To Perform the above stated duties, the Receiver shall have access to all books and  
21 records of:
- 22 a) Matthew Beasley;
- 23 b) Beasley Law Group PC;
- 24 c) Jeffrey Judd;
- 25 d) J&J Consulting Services, Inc.; and
- 26 e) J and J Purchasing, LLC. (collectively referenced as the “Associated Companies”).
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1 As to the individual Defendants, they shall cooperate and provide tax returns, Quickbooks  
2 with login information, financial logs, journals and all bank statements and loan applications  
3 from 2017 forward to allow the Receiver to evaluate what income was derived from said  
4 business and report the same to the Court.

5 6. It has yet to be determined whether there will be any ability for any ongoing business for  
6 the Receivership Companies. However, amended tax returns may need to be filed, issues  
7 with regard to the licensing may exist with the Receivership Companies.

8 7. Duties of Receiver: The Receiver is granted the following powers and duties:

- 9 a. To incur all expenses necessary for the care, preservation, maintenance of the  
10 Receivership Estate;
- 11 b. To take from Receivership Companies and Trusts, its agents and employees,  
12 immediate possession of the books and records and all things of value relating  
13 thereto, including, without limitation, its Rents, revenues, royalties, issues,  
14 income, payments and profits, and any and all personal property used or  
15 associated therewith or otherwise owned by Borrower, regardless of where such  
16 property is located, including, but not limited to, any rental payments, lease  
17 payments, insurance payments, condemnation awards, operating accounts, bank  
18 accounts, security deposits, records, files, reports, studies, options, contracts,  
19 leases, occupancy agreements, rent rolls, permits, licenses, checks, drafts, notes,  
20 documents, accounts receivable, and all other things and articles of any kind or  
21 type used or associated therewith;
- 22 c. To employ or terminate the employment of any Nevada licensed person or firm to  
23 perform services consistent with the Receiver's duties;
- 24 d. To determine the extent necessary, if at all to operate, manage, control and  
25 conduct the business for the Receivership Companies and incur the expenses  
26 necessary in such operation, management, control, and conduct in the ordinary  
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and usual course of business, and do all things and incur the risks and obligations ordinarily incurred by owners, managers, and operators of similar properties, and no such risks or obligations so incurred shall be the personal risk or obligation of Receiver, but shall be a risk or obligation of the receivership estate;

- e. With respect to all assets and interests on any Receivership matter, the Receiver may contact any party it reasonably believes to be an account debtor of any Defendant(s) and arrange for direct payment of the obligations due from account debtors to the Receiver.
- f. To bring and prosecute all proper actions against persons for the (i) collection of monies derived from the Receivership Companies, (ii) removal from the property/persons not entitled to entry thereon, (iii) protection of the Receivership Estate, and (iv) recovery of possession of the Receivership Estate;
- g. To employ or terminate any person or firm to account for and operate the Receivership Companies if the Receiver deems it necessary or appropriate in his discretion and judgment to do so, provided, however, to the extent the Receiver employs any such person or firm, it shall be on commercially reasonable terms and conditions;
- h. To retain or terminate, in the Receiver's discretion, existing employees of Receivership Companies in order to continue business operations, if any, in which case payroll taxes, workers compensation insurance and related costs will be carried and reported as those of the Receivership Companies, and not of Receiver and the Receiver may, in the alternative at his sole discretion, carry all employees as those of any management company or other entity hired by the Receiver;
- i. To hire, employ, pay and terminate, agents, employees, clerks and accountants, purchase materials, supplies, advertising, and other services at ordinary and usual rates and prices using funds that shall come into the Receiver's possession in order

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- to preserve the status quo and/or regain assets;
- j. To hire, employ, retain, and/or terminate attorneys, certified public accountants, investigators, security guards, consultants, property management companies, brokers, construction management companies, appraisers, title companies, licensed construction control companies, etc., and any other personnel or employees which the Receiver deems reasonably necessary to assist him in the discharge of his duties, provided, however, to the extent the Receiver employs any such person, it shall be on commercially reasonable terms and conditions;
- k. To continue in effect any contracts presently existing and not in default relating to the Property;
- l. The Receiver may, in his discretion, continue to operate, care for, preserve, maintain and collect profits generated by, and sell the Receivership Estate in a manner necessary to preserve its overall value and shall incur the expenses necessary in such operation, care, preservation, maintenance, collection and sale of the Receivership Estate, all without further order of this Court; that monies coming into the possession of the Receiver pursuant hereto and not expended for any of the purposes herein authorized shall be held by the Receiver, subject to such orders as this Court may hereinafter issue as to its disposition ;
- m. To enter into and modify contracts affecting any part or all of the Property, including, without limitation, any and all leases affecting the Property, subject to in all cases pursuant to this paragraph, the consent of Plaintiff to the extent that such consent is required pursuant to the Loan Documents (as defined in the Complaint on file herein). In addition, the Receiver shall have the authority to immediately terminate any existing contract, agreement, or instrument which is not, in Receiver's sole discretion, deemed commercially reasonable or beneficial to the Property. The Receiver shall not be bound by any contract between the

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- Borrower and any third party that the Receiver does not expressly assume in writing;
- n. To apply, obtain and pay any reasonable fees for any lawful license, permit or other governmental approval relating to the Receivership Companies or the operation thereof; confirm the existence of and, to the extent permitted by law, exercise the privileges of any existing license or permit or the operation thereof, and do all things necessary to protect and maintain such licenses, permits and approvals;
  - o. To apply for, transfer, obtain and renew, as necessary to prevent the loss of or loss of use of all licenses, permits and entitlements required for the operation of the Property or issued in connection therewith;
  - p. With respect to any operation or activity that is now conducted on the Property or is customarily conducted on similar properties, and that may lawfully be conducted only under governmental license or permit, to continue such operation or activity under the licenses or permits issued to Borrower subject to compliance with the terms thereof;
  - q. To notify all local, state and federal governmental agencies, all vendors and suppliers, and any and all others who provide goods or services to the Receivership Companies of his appointment as Receiver. No utility may terminate service to the Property as a result of non-payment of pre-receivership obligations without prior order of this Court. No insurance company may cancel its existing current-paid policy as a result of the appointment of the Receiver, without prior order of this Court;
  - r. To open and utilize bank accounts for receivership funds. The Receiver is authorized to use the Defendant's taxpayer identification number to establish such accounts. As to any existing accounts relating to the Property, the Receiver shall

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be entitled to manage and modify such accounts, including, without limitation, the ability to change existing signature cards to identify the Receiver as the authorized party for such accounts, limit the use of such accounts by others, and/or to close such accounts as the Receiver deems appropriate;

s. To present for payment any checks, money orders or other forms of payment made payable to Borrower which constitute Rents of the Property, endorse same and collect the proceeds thereof, such proceeds to be used and maintained as elsewhere provided herein;

t. The Receiver is authorized to receive proceeds and profits from any sale, use, transfer or disposition of the Receivership Estate; and to deposit and hold such funds in one or more interest-bearing accounts;

u. The Receiver shall prepare on a monthly basis, commencing 30 days after his appointment, so long as the Property shall remain in his possession or care, reports for the Property setting forth all receipts and disbursements, cash flow, changes in the assets in his charge, claims against the assets in his charge, and other relevant operational issues that have occurred during the preceding month. The Receiver is directed to file such reports with the Clerk of this Court. The Receiver shall serve a copy of this report on the attorneys of record for the parties and any other interested parties who request the same concurrently with the filing thereof with the Clerk of this Court;

v. The Receiver shall charge the rates set forth in the proposal attached as Exhibit “2” to the Petition for Appointment of Receiver. In addition, the Receiver shall be reimbursed for all expenses reasonably incurred by the Receiver in performance of the Receivership. The Receiver, his management company, his consultants, agents, employees, legal counsel, and professionals shall be paid on a monthly basis as funds are available. To be paid on a monthly basis, funds must be

1 available and the Receiver must file a statement of account with the Court and  
2 serve a copy on all parties to this action each month for the time and expense  
3 incurred in the preceding calendar month. If no objection thereto is filed and  
4 served on or within ten (10) days following service thereof, such statement of  
5 account may be paid. If an objection is timely filed and served, such statement of  
6 account shall not be paid absent further order of the Court. In the event objections  
7 are timely made to fees and expenses, objected to fees and expenses will be paid  
8 within ten (10) days of an agreement among the parties or entry of a Court order  
9 adjudicating the matter;

10 w. Despite the periodic payment of Receiver's fees and administrative expenses, such  
11 fees and expenses shall be submitted to the court for approval and confirmation in  
12 the form of either a notice of interim application for fees, a stipulation among  
13 parties or the Receiver's final account and report;

14 x. After expending the necessary funds to operate the Property and pay all reasonable  
15 and necessary costs and expenses associated with such operation, the Receiver  
16 shall maintain any remaining funds for distribution to Plaintiff and such other  
17 party or non-party as may be legally entitled to receive such funds in accordance  
18 with the requirements of NRS 107A.310; and may distribute such funds from time  
19 to time without further order of this Court;

20 y. The Receiver is authorized and empowered to take any and all steps necessary to  
21 receive, collect and review all mail addressed to Receivership Companies  
22 including, but not limited to, mail addressed to any post office boxes held in the  
23 name of the Receivership Companies, and the Receiver is authorized to instruct  
24 the U.S. Postmaster to reroute, hold, ~~and or~~ and/or release said mail to said Receiver.  
25 Mail reviewed by the Receiver in the performance of his duties will promptly be  
26 forwarded to Borrower after review by the Receiver;

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- 1 z. To generally do such other things as may be necessary or incidental to the  
2 foregoing specific powers, directions and general authorities and take actions  
3 relating to the Property beyond the scope contemplated by the provisions set forth  
4 above, provided the Receiver obtains prior court approval for any actions beyond  
5 the scope contemplated herein pursuant to a motion to be served upon the parties  
6 and subject to any objection or opposition that is filed on behalf of any party;
- 7 aa. To apply to the Court at any time during the course of the receivership for  
8 further directions and guidance to assist the Receiver in its managerial  
9 role, which application shall be served upon the parties and subject to any  
10 objection or opposition that is filed on behalf of any party hereto ;
- 11 bb. Notwithstanding anything in this Order to the contrary, Receiver does not  
12 assume and is not obligated to assume and will not ~~en~~ be obligated to pay,  
13 perform or otherwise discharge any Employment Related Liability (as  
14 defined below) of Defendant. Defendant is and will be solely and  
15 exclusively liable with respect to all Employment Related Liabilities.  
16 Without limitation of the generality of the foregoing, the term  
17 “Employment Related Liabilit(ies)” includes all liabilities of Defendant to  
18 any former or current employee in any way related to such employee's  
19 employment with or separation from the Defendant including, but not  
20 limited to, any claims: (i) for salary, wages, commissions, bonuses,  
21 benefits, vacation, or any other form of compensation; (ii) arising out of  
22 any acts or omissions of Defendant or Defendant's agents and  
23 representatives with respect to any benefit plan, employee practices or  
24 employee programs, including employee claims of discrimination,  
25 retaliation or other wrongful conduct or discharge decisions; (iii)  
26 severance liabilities; (iv) obligations under employment contracts or any

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- other related agreements with employees; (v) any change of control amounts payable to any employees; (vi) all liabilities under the Worker Adjustment and Retraining Notification Act (WARN) 29 U.S.C. 2101 et seq., or similar state statute or regulation and (vii) any other statutory or common law claim;
- cc. Neither Plaintiff nor the Receiver shall be liable for any obligation of Defendant relating to the Receivership Companies that arose prior to the Order Appointing Receiver, including, without limitation, any contingent or unliquidated obligations, nor shall the Plaintiff or the Receiver be obligated to advance any funds to pay any expense of maintenance or other liability of the Receivership Companies other than as cash flows permits payment of such expenses;
  - dd. The Receiver shall have no liability to any party for any claims, actions or causes of action arising out of or relating to events or circumstances occurring prior to the appointment of the Receiver. This protection of the Receiver from liability shall include, but not be limited to any liability from the performance of services rendered by third parties on behalf of Defendant, and any liability to which Defendant is currently or may ultimately be exposed under any applicable laws pertaining to the ownership and use of the Property and operation of the Defendant's businesses;
  - ee. The Receiver shall not be responsible for payment of any utility bills, unpaid payroll expenses or other unpaid invoices for services or utilities incurred by the Borrower or for the benefit of the Property prior to the Receiver's taking possession of the Property.
  - ff. Following the Receiver's appointment, the Receiver shall not be deemed

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in any way to be an owner of any Receivership Company. Daniel Ayala is acting solely in his capacity as Receiver and no risk, obligation or expense incurred shall be the personal risk, obligation or expense of Receiver, but shall be the risk, obligation or expense of the receivership estate;

gg. The Receiver shall have no responsibility for paying any unpaid federal and state payroll taxes and expenses of Defendant. The responsibility for such filings and payments lies exclusively with Defendant and its agents, employees, and representatives.

8. Non-Interference With Receiver: Matthew Beasley and Jeffrey Judd, including, without limitation, their agents, representatives, and employees, are, during the period that the Receiver shall be in possession of the Property, enjoined from:

- a. Interfering with the Receiver, directly or indirectly, in the management and operation of the Property;
- b. Interfering with the Receiver, directly or indirectly, in the collection of Rents derived from the Property;
- c. Operating or attempting to operate Defendant Companies, except to the ~~extend~~ extent Beasley is required to act and appear for clients as counsel as nothing in this Order shall be construed as the Receiver taking over legal client representation for Beasley's legal practice, if any;
- d. Extending, dispersing, transferring, assigning, selling, conveying, devising, pledging, mortgaging, creating a security interest in or disposing of the whole or on behalf of any part of the Receivership Companies without the prior written consent of the Receiver; and
- e. Doing any act which will, or which will tend to, impair, defeat, divert, prevent or prejudice the preservation of the Receivership Companies or the interest of Plaintiffs.

- 1 9. Turnover: Defendants' and each of them, and employees, shall, within 72 hours of the  
2 Effective Date:
- 3 a. Turn over to the Receiver the possession of the Receivership Companies,  
4 including all keys to all locks on the property, and the records, books of account,  
5 ledgers and all business records for the Receivership Companies, wherever  
6 located in and whatever mode maintained, including, without limitation,  
7 information contained on computers and any and all software relating thereto as  
8 well as all banking records, statements and canceled checks for all dates up to the  
9 date of this Order;
- 10 b. Turn over to the Receiver all documents which constitute or pertain to all licenses,  
11 permits or governmental approvals relating to the Property;
- 12 c. Turn over to the Receiver all documents which constitute or pertain to insurance  
13 policies, whether currently in effect or lapsed, which relate to the Property;
- 14 d. Turn over to the Receiver all contracts, leases and subleases, royalty agreements,  
15 licenses, assignments or other agreements of any kind whatsoever, whether  
16 currently in effect or lapsed, which relate to any interest in the Property;
- 17 e. Turn over to the Receiver all documents pertaining to past, present or future  
18 business investments of any type with respect to all or any part of the Property;
- 19 f. Nothing herein is intended to, nor is to be construed to, require Defendants to turn  
20 over any documents protected from disclosure by either the attorney-client  
21 privilege or the attorney work product privilege;
- 22 g. Turn over to the Receiver all Rents derived from the Property (including, without  
23 limitation, all security deposits, advances, prepaid rents, storage fees, and parking  
24 fees) wherever and whatsoever mode maintained;
- 25 h. Forward all mail addressed to Receivership Companies to the Receiver. Any and  
26 all persons or entities acting under Defendant's direction or on its behalf are  
27

- 1 further directed and ordered to deliver to the Receiver all rents, revenues, issues,  
2 profits, and security deposits of and from the Receivership Companies, which may  
3 yet come into their possession or come under their control; and
- 4 i. Nothing in this section requires Beasley to turn over legal representation client  
5 files nor relieves him of any obligation to any legal client or clientele.
- 6 10. Discharge: The Receiver shall relinquish possession and control of the Receivership  
7 Companies and shall be discharged from all further duties, liabilities and responsibilities  
8 relating to such Receivership Companies or such portion thereof; pending approval of the  
9 Receiver's final account and report to the Court relating thereto as directed by the Court.
- 10 11. Final Report: No later than 60 days after the receivership terminates, the Receiver shall  
11 file and serve a motion for approval of the Receiver's final report and account. The  
12 Receiver shall give notice of such motion to all persons of whom the Receiver is aware  
13 who have potential claims against receivership property. The motion to approve the final  
14 report and account and for discharge of the Receiver shall contain the following: (1) a  
15 declaration or declarations (i) showing what was done during the receivership; (ii)  
16 certifying the accuracy of the final accounting; (iii) stating the basis for the termination of  
17 the receivership (such as foreclosure or reinstatement); and (iv) stating the basis for an  
18 order for the distribution of any surplus or payment of any deficit; and (2) a summary of  
19 the receivership accounting, which shall include (i) the total revenues received; (ii) the  
20 total expenditures identified and enumerated by major categories; (iii) the net amount of  
21 any surplus or deficit; and (iv) evidence of necessary supporting facts.
- 22 12. Suit Against Receiver: No individual or entity may sue the Receiver without first  
23 obtaining the permission of this Court.
- 24 13. Future Litigation: All parties to this action shall bring any future litigation involving the  
25 use, possession or control over the Property in this Court or the parties to such litigation  
26 shall first obtain leave of this Court except the Receiver is authorized and granted leave to  
27

- 1 bring any unlawful detainer actions relating to the Property in any court.
- 2 14. Receiver's Bond: The Receiver shall serve without bond.
- 3 15. Cooperation Between Defendants and Receiver: The Defendants, and each of them, and
- 4 Receiver shall cooperate and take necessary steps to avoid unnecessary expense with
- 5 regard to the Receiver taking possession of, managing, and maintaining the Receivership
- 6 Companies.
- 7 16. Further Instructions: The Receiver, Plaintiff, Defendant, or any other party who
- 8 maintains an interest in any Receivership Companies, may at any time apply to this court
- 9 for any further or other instructions and powers necessary to enable the Receiver to
- 10 perform his duties properly and/or modify this order.

11 **IT IS SO ORDERED.**

12 Dated this 30th day of March, 2022

13 

14 \_\_\_\_\_  
15 **DISTRICT COURT JUDGE**  
**Susan Johnson**  
**District Court Judge**

16 Respectfully Submitted By:  
17 COOK & KELESIS, LTD.

18  
19 /s/ Marc P. Cook  
20 MARC P. COOK, ESQ.  
21 Nevada Bar No. 4574  
22 517 S. Ninth Street  
23 Las Vegas, Nevada 89101  
24 *Attorneys for Plaintiffs*

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**CSERV**

DISTRICT COURT  
CLARK COUNTY, NEVADA

Mark Murphy, Plaintiff(s)	CASE NO: A-22-849806-B
vs.	DEPT. NO. Department 22
Matthew Beasley, Defendant(s)	

**AUTOMATED CERTIFICATE OF SERVICE**

This automated certificate of service was generated by the Eighth Judicial District Court. The foregoing Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled case as listed below:

Service Date: 3/30/2022

Marc Cook	mcook@bckltd.com
Shannon Fagin	sfagin@bckltd.com

**EXHIBIT K**  
**(March 2022 Emails)**



## Marc Cook

---

**From:** Marc Cook  
**Sent:** Monday, March 28, 2022 10:56 AM  
**To:** Mark Murphy  
**Cc:** George Kelesis  
**Subject:** FW: SEC investigation: In the Matter of J & J Consulting Services Inc. (SL-02855)

---

**From:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>  
**Sent:** Monday, March 28, 2022 10:49 AM  
**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Cc:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>  
**Subject:** RE: SEC investigation: In the Matter of J & J Consulting Services Inc. (SL-02855)

Mr. Cook,

Thank you for your response. By close contact, I meant that Mr. Murphy had direct communications with Jeffrey Judd (which isn't the case with all investors). Because Mr. Murphy could provide us with information regarding representations that Judd made, we are interested in speaking with him.

Please let me know if Mr. Murphy is willing to speak with us and when you both are available.

Best,  
Laurie

---

**From:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Sent:** Monday, March 28, 2022 11:19 AM  
**To:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>  
**Cc:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>  
**Subject:** RE: SEC investigation: In the Matter of J & J Consulting Services Inc. (SL-02855)

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Abbott,

As you identified below, we have filed a Complaint against multiple parties related to this alleged ponzi scheme. As the documents likely revealed, we have a hearing tomorrow to try and appoint a receiver to move forward and find out what happened in this process and prevent any movement of money. We need to get that part together and keep it as simple as possible until at least appointment. Thus, I need some time before we schedule anything.

As for close contact alleged in the complaint, I am not sure the context. Judd made a call to Murphy (and from witnesses I have spoken to in preparation for the hearing, other victims as well) after the FBI spoke to Judd. That call and the other calls referenced are detailed in the filed pleadings as specifically as he could detail it. I necessarily included the detail in the complaint and petition for receiver as we believe that supports our motion. However, there is no additional detail that I excluded, so you already have the conversation discussed therein.

If you need those additional pleadings, please let me know.

Thank you,

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>  
**Sent:** Friday, March 25, 2022 4:36 PM  
**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Cc:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>  
**Subject:** SEC investigation: In the Matter of J & J Consulting Services Inc. (SL-02855)

Mr. Cook,

I am an attorney with the Division of Enforcement for the U.S. Securities and Exchange Commission. My colleagues Joni Oster and Pasha Salimi and I are conducting a nonpublic investigation entitled In the Matter of J & J Consulting Services Inc. (SL-02855).

We came across the complaint you filed in Nevada on behalf of your client Mark Murphy. From the complaint, it appears that Mr. Murphy had close contact with Jeffrey Judd. We are very interested in speaking with Mr. Murphy. Would he be willing to speak with us on a voluntary basis?

Please find attached the SEC's Form 1662, which provides disclosures to members of the public who provide information to us.

Regards,

**Laurie E. Abbott**  
Counsel | Division of Enforcement  
Salt Lake Regional Office  
United States Securities and Exchange Commission  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101-1950  
(801) 524-4110 | [abbottla@sec.gov](mailto:abbottla@sec.gov)

## Marc Cook

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Wednesday, March 30, 2022 9:59 AM  
**To:** Marc Cook; Danny Ayala  
**Cc:** Abbott, Laurie E; Salimi, Pasha; Shannon Fagin  
**Subject:** RE: Murphy v. Beasley | Receivership

Mr. Cook,

Many thanks for this information.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 OstlerJ@sec.gov

---

**From:** Marc Cook <MCook@bckltd.com>  
**Sent:** Wednesday, March 30, 2022 10:44 AM  
**To:** Ostler, Joni <ostlerj@SEC.GOV>; Danny Ayala <dayala@ayalalaw.com>  
**Cc:** Abbott, Laurie E <abbottla@SEC.GOV>; Salimi, Pasha <salimia@SEC.GOV>; Shannon Fagin <SFagin@bckltd.com>  
**Subject:** RE: Murphy v. Beasley | Receivership

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Ostler,

I am happy to share the Order. I have also copied the Receiver on this email. Also, below please see an email Mr. Judd just forwarded to a number of the victims, including my client. I am in the process of amending the Complaint as well.

Judd email in full:

**From:** Jeffrey Judd <[jeffreyjudd13@icloud.com](mailto:jeffreyjudd13@icloud.com)>  
**Sent:** Wednesday, March 30, 2022 8:05 AM  
**To:** JASON JENNE <[jayjenne@msn.com](mailto:jayjenne@msn.com)>; Mark Murphy <[mark@beyondbeancounting.com](mailto:mark@beyondbeancounting.com)>; Rich Marino <[richmarino@cox.net](mailto:richmarino@cox.net)>; Arthur Cambeiro <[amcconsulting12@gmail.com](mailto:amcconsulting12@gmail.com)>  
**Subject:** Attorney Matt Beasley

Friends and Family,

I wanted to reach out to all of you and briefly comment about recent events that you may have read about in the news media. I am shocked, saddened and have no words for the recent actions of the company's attorney Matthew Beasley and the allegations now surrounding him. As a licensed attorney, the company has relied on Mr. Beasley for legal advice and recommendations for several years regarding the legality and structuring of the investments. With the help of several attorneys, I am trying to assess the impact of the allegations and events as information and facts become available.

I, like you, have many unanswered questions and I assure you that we are working diligently to investigate what happened and to aggressively uncover the true facts underlying the allegations against attorney Beasley. Our efforts are ongoing and designed to protect you and your investments. I know many of you have questions about the funds you transferred into attorney Beasley's attorney trust accounts. Unfortunately, attorney Beasley had exclusive control over those trust accounts, and I am unaware of their present status. Information about attorney Beasley and the status of his law firm and the associated attorney trust accounts is not readily available, but we are working to obtain as much information as we can.

My attorneys have instructed me to limit my communication regarding the current situation and attorney Beasley as there are more questions than answers at this point. If you have questions, please direct them to my attorney Trevor Waite at 702-233-4444.

I appreciate your trust, understanding, and patience as we work to figure out the true facts. I will provide you with another update as information becomes available.

Sincerely,

Jeffrey Judd

Sent from my iPhone

End of Judd email

Thanks you,

Marc

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>  
**Sent:** Wednesday, March 30, 2022 8:41 AM  
**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Cc:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>  
**Subject:** Murphy v. Beasley | Receivership

Dear Mr. Cook,

Following up on my voicemail just now, I saw from the docket this morning that the Court granted your petition for a receivership in the Murphy v. Beasley case. Congratulations on your win. Would you please be willing to share with us a copy of the Court's order? We are interested in ascertaining the scope of the receivership and any asset freeze ordered.

As we shared last week, we are also interested in speaking with your client Mr. Murphy when and if he is available.

I'm copying on this email my colleagues Laurie Abbott and Pasha Salimi, both of whom are also staffed on this matter at the SEC.

Thank you.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)

## Marc Cook

---

**From:** Marc Cook  
**Sent:** Wednesday, March 30, 2022 9:44 AM  
**To:** Ostler, Joni; Danny Ayala  
**Cc:** Abbott, Laurie E; Salimi, Pasha; Shannon Fagin  
**Subject:** RE: Murphy v. Beasley | Receivership  
**Attachments:** 2022.03.30 - Order Appointing Receiver.pdf

Ms. Ostler,

I am happy to share the Order. I have also copied the Receiver on this email. Also, below please see an email Mr. Judd just forwarded to a number of the victims, including my client. I am in the process of amending the Complaint as well.

Judd email in full:

**From:** Jeffrey Judd <[jeffreyjudd13@icloud.com](mailto:jeffreyjudd13@icloud.com)>  
**Sent:** Wednesday, March 30, 2022 8:05 AM  
**To:** JASON JENNE <[jayjenne@msn.com](mailto:jayjenne@msn.com)>; Mark Murphy <[mark@beyondbeancounting.com](mailto:mark@beyondbeancounting.com)>; Rich Marino <[richmarino@cox.net](mailto:richmarino@cox.net)>; Arthur Cambeiro <[amcconsulting12@gmail.com](mailto:amcconsulting12@gmail.com)>  
**Subject:** Attorney Matt Beasley

Friends and Family,

I wanted to reach out to all of you and briefly comment about recent events that you may have read about in the news media. I am shocked, saddened and have no words for the recent actions of the company's attorney Matthew Beasley and the allegations now surrounding him. As a licensed attorney, the company has relied on Mr. Beasley for legal advice and recommendations for several years regarding the legality and structuring of the investments. With the help of several attorneys, I am trying to assess the impact of the allegations and events as information and facts become available.

I, like you, have many unanswered questions and I assure you that we are working diligently to investigate what happened and to aggressively uncover the true facts underlying the allegations against attorney Beasley. Our efforts are ongoing and designed to protect you and your investments. I know many of you have questions about the funds you transferred into attorney Beasley's attorney trust accounts. Unfortunately, attorney Beasley had exclusive control over those trust accounts, and I am unaware of their present status. Information about attorney Beasley and the status of his law firm and the associated attorney trust accounts is not readily available, but we are working to obtain as much information as we can.

My attorneys have instructed me to limit my communication regarding the current situation and attorney Beasley as there are more questions than answers at this point. If you have questions, please direct them to my attorney Trevor Waite at 702-233-4444.

I appreciate your trust, understanding, and patience as we work to figure out the true facts. I will provide you with another update as information becomes available.

Sincerely,

Jeffrey Judd

Sent from my iPhone

End of Judd email

Thanks you,

Marc

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Wednesday, March 30, 2022 8:41 AM  
**To:** Marc Cook <MCook@bckltd.com>  
**Cc:** Abbott, Laurie E <abbottla@SEC.GOV>; Salimi, Pasha <salimia@SEC.GOV>  
**Subject:** Murphy v. Beasley | Receivership

Dear Mr. Cook,

Following up on my voicemail just now, I saw from the docket this morning that the Court granted your petition for a receivership in the Murphy v. Beasley case. Congratulations on your win. Would you please be willing to share with us a copy of the Court's order? We are interested in ascertaining the scope of the receivership and any asset freeze ordered.

As we shared last week, we are also interested in speaking with your client Mr. Murphy when and if he is available.

I'm copying on this email my colleagues Laurie Abbott and Pasha Salimi, both of whom are also staffed on this matter at the SEC.

Thank you.

Joni

Joni Ostler

U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)



## Marc Cook

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Friday, May 13, 2022 1:21 PM  
**To:** Marc Cook  
**Subject:** RE: Murphy v. Beasley | Receivership

Thank you for the update.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 OstlerJ@sec.gov

---

**From:** Marc Cook <MCook@bckltd.com>  
**Sent:** Friday, May 13, 2022 1:59 PM  
**To:** Ostler, Joni <ostlerj@SEC.GOV>  
**Subject:** RE: Murphy v. Beasley | Receivership

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Joni,

Just to keep you up to date, I have a vacation scheduled for June 1-15. Thus, I would request that if you want to speak with him still, that we do it either before June 1 or after June 15.

Thanks,

Marc

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Monday, May 9, 2022 10:19 AM

**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Subject:** RE: Murphy v. Beasley | Receivership

Dear Marc,

Thank you for your email. I need to coordinate with others on the team about whether to schedule a time to speak with your client. I will get back to you.

Thank you,  
Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)

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**From:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Sent:** Monday, May 9, 2022 9:59 AM  
**To:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>  
**Subject:** RE: Murphy v. Beasley | Receivership

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Ms. Ostler,

When you first contacted me you asked to speak with my client about these matters and I asked if you could give me a little more time to catch up on filings. There has been a few more swarms but I think in the next couple weeks I will be more on top of this. Did you want to schedule something for the tail end of the month?

Thank you and I appreciate your patience,

Marc

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>  
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**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>; Danny Ayala <[dayala@ayalalaw.com](mailto:dayala@ayalalaw.com)>  
**Cc:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>; Shannon Fagin <[SFagin@bckltd.com](mailto:SFagin@bckltd.com)>  
**Subject:** RE: Murphy v. Beasley | Receivership

Mr. Cook,

Many thanks for this information.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)

---

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**To:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>; Danny Ayala <[dayala@ayalalaw.com](mailto:dayala@ayalalaw.com)>  
**Cc:** Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>; Shannon Fagin <[SFagin@bckltd.com](mailto:SFagin@bckltd.com)>  
**Subject:** RE: Murphy v. Beasley | Receivership

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**Sent:** Wednesday, March 30, 2022 8:05 AM  
**To:** JASON JENNE <[jayjenne@msn.com](mailto:jayjenne@msn.com)>; Mark Murphy <[mark@beyondbeancounting.com](mailto:mark@beyondbeancounting.com)>; Rich Marino <[richmarino@cox.net](mailto:richmarino@cox.net)>; Arthur Cambeiro <[amcconsulting12@gmail.com](mailto:amcconsulting12@gmail.com)>  
**Subject:** Attorney Matt Beasley

Friends and Family,

I wanted to reach out to all of you and briefly comment about recent events that you may have read about in the news media. I am shocked, saddened and have no words for the recent actions of the company's attorney Matthew Beasley and the allegations now surrounding him. As a licensed attorney, the company has relied on Mr. Beasley for legal advice and recommendations for several years regarding the legality and structuring of the investments. With

the help of several attorneys, I am trying to assess the impact of the allegations and events as information and facts become available.

I, like you, have many unanswered questions and I assure you that we are working diligently to investigate what happened and to aggressively uncover the true facts underlying the allegations against attorney Beasley. Our efforts are ongoing and designed to protect you and your investments. I know many of you have questions about the funds you transferred into attorney Beasley's attorney trust accounts. Unfortunately, attorney Beasley had exclusive control over those trust accounts, and I am unaware of their present status. Information about attorney Beasley and the status of his law firm and the associated attorney trust accounts is not readily available, but we are working to obtain as much information as we can.

My attorneys have instructed me to limit my communication regarding the current situation and attorney Beasley as there are more questions than answers at this point. If you have questions, please direct them to my attorney Trevor Waite at 702-233-4444.

I appreciate your trust, understanding, and patience as we work to figure out the true facts. I will provide you with another update as information becomes available.

Sincerely,

Jeffrey Judd

Sent from my iPhone

End of Judd email

Thanks you,

Marc

Marc P. Cook esq.  
Cook & Kelesis  
517 S. 9<sup>th</sup> street  
Las Vegas, NV 89101  
(702)385-3788  
Bckltd.com

---

**From:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>  
**Sent:** Wednesday, March 30, 2022 8:41 AM  
**To:** Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>

Cc: Abbott, Laurie E <[abbottla@SEC.GOV](mailto:abbottla@SEC.GOV)>; Salimi, Pasha <[salimia@SEC.GOV](mailto:salimia@SEC.GOV)>

Subject: Murphy v. Beasley | Receivership

Dear Mr. Cook,

Following up on my voicemail just now, I saw from the docket this morning that the Court granted your petition for a receivership in the Murphy v. Beasley case. Congratulations on your win. Would you please be willing to share with us a copy of the Court's order? We are interested in ascertaining the scope of the receivership and any asset freeze ordered.

As we shared last week, we are also interested in speaking with your client Mr. Murphy when and if he is available.

I'm copying on this email my colleagues Laurie Abbott and Pasha Salimi, both of whom are also staffed on this matter at the SEC.

Thank you.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)

## Marc Cook

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Thursday, May 26, 2022 10:33 AM  
**To:** Marc Cook; Shannon Fagin  
**Cc:** 'Danny Ayala'; Jeff Sylvester  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases

Thank you all. I will forward this information to the trial counsel, Tracy Combs and Casey Fronk.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 OstlerJ@sec.gov

---

**From:** Marc Cook <MCook@bckltd.com>  
**Sent:** Thursday, May 26, 2022 11:20 AM  
**To:** Shannon Fagin <SFagin@bckltd.com>; Ostler, Joni <ostlerj@SEC.GOV>  
**Cc:** 'Danny Ayala' <dayala@parcelon.com>; Jeff Sylvester <Jeff@SylvesterPolednak.com>  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Ostler,

For context, please see Ms. Pilatowicz's letter attached.

Marc

---

**From:** Shannon Fagin <SFagin@bckltd.com>  
**Sent:** Thursday, May 26, 2022 10:11 AM  
**To:** 'ostlerj@sec.gov' <ostlerj@sec.gov>  
**Cc:** 'tpilatowicz@gtg.legal' <tpilatowicz@gtg.legal>; 'Danny Ayala' <dayala@parcelon.com>; Marc Cook <MCook@bckltd.com>  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Good Morning Ms. Ostler,

Attached please find a copy of Doc. #224 (Notice of Issuance of Subpoena re: Mark Murphy) filed with Bankruptcy Court on May 19, 2022, that Mr. Cook's letter pertained to yesterday. Mr. Cook would like to know if you would please advise as to the SEC's position regarding the same. For your convenience, I have attached a copy of yesterday's correspondence as well.

Sincerely,

**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.

and Julie L. Sanpei, Esq.

COOK & KELESIS, LTD.

Direct: 702-979-7169

Main: 702-737-7702

Fax: 702-737-7712

---

**From:** Shannon Fagin

**Sent:** Wednesday, May 25, 2022 11:39 AM

**To:** 'tpilatowicz@gtg.legal'

**Cc:** 'Danny Ayala'; 'ostlerj@sec.gov'

**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Please see attached correspondence.

Thanks,

**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.

and Julie L. Sanpei, Esq.

COOK & KELESIS, LTD.

517 S. Ninth Street

Las Vegas, Nevada 89101

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**Marc Cook**

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**Sent:** Thursday, May 26, 2022 10:20 AM  
**To:** Shannon Fagin; 'ostlerj@sec.gov'  
**Cc:** 'Danny Ayala'; Jeff Sylvester  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases  
**Attachments:** 2022 0519 Letter to Counsel for M. Murphy 4894-2664-7840 v (002).pdf

Ms. Ostler,

For context, please see Ms. Pilatowicz's letter attached.

Marc

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**Sent:** Thursday, May 26, 2022 10:11 AM  
**To:** 'ostlerj@sec.gov' <ostlerj@sec.gov>  
**Cc:** 'tpilatowicz@gtg.legal' <tpilatowicz@gtg.legal>; 'Danny Ayala' <dayala@parcelon.com>; Marc Cook <MCook@bckltd.com>  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

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**Cc:** 'Danny Ayala'; 'ostlerj@sec.gov'  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Please see attached correspondence.

Thanks,



**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.

and Julie L. Sanpei, Esq.

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## Marc Cook

---

**From:** Ostler, Joni <ostlerj@SEC.GOV>  
**Sent:** Tuesday, May 31, 2022 8:27 AM  
**To:** Teresa Pilatowicz; Shannon Fagin  
**Cc:** 'Danny Ayala'; Marc Cook; Combs, Tracy S; Fronk, Casey  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases

Hello Teresa,

Unfortunately I am not trial counsel for the SEC. I am copying trial counsel, Tracy Combs and Casey Fronk, on this email.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 OstlerJ@sec.gov

---

**From:** Teresa Pilatowicz <tpilatowicz@Gtg.legal>  
**Sent:** Tuesday, May 31, 2022 8:49 AM  
**To:** Shannon Fagin <SFagin@bckltd.com>; Ostler, Joni <ostlerj@SEC.GOV>  
**Cc:** 'Danny Ayala' <dayala@parcelon.com>; Marc Cook <MCook@bckltd.com>  
**Subject:** Re: Murphy v. Beasley | Receivership | Bankruptcy Cases

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Ms. Ostler:

Will you please advise as to the SEC's position? I don't see why the SEC would object to the Debtor's representative being provided copies of the Debtor's records.

### **Teresa M. Pilatowicz**

Attorney

P 702 478 0559 | F 725 777 3112

GARMAN | TURNER | GORDON

2415 E. CAMELBACK ROAD, SUITE 700  
PHOENIX, AZ 85016

[website](#) | [vCard](#) | [map](#) | [email](#)



---

**From:** Shannon Fagin <[SFagin@bckltd.com](mailto:SFagin@bckltd.com)>  
**Date:** Thursday, May 26, 2022 at 10:21 AM  
**To:** 'ostlerj@sec.gov' <[ostlerj@sec.gov](mailto:ostlerj@sec.gov)>  
**Cc:** Teresa Pilatowicz <[tpilatowicz@Gtg.legal](mailto:tpilatowicz@Gtg.legal)>, 'Danny Ayala' <[dayala@parcelon.com](mailto:dayala@parcelon.com)>, Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Good Morning Ms. Ostler,

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Sincerely,

**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.  
and Julie L. Sanpei, Esq.  
COOK & KELESIS, LTD.  
Direct: 702-979-7169  
Main: 702-737-7702  
Fax: 702-737-7712

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**Sent:** Wednesday, May 25, 2022 11:39 AM  
**To:** 'tpilatowicz@gtg.legal'  
**Cc:** 'Danny Ayala'; 'ostlerj@sec.gov'  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Please see attached correspondence.

Thanks,

**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.  
and Julie L. Sanpei, Esq.  
COOK & KELESIS, LTD.  
517 S. Ninth Street  
Las Vegas, Nevada 89101  
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## Marc Cook

---

**From:** Teresa Pilatowicz <tpilatowicz@Gtg.legal>  
**Sent:** Thursday, June 2, 2022 11:15 AM  
**To:** Marc Cook  
**Cc:** Dylan Ciciliano  
**Subject:** FW: Murphy v. Beasley | Receivership | Bankruptcy Cases

Marc:

Based on the SEC's confirmation that they do not object, please send over the documents we discussed yesterday, which I understand will be tax returns, corporate documents, and emails other than those from the Partellmedrx account (which we reserve the right to request in the future).

With respect to the request regarding documentation of funds received from the debtor, you have raised concerns to the extent the information is related to clients of Mr. Murphy, the request may implicate the accountant/client privilege. We disagree. As a reminder, the request (the "Request") was for:

Documentation of all funds or property that You, or Your affiliates and agents, received from Debtors at any time, regardless of its designation, including, but not limited to, compensation, wages, distributions, reimbursements, or loans;

The accountant/client privilege is quite narrow as defined in NRS 49.185. Among other things, the information would have to be transmitted between a client and Mr. Murphy in his capacity as his/her/its accountant, as that term is defined in NRS 49.135. It does not appear that any of the requested documentation would fall within that category, especially because we understand many of the funds or property delivered to Mr. Murphy were transmitted through his affiliate entities and because the request seeks documentation of all funds or property received from the Debtor by Mr. Murphy, Mark Murphy, Ltd., or any of their affiliates or agents.

Furthermore, the privilege relates only to "confidential" communications, defined in NRS 49.155 as "A communication is "confidential" if it is not intended to be disclosed to third persons other than those to whom disclosure is in furtherance of the rendition of professional accounting services to the client or those reasonably necessary for the transmission of the communication." It is unclear how any documentation could be considered confidential given the inclusion of Debtor.

Based on the foregoing, it does not appear that the Request could possibly fall within the accountant client privilege. As such, please turn over the documents responsive to the Request immediately.

**Teresa M. Pilatowicz**

Attorney

P 702 478 0559 | F 725 777 3112

GARMAN | TURNER | GORDON

2415 E. CAMELBACK ROAD, SUITE 700  
PHOENIX, AZ 85016

[website](#) | [vCard](#) | [map](#) | [email](#)



---

**From:** Combs, Tracy S <combst@SEC.GOV>  
**Date:** Thursday, June 2, 2022 at 10:36 AM  
**To:** Teresa Pilatowicz <tpilatowicz@Gtg.legal>, Ostler, Joni <ostlerj@SEC.GOV>, Shannon Fagin <SFagin@bckltd.com>  
**Cc:** 'Danny Ayala' <dayala@parcelon.com>, Marc Cook <MCook@bckltd.com>, Fronk, Casey <FronkC@SEC.GOV>  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases

Dear all,

The SEC does not take a position or have an objection. From the trial staff's perspective, it would appear that if originals of the documents at issue are not destroyed, altered or transferred during production, then production would not violate the Court's Order on document preservation. It is up to counsel how to proceed.

Best regards,  
Tracy

---

**From:** Teresa Pilatowicz <tpilatowicz@Gtg.legal>  
**Sent:** Thursday, June 2, 2022 9:05 AM  
**To:** Ostler, Joni <ostlerj@SEC.GOV>; Shannon Fagin <SFagin@bckltd.com>  
**Cc:** 'Danny Ayala' <dayala@parcelon.com>; Marc Cook <MCook@bckltd.com>; Combs, Tracy S <combst@SEC.GOV>; Fronk, Casey <FronkC@SEC.GOV>  
**Subject:** Re: Murphy v. Beasley | Receivership | Bankruptcy Cases

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Tracy and Casey:

Will you please confirm that the SEC does not have an objection to Mr. Cook providing the CRO with copies of the Debtor's documents that are in Mr. Murphy's possession?

**Teresa M. Pilatowicz**

Attorney

P 702 478 0559 | F 725 777 3112

GARMAN | TURNER | GORDON

2415 E. CAMELBACK ROAD, SUITE 700  
PHOENIX, AZ 85016

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**From:** Ostler, Joni <[ostlerj@SEC.GOV](mailto:ostlerj@SEC.GOV)>  
**Date:** Tuesday, May 31, 2022 at 8:27 AM  
**To:** Teresa Pilatowicz <[tpilatowicz@Gtg.legal](mailto:tpilatowicz@Gtg.legal)>, Shannon Fagin <[SFagin@bckltd.com](mailto:SFagin@bckltd.com)>  
**Cc:** 'Danny Ayala' <[dayala@parcelon.com](mailto:dayala@parcelon.com)>, Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>, Combs, Tracy S <[combst@SEC.GOV](mailto:combst@SEC.GOV)>, Fronk, Casey <[FronkC@SEC.GOV](mailto:FronkC@SEC.GOV)>  
**Subject:** RE: Murphy v. Beasley | Receivership | Bankruptcy Cases

Hello Teresa,

Unfortunately I am not trial counsel for the SEC. I am copying trial counsel, Tracy Combs and Casey Fronk, on this email.

Joni

Joni Ostler  
U.S. Securities and Exchange Commission  
Division of Enforcement  
351 South West Temple, Suite 6.100  
Salt Lake City, Utah 84101  
(801) 524-6748 [OstlerJ@sec.gov](mailto:OstlerJ@sec.gov)

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**Cc:** 'Danny Ayala' <[dayala@parcelon.com](mailto:dayala@parcelon.com)>; Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Subject:** Re: Murphy v. Beasley | Receivership | Bankruptcy Cases

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Ms. Ostler:

Will you please advise as to the SEC's position? I don't see why the SEC would object to the Debtor's representative being provided copies of the Debtor's records.

**Teresa M. Pilatowicz**

Attorney

P 702 478 0559 | F 725 777 3112

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PHOENIX, AZ 85016

[website](#) | [vCard](#) | [map](#) | [email](#)



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**From:** Shannon Fagin <[SFagin@bckltd.com](mailto:SFagin@bckltd.com)>  
**Date:** Thursday, May 26, 2022 at 10:21 AM  
**To:** 'ostlerj@sec.gov' <[ostlerj@sec.gov](mailto:ostlerj@sec.gov)>  
**Cc:** Teresa Pilatowicz <[tpilatowicz@Gtg.legal](mailto:tpilatowicz@Gtg.legal)>, 'Danny Ayala' <[dayala@parcelon.com](mailto:dayala@parcelon.com)>, Marc Cook <[MCook@bckltd.com](mailto:MCook@bckltd.com)>  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Good Morning Ms. Ostler,

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Sincerely,

**Shannon J. Fagin**

Paralegal to Marc P. Cook, Esq.  
and Julie L. Sanpei, Esq.  
COOK & KELESIS, LTD.  
Direct: 702-979-7169  
Main: 702-737-7702  
Fax: 702-737-7712

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**To:** 'tpilatowicz@gtg.legal'  
**Cc:** 'Danny Ayala'; 'ostlerj@sec.gov'  
**Subject:** Murphy v. Beasley | Receivership | Bankruptcy Cases

Please see attached correspondence.

Thanks,

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and Julie L. Sanpei, Esq.  
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**EXHIBIT L**  
**(July 15, 2022 Letter)**

**COOK & KELESIS**  
**LTD**

**LAWYERS**

517 South 9th Street  
Las Vegas, Nevada 89101

Telephone: (702) 737-7702 • (702) 385-3788

Facsimile: (702) 737-7712

E-mail: law@bckltd.com

July 15, 2022

**Via Email Only to:**  
**(CombsT@SEC.gov)**  
**(FronkC@SEC.gov)**

Tracy S. Combs, Esq.  
Casey R. Fronk, Esq.  
Securities and Exchange Commission  
Salt Lake Regional Office  
351 S. West Temple, Suite 6.100  
Salt Lake City, Utah 84101

***Re: Securities and Exchange Commission v. Matthew Wade Beasley***  
***Case No. 2:22-cv-00612-CDS-EJY***

Counsellors,

The undersigned represents Mark Murphy and his entities in the *Murphy v. Beasley, et al.*, matter originally filed on March 16, 2022 (Exhibit A) and amended on March 31, 2022 (Exhibit B). I have previously been in email contact with Jodi Ostler and Laurie Abbott as early as March 2022 sharing information and pleadings with the SEC and seeking to schedule a time for Mark to sit down with the SEC. (Exhibit C). Further, after we had the Receiver appointed (Exhibit D) in our action for the purposes of gathering assets to be ultimately provided to all victims, Mr. Murphy expended substantial fees from his own money to pay the Receiver to protect those assets. Shortly after the initial SEC filing, we were also in contact and sharing information with the counsel we understood would be representing the SEC receiver. When current counsel was retained instead, we immediately reached out to share information with them as well. I am providing you with this background to convey that we have always been willing to cooperate in efforts to retrieve assets back from this Ponzi scheme to which Mr. Murphy was an investor and, as a result, a victim. His family members, friends and clients were also victimized.

As a consequence of the foregoing, it is my hope that we can discuss how to resolve this matter amicably without the necessity of any action against Mr. Murphy. In so doing, please allow this letter to outline why Mr. Murphy should be dismissed from the Amended Complaint.

Tracy S. Combs, Esq.  
Casey R. Fronk, Esq.  
July 15, 2022  
Page 2

In the alternative, please allow this letter to serve as a request for an extension to the current requested TRO and Receivership constraints for purposes of recognizing the clear difference between Mr. Murphy and other named Defendants in this action. Further, this letter requests that as a final alternative, a compromise on restrictions can be reached to allow Mr. Murphy to be represented in this matter and retain an independent and agreed upon accounting expert in this matter as well as to allow him to preserve his assets and use his independent income from sources unrelated to the Ponzi scheme to live on in a reasonable manner.

It is important to distinguish Mr. Murphy's action as it related to the Ponzi scheme. First, Mr. Murphy was not an employee or independent contractor for Beasley, Judd, or any of the other J&J Entities. Mark A. Murphy, Ltd. (his accounting company) prepared tax returns for Judd and J&J only. No other accounting services were performed. Moreover, no services of any kind were ever provided to Beasley. In fact, in the course of providing these services for J&J prior to the time in which this Ponzi scheme evolved and then through the beginning of the time of J&J business, Mr. Murphy noticed a significant increase in Mr. Judd's income. This led to discussions that resulted in Judd pitching Murphy on the Ponzi scheme. Murphy invested his own money in the scheme obviously not knowing it was a Ponzi scheme.

Over a period of time when family members, friends and eventually even clients asked about his investments and he answered the questions honestly and some sought to invest. Mr. Murphy, believing this was a good investment for friends, family and clients based on the payments he was receiving, responded to those questions about his investments and ultimately a number of these people ended up investing with J&J.

Mr. Murphy did not receive any commissions for these investments of third parties. However, as the amount of bookkeeping work for friends and clients grew, as he is an accountant, beginning in approximately October of 2018 he ultimately set up a system to do the bookkeeping and tracking of these investments through American Colocation Services and Black Rock Business Services. Murphy charged for those services. However, he did not receive compensation from J& J for those services, he charged for the bookkeeping that there is no dispute he performed. J&J and/or Beasley would pay the clients but deposit the funds into the entity, Murphy and his staff would do the bookkeeping for his clients that invested with J&J and distribute the proceeds to the appropriate client. Thus, Mr. Murphy would do the bookkeeping work and charge his clients on the back end for his bookkeeping services. However, Mr. Murphy did not receive any money from J&J on these investments beyond the additional payout, *i.e.*, he was not receiving a commission, bonus, etc. The manner in which this occurred is discussed in more detail in the Complaint we filed against Beasley, Judd and J&J, et al. on March 16, 2022 and thereafter amended on March 31, 2022 (see Exhibits A and B and incorporated herein as though fully set forth).

Further, Mr. Murphy invested substantial amounts of his own money from 2017 until 2022 as is identified in the above-referenced Complaints as well. He and his family and friends are clearly victims in this matter. Thus, Mr. Murphy filed litigation not only on his behalf, but on behalf of the other investors. In fact, the Complaint specifically requests as follows: "In this

Tracy S. Combs, Esq.  
Casey R. Fronk, Esq.  
July 15, 2022  
Page 3

action, Plaintiff requests a constructive trust over all funds of all investors for the purpose of a pro rate distribution to each investor and, in an effort to provide the necessary funds to make all investors whole, not just moving Plaintiffs through the creation of a Receivership as pled hereinbelow.” See Amended Complaint, ¶ 1, (Exhibit B) and see Cause of Action 16 (Exhibit B); as well as the Petition to Appoint Receiver (Exhibit E) and the Order Appointing Receiver (Exhibit D).

Notably, Mr. Murphy believed it was important to take this action and have a Receiver seek to attain funds quickly before they were lost. As you will note in the Amended Complaint, Beasley had – in the week while he was in prison – received the divorce transferring his assets to his ex-wife and other named Defendants were selling properties. The Receiver was appointed and took actions to stop the dissipation of these assets quickly. However, even though the Complaint requested a pro rata distribution, Mr. Murphy himself was paying the fees to the Receiver and to Plaintiffs’ counsel in this matter on his own to preserve these assets for the investors as a whole.

Moreover, through this process, the undersigned was in regular communication with the SEC as early as March, 2022. In fact, on March 28, 2022 we provided documents to the SEC that we believed would be appropriate and discussed arrangements for Mr. Murphy to meet with the SEC. (See Exhibit C). In fact, when the Bankruptcy Trustee asked for documents, without a subpoena, but the SEC had it’s TRO in place, Murphy still sought to provide documents but confirmed with the SEC that doing so would not violate any SEC position on the rather broad Order. (See Exhibit F).

Similarly, as referenced above, we were in contact with counsel that we believed would be appointed as the SEC Receiver’s counsel even before the appointment. Specifically, the undersigned had multiple discussions with Maria Gall, Esq. to allow for a transfer of documents and information in the Receiver’s custody from the Receiver appointed by the Court in the Murphy action to the Receiver sought to be appointed in the SEC Action. When Ms. Gall was not appointed as counsel for the Receiver but instead Kara Hendricks was appointed, the undersigned immediately reached out to Kara and had multiple discussions with Kara and conversations with the Receiver as well as email exchanges discussing strategies outside of what had already been pled that may bring money into the Receivership from other sources, how to turn over the information that we had, and how else we might assist the Receivership including Mr. Murphy meeting with the Receiver. In fact, the undersigned was having a conversation with Ms. Hendricks and the Receiver, Geoff Winkler, when Ms. Hendricks and Mr. Winkler received notice online that an Amended Complaint was filed and that the Amended Complaint included Mr. Murphy. Notwithstanding that rather abrupt and surprising news, we continued our efforts to schedule and transfer information and will continue to do so.

Additionally, Mr. Murphy had income and assets prior to 2017 and has independent sources for income as he is an accountant. Moreover, the income he received for bookkeeping services for individuals who were investing through what ultimately became the Ponzi scheme, ran through American Colocation Services and Black Rock Business Services. Thus, with some

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work, it should not prove to be overly difficult to distinguish income from the bookkeeping he provided for investors with income from other sources. However, even to do this, we would need to hire an independent accountant to undertake the same. Mr. Murphy would be willing to pay for an accountant to do so rather than have the SEC, or the SEC's Receiver, undergo this expense and are sure that the parties can agree on an accountant to do so. However, that cannot be accomplished with a monetary freeze in the manner prescribed in the Temporary Restraining Order and Receivership Order. Additionally, Mr. Murphy continues to make income from sources independent from anything related to J&J or his bookkeeping services for clients that invested in the same.

Additionally, Mr. Murphy employs multiple individuals who rely on that income to live. Further, Mr. Murphy has significant bills necessary to preserve, interrupted, his current assets, including a farm that has value and, has farm animals of value that need to be cared for to survive. The detail of this can be provided upon request but I am simply not sure if these details are more appropriately addressed with you or with the Receiver.

An additional matter that was discussed with the Receiver's counsel is that the action filed by Murphy was then removed to Bankruptcy Court and while a motion to remand the same was pending, the bankruptcy was stayed pursuant to the SEC Action. However, the current Receivership Report suggests that that the bankruptcy be dismissed which ultimately would result in the Murphy Action being remanded back to District Court. The undersigned was discussing with Receiver's counsel different approaches that could be taken in this litigation including the Receiver substituting in for Murphy and undergoing that action or dismissing the action. However, Mr. Murphy needs to pay his attorney to undergo this matter and it is important that this matter be resolved in one way or the other because if the matter is just remanded back to state court and Mr. Murphy is unable to continue to pursue this matter, Judd has a motion to dismiss pending and if the same is not defended, Judd may get a dismissal and pursue *res judicata* / collateral estoppel remedies in the SEC Action. (Exhibit G)

Further, this SEC litigation is different than a general civil action and the undersigned is not qualified to be lead counsel on the same. Thus, Mr. Sanders, who is immensely qualified, has indicated that he has no conflict and would consider taking the case but, of course, would need to be paid to do so.

Finally, it should be noted that the filings in the SEC case have shown other Defendants who have deposited significant sums with their attorneys in trust account to try and protect those funds even though they likely far exceed any likely defense expenditures. Conversely, in the case *sub judice*, the Plaintiff provided an initial retainer for the initial action. When the action expanded to the other actions, additional retainers were retained from the client to defend each. However, with the stay by the SEC of the multiple actions and as it did not appear based on the information the undersigned had that there would be any action against Mr. Murphy, with the stay significant portions of the retainer were returned to Mr. Murphy both as he had bills coming up and as it appeared that the money would not be necessary for defense. Thus, the opposite

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scenario has occurred in this case where money is not being held in trust account under a safe premise of protecting the same.

\*\*As a consequence of all of the foregoing, we are requesting that the SEC either reconsider the Amendment adding Mr. Murphy to the case and dismissing him without prejudice, or secondarily, provide and open extension to respond to the TRO and answer as it applies to Mr. Murphy to allow him to both retain SEC counsel and then an accountant to provide this information in a cooperative manner to the SEC. Please note that Mr. Murphy has been trying to cooperate and has been cooperating even prior to any threat of any litigation against Mr. Murphy. In fact, had a meeting occurred in May or June as Murphy was requesting, this matter likely could have been resolved favorably for all sides and with no lawsuit – at least the opportunity for the same could have been discussed. While the SEC was unable to talk to Mr. Murphy and have this matter go forward due to the obvious complex nature and multiple courts running this case at the same time, that the delay in discussing this matter with Mr. Murphy was certainly understandable, but not his fault. The ultimate fact is that a remedy for Mr. Murphy may be reached without the necessity of expense and time on the SEC's part and minimized expense and time on Mr. Murphy's part. As a third alternative, we would request parameters to allow Mr. Murphy to have living expenses, continue to operate his accounting business, preserve his other assets and continue retaining the undersigned's law firm, the law firm of Sylvester and Polednak on the bankruptcy issues until the same is closed and allow a final payment of any outstanding bills to Sylvester and Poldenak's firm at that time, and the ability to pay Mr. Sanders, an agreed upon independent accountant and to use his income from his accounting company and his farm (purchased with an SBA Loan) as a source of living expenses without restrictions from the TRO or Receivership Order.

Thank you for your consideration of the same.

Very truly yours,  
COOK & KELESIS, LTD.

Marc P. Cook, Esq.

MPC/sjf  
Enclosures  
cc: Mark A. Murphy

**EXHIBIT M**  
**(Investor.gov Website Article)**





# Investor.gov

U.S. SECURITIES AND  
EXCHANGE COMMISSION

## Investor Bulletin: How Victims of Securities Law Violations May Recover Money

June 21, 2018

*The SEC's Office of Investor Education and Advocacy (OIEA) is informing investors about how they may be able to recover money if they have been harmed by a violation of the federal securities laws.*

Every year, thousands of U.S. investors lose money to fraud and other securities law violations. In some cases, harmed investors may be eligible to receive money recovered from fraudsters. A number of different processes exist to help harmed investors, including: SEC fair funds and disgorgement funds; receiverships; brokerage account customer protections; corporate bankruptcy proceedings; and private class action lawsuits.

*It is important to understand that not all harmed investors will be able to recover money. Investors who do recover money may receive substantially less than their losses. In addition, even when harmed investors are able to recover money, the process for distributing the money to harmed investors may take a long time.*

### Fair Funds and Disgorgement Funds

When the SEC brings a successful enforcement action, the court or the SEC may order a wrongdoer to disgorge (give up) the ill-gotten gains resulting from the illegal conduct. The disgorged funds may be distributed to investors who were harmed by securities law violations.

In addition, the court or the SEC may impose a monetary penalty both to punish the guilty party and to deter others from committing similar misconduct. A monetary penalty may only be distributed to investors if the court or the SEC orders that any penalty collected be placed in what is called a "fair fund" for distribution to investors who were harmed by the violation(s).

Enforcement actions can be brought in **court** or in an **administrative proceeding**.

- In **court proceedings**, documents filed in the case are generally publicly available. The court must approve an administration and distribution plan

before any money can be distributed to harmed investors. Typically, a distribution agent will implement a claims process or other notification process to identify injured investors who may be eligible for distribution from a fair fund or disgorgement fund.

For a list of certain SEC court actions where a distribution of money to harmed investors is occurring or may occur (it may not be a complete list), see the SEC's webpage: [Information for Harmed Investors](http://www.sec.gov/divisions/enforce/claims.htm) (<http://www.sec.gov/divisions/enforce/claims.htm>).

- In an **administrative proceeding**, the SEC publishes notice of a proposed plan of disgorgement or a proposed fair fund plan. The notice states how to obtain copies of the proposed plan and explains that anyone who desires to comment on the proposed plan may submit their views, in writing, to the SEC.

For a list of these notices, as well as a list of SEC administrative proceedings where the SEC has required a distribution of money to harmed investors, see [Distributions in Commission Administrative Proceedings: Notices and Orders Pertaining to Disgorgement and Fair Funds](http://www.sec.gov/litigation/fairfundlist.htm) (<http://www.sec.gov/litigation/fairfundlist.htm>).

When a monetary penalty or disgorgement is not paid as ordered, the SEC's Division of Enforcement has an Office of Collections that uses every available method to identify, liquidate, and collect assets that can be used to satisfy the delinquent debt. These efforts may include sending a demand letter, negotiating a payment plan, filing a property lien, garnishing wages, or filing a contempt action in federal court.

## Receiverships

When the SEC brings a lawsuit in federal court, the SEC may ask the court to appoint a receiver. A receiver is a disinterested officer of the court who works to recover and to protect money and other assets that the defendant obtained in connection with the alleged securities law violation. If the defendant is found liable, the court may order that those assets be distributed to harmed investors.

For more information, read our Investor Bulletin: [10 Things to Know About Receivers](https://www.sec.gov/divisions/enforce/receiverships.htm) (/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-10-things-know-about-receivers). For information about certain receiverships in SEC Enforcement cases (it may not be a complete list), see the SEC's webpage on [Receiverships](https://www.sec.gov/divisions/enforce/receiverships.htm) (<https://www.sec.gov/divisions/enforce/receiverships.htm>).

## Brokerage Account Protection

SEC rules provide extensive protections to customers of U.S. [registered broker-dealers](https://www.sec.gov/reportspubs/investor-publications/divisionsmarketregbdguidehtm.html) (<https://www.sec.gov/reportspubs/investor-publications/divisionsmarketregbdguidehtm.html>). For example, the [Customer Protection Rule](http://www.sec.gov/info/smallbus/secg/bd-financial-resp-secg.htm) (<http://www.sec.gov/info/smallbus/secg/bd-financial-resp-secg.htm>) requires a broker-dealer to segregate a customer's securities and cash from the broker-dealer's securities and cash, with the objective of making customer assets readily available to be returned to customers if the broker-dealer goes out of business.

In addition, if your broker-dealer goes out of business and is a member of the [Securities Investor Protection Corporation \(SIPC\)](/additional-resources/general-resources/glossary/securities-investor-protection-corporation-sipc) (</additional-resources/general-resources/glossary/securities-investor-protection-corporation-sipc>), your cash and securities held by the brokerage firm may be protected up to \$500,000, including up to \$250,000 protection for cash in the account. You can visit SIPC's [website](http://www.sipc.org/) (<http://www.sipc.org/>) to find out whether your broker-dealer is a [member](http://www.sipc.org/list-of-members) (<http://www.sipc.org/list-of-members>) and, if your broker-dealer is in liquidation under the Securities Investor Protection Act, how you can file a claim form.

## Corporate Bankruptcy

Federal bankruptcy laws govern how companies go out of business or recover from crippling debt. The company's reorganization plan will spell out your rights as an investor, and what you can expect to receive, if anything, from the company.

For more information, read our publication, [Corporate Bankruptcy](http://www.sec.gov/investor/pubs/bankrupt.htm) (<http://www.sec.gov/investor/pubs/bankrupt.htm>).

## Private Class Actions

In some cases, a private party may file a lawsuit on behalf of all harmed investors. This is separate from any enforcement action filed by the SEC. You may be eligible to participate in any recovery obtained through a class action lawsuit. Visit the website of the [Securities Class Action Clearinghouse](http://securities.stanford.edu/) (<http://securities.stanford.edu/>) to find out whether a private class action lawsuit relating to your investment has been filed.

### ALERT

Investors who have already been victimized by fraudsters may be at risk of being taken advantage of again. For example:

- Third party asset recovery companies may solicit victims of scams, including investment frauds, with promises to file complaints with regulatory agencies and to help recover victims' money for a fee. Read

[What You Should Know About Asset Recovery Companies \(/additional-resources/news-alerts/alerts-bulletins/investor-alert-what-you-should-know-about-asset\)](#) .

- Government impersonators may target investors who have already been victims of fraud. Often, the impersonators will claim to help investors recover their investment-related losses for a fee. Read [Beware of Government Impersonators Targeting Fraud Victims \(/news-alerts/investor-alerts/investor-alert-beware-government-impersonators-targeting-fraud-victims\)](#) .

## **Additional Resources**

View document in [SPANISH – translated version \(/boletin-del-inversionista-como-las-victimas-de-los-delitos-contra-el-derecho-bursatil-pueden\)](#) .

[Resources for Victims of Securities Law Violations \(/protect-your-investments/fraud/resources-victims-securities-law-violations\)](#) .

[Investor Bulletin: SEC Investigations \(/news-alerts/investor-bulletins/investor-bulletin-sec-investigations\)](#) .

In some cases the SEC's Division of Enforcement may coordinate its investigations with criminal investigations involving the same conduct. The [FBI's Office of Victim Assistance \(https://www.fbi.gov/resources/victim-assistance\)](#) provides services and resources for victims of crimes investigated by the FBI.

Report [possible securities fraud \(http://www.sec.gov/complaint/tipscomplaint.shtml\)](#) to the SEC. Call OIEA at 1-800-732-0330, ask a question [using this online form \(https://www.sec.gov/oiea/QuestionsAndComments.html\)](#) , or email us at [Help@SEC.gov](mailto:Help@SEC.gov) (<mailto:Help@SEC.gov>) . Visit [Investor.gov \(/\)](#) , the SEC's website for individual investors.

Receive Investor Alerts and Bulletins from the Office of Investor Education and Advocacy ("OIEA") by [email \(http://www.sec.gov/news/press/subscribe\\_updates.htm\)](#) or [RSS feed \(http://www.sec.gov/rss/investor/alertsandbulletins.xml\)](#) . Follow OIEA on [Twitter \(https://twitter.com/SEC\\_Investor\\_Ed\)](#) @SEC\_Investor\_Ed. Like OIEA on [Facebook \(http://www.facebook.com/secinvestoreducation\)](#) at [facebook.com/secinvestoreducation](#).

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*The Office of Investor Education and Advocacy has provided this information as a service to investors. It is neither a legal interpretation nor a statement of SEC policy. If you have*

***questions concerning the meaning or application of a particular law or rule, please consult with an attorney who specializes in securities law.***