

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 21-61644-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MJ CAPITAL FUNDING, LLC,
MJ TAXES AND MORE, INC., and
JOHANNA M. GARCIA,

Defendants.

RECEIVER'S FOURTH INTERIM REPORT

Corali Lopez-Castro, as Receiver (“Receiver”) over MJ Capital Funding, LLC (“MJ Capital”), MJ Taxes and More Inc. (“MJ Taxes,” and with MJ Capital, the “MJ Defendants”), Pavel Ruiz MJCF LLC, and UDM Remodeling, LLC (each a “Receivership Entity” and collectively, the “Receivership Entities”) submits this Fourth Interim Report (the “Fourth Report”) in accordance with the Court’s Order [DE 17] appointing her as Receiver.

I. Summary of Services Rendered and Results Achieved

During April 1, 2022 through June 30, 2022 (the “Reporting Period”), the Receiver and her professionals have achieved the following:

- (a) recovered for the benefit of the receivership estate an additional \$854,659.40 from related individuals and companies who voluntarily surrendered funds received from, and proceeds from the sale of assets acquired with funds from, the Receivership Entities, and between the period following the Reporting Period and filing this Fourth Report, the Receiver has recovered an additional \$353,010.05;

- (b) effectuated the proof of claims process for victims and other claimants, and provided notice of same and the claims bar date;
- (c) communicated with investors regarding the proof of claim process and the status of the receivership estate by responding to emails and telephone calls;
- (d) issued over 30 subpoenas for production to additional board members, managers and account representatives, and their related companies who received considerable funds from the Receivership Entities;
- (e) issued subpoenas for production to financial institutions and fintech companies for records relating to the Receivership Entities, and individuals and entities who received considerable funds from the Receivership Entities; and
- (f) obtained and reviewed thousands of pages of records and files produced by financial institutions, fintech companies, and individuals and entities who received considerable funds from the Receivership Entities;
- (g) conducted meetings and conference calls with individuals and related entities who received considerable funds from the Receivership Entities; and
- (h) continued their review and analysis of the operations and financial affairs of the Receivership Entities to further understand how the Ponzi scheme was conducted and the investor loss suffered by victim.

In summary, during the Reporting Period, the Receiver and her professionals have devoted a significant amount of time to securing and recovering additional assets, effectuating the proof of claims process to facilitate the ultimate distribution of recovered funds to investors, investigating transactions between the Receivership Entities and related individuals and entities, obtaining and reviewing records and financial information.

II. The Receivership Order and Expansion Order

On August 12, 2021, the United States District Court for the Southern District of Florida entered an Order (“Receivership Order”) in an action filed by the Securities and Exchange Commission (“SEC”) appointing Corali Lopez-Castro as the Receiver over MJ Capital and MJ

Taxes. The SEC's Amended Complaint alleges that Ms. Garcia used the MJ Defendants to perpetrate a Ponzi scheme by which investors were tricked into thinking they were funding merchant cash advance ("MCA") loans to small businesses when in reality their "returns" have been funded with money obtained from new investors.

Following her appointment, the Receiver and her professionals conducted a detailed review of available records to determine that Pavel Ruiz, a board member of MJ Capital, used Pavel Ruiz MJCF LLC and UDM Remodeling, LLC, to receive substantial investor funds for investment with the MJ Capital Ponzi scheme. As a result of the Receiver's motion and accountants' analyses included therein, on October 14, 2021, the Court entered the Order Granting Receiver's Motion to Expand Receivership Estate (the "Expansion Order") [DE 79] expanding the receivership to include the two companies. On March 21, 2022, the Court entered an Order denying a motion to vacate the Expansion Order [DE 129].

The Receivership Order and Expansion Order direct the Receiver to take exclusive jurisdiction and possession of all assets of the Receivership Entities, exercise all powers of the officers, directors, managers, and general and limited partners of the Receivership Entities, and marshal and preserve assets of the Receivership Entities and attributable to funds derived from investors of the Receivership Entities, among other things.

III. The Surrendered, Recovered and Frozen Assets

During the Reporting Period, the Receiver and her professionals recovered \$854,659.40 from individuals and entities who were involved with, and received substantial funds from, the Receivership Entities. Additional details are set forth in the Receiver's receipt and disbursements report for the Reporting Period attached hereto as **Exhibit A**. The funds recovered during the

Reporting Period are in addition to the more than \$10 million dollars previously recovered by the Receiver as described in detail in the Receiver's First, Second and Third Reports. Also, between the period following the Reporting Period and filing this Fourth Report, the Receiver has recovered an additional \$353,010.05.

In addition, Ms. Garcia and MJ Enterprises have agreed to turn over all funds frozen in their three bank accounts with Chase, which totaled \$2,591,200.62 as of February 23, 2022. On March 8, 2022, the Receiver filed a Motion for Entry of Consent Order for Turnover of Funds against Ms. Garcia and MJ Enterprises Inc. (the "Turnover Motion") [DE 123] seeking the entry of an order providing for the turnover of the funds on an agreed basis. The Turnover Motion is presently pending before the Court. Upon entry of an Order approving the Turnover Motion, the Receiver will ensure the transfer of the funds to the Receiver's account. Additional accounts relating to Ms. Garcia are subject to an asset freeze, and on June 17, 2022, the SEC filed a Motion for Order Re-Extending Asset Freeze [DE 135] with the consent of Ms. Garcia. The Receiver has also requested the turnover of funds relating to MJ Remodeling.

Further, based on Wells Fargo's disclosures, there was \$67,460.28 in MJ Taxes' Wells Fargo account. Wells Fargo provided these funds to the Receiver after the end of the Reporting Period, and these funds will be further discussed in the next report. Approximately \$3.4 million in the accounts of certain related individuals and companies have been seized at various banks. The Department of Justice issued a letter to the Receiver regarding the opportunity to submit a petition for remission with respect to approximately \$1,117,000 of the seized funds, which the Receiver submitted on June 20, 2022 on behalf of the receivership estate and victim investors.

In order to administer and monetize surrendered assets consisting of jewelry and other

luxury goods and vehicles to be surrendered by certain individuals, on March 17, 2022, the Receiver filed a Motion to Expand Employment of Auctioneer and Auction Sale of Vehicles and Surrendered Personal Property [DE 124], which is presently pending before the Court.

IV. What is Next: Ongoing Investigations and Discovery for Recoverable Assets and Litigation Targets

The Receiver is continuing her efforts to locate and obtain the surrender of assets from individuals and companies on a voluntary basis to obtain recoveries for the benefit of the receivership estate in an efficient and cost-effective manner. The Receiver's goal has been, where possible, to effectuate the recovery of assets for the benefit of victims without the need for litigation and the attendant cost of same. For those who do not voluntarily surrender assets, however, the Receiver will bring litigation before the Court to recover assets and their value.

During the Reporting Period, the Receiver issued over 30 subpoenas for production to additional board members, managers and account representatives and their related companies, and issued additional subpoenas for production to financial institutions and fintech companies for records relating to the Receivership Entities, and individuals and entities who received considerable funds from the Receivership Entities. Service has been effectuated on certain individuals who have attempted to evade service. In addition, the Receiver has conducted meetings and conference calls with individuals and related entities involved with the Receivership Entities regarding producing bank records, surrendering assets, and otherwise cooperating with the Receiver's efforts. The Receiver and her professionals have continued to review thousands of pages of documents and files produced by financial institutions, fintech companies and promoters, locate additional bank records to be obtained relating to promoters' involvement with the MJ

Capital Ponzi scheme, and determine additional targets for subpoenas and future litigation.

The Receiver and her professionals have also reviewed and analyzed various financial records and other information and documents relating to potential claims against a financial institution involved in the MJ Capital Ponzi scheme.

V. The MJ Capital Ponzi Scheme and Ongoing Investigations

Ms. Garcia and several other individuals solicited investments in the MJ Capital Ponzi scheme through false representations that the investors' money would be used for, and investment returns would be paid from the proceeds of, MCA transactions, and the investors would receive returns of 120% to 180% annually. In reality, very little of the investors' money was actually used for MCA transactions, and instead, it was used primarily to pay alleged "returns" to other investors, pay "commissions" and "referral fees" to promoters, and was looted for the personal benefit of insiders of the Receivership Entities and MJ Capital Ponzi scheme promoters.

No documents or information obtained by the Receiver reflect any substantial underlying business activity by the Receivership Entities – that is, any actual funding and collection of MCAs to business customers. The Receiver's continuing investigation during the reporting period has further confirmed that of the limited number of MCA agreements that have been found, most are forgeries and the purported "Seller" (i.e., the customer) did not enter into any agreement with or receive any funds from the Receivership Entities.

During the Reporting Period, the Receiver has reviewed additional documents and conducted additional meetings with individuals who held the title of "Manager" or "Account Representative" within MJ Capital's pyramid-type structure. The information gathered from the review and meetings continues to indicate that there was no substantial business activity of funding

and collection of MCAs. The Receiver's investigation in the Reporting Period is consistent with the SEC's analysis, and does not reflect any meaningful volume of MCA business sufficient to support the funds raised from and returns promised to investors, as well as the referral fees paid to promoters.

VI. Investor Related Agreements and Investor Funds

Based on the Receiver's investigation, which is ongoing, she estimates that Ms. Garcia and over 400 promoters induced thousands of investors to invest an estimated \$200 million dollars in the MJ Capital Ponzi scheme. Investors provided their investment funds to the Receivership Entities, and directly to insiders and promoters and their related companies. The Receiver and her personnel have spoken to hundreds of these victims, many of whom poured their life savings into the MJ Capital Ponzi scheme.

The MJ Capital Ponzi scheme operated through the use of a pyramid-type structure with at least ten "Board Members" who each oversaw a group of one to ten "Managers" and four to ninety "Account Representatives". A list of "Board Members" is attached as Exhibit A to the First Report. Each pyramid group, and the individuals within each group, solicited investors and many were involved in signing and issuing investor related agreements. The Receiver located over 20,000 investor related agreements from the Pompano Beach premises and email correspondence from DocuSign to an MJ Capital email address. No comprehensive investor list or database was located in the books and records of MJ Capital. Creating a comprehensive investor list based on the investor related agreements is a central part of the Receiver and her forensic accountants' work. This information and database will be critical to the Receiver's review of the timely filed proofs of claim, discussed in greater detail below.

With respect to the approximately \$200 million dollars invested in the MJ Capital Ponzi scheme, investors provided the funds to the Receivership Entities, MJ Enterprise, Ms. Garcia, Pavel Ruiz, and other related parties. The Receiver's review of investment funds and related individuals and companies who received funds directly from investors is ongoing. These investor funds were used to primarily pay alleged "returns" to investors, pay "commissions" and "referral fees" to promoters, and otherwise personally benefit the Receivership Entities' insiders and promoters. The Receiver and her professionals' review of the Receivership Entities' transactions, nature of transactions, and related information is ongoing. The Receiver's accountants are continuing their work on the bank reconstructions.

VII. Formal Proof of Claim Process

Before the Receiver can prepare a distribution plan, she needs all investors and other claimants to file formal proofs of claim and provide supporting documentation so she may determine the universe of allowed claims. On March 21, 2022, the Court entered an Order granting the Receiver's Motion to (I) Establish Bar Date for Claims; (II) Approve Form and Manner of Notice; (III) Approve Proof of Claim Form; and (IV) Approve Claim Submission and Administration Procedures [DE 113], setting the claims bar date, and approving the proof of claim form, proposed notice, and proposed submission and administration procedures.

The Receiver employed Stretto, Inc. ("Stretto") to provide an electronic platform for investors and other claimants to submit their proofs of claim and supporting documentation. During the Reporting Period, the Receiver worked with Stretto to create the claims submission webpage (<https://case.stretto.com/mjcapital>), create the electronic proof of claim form (the portal for which has since been closed as the claims bar date has passed), establish a prerecorded hotline

dedicated to investors and other claimants to address the claims submission process, and provided notice of the proof of claims process and claims bar date to over 20,000 potential claimants.

Between April 4, 2022 and June 6, 2022, Stretto attended to over 14,000 emails and voicemails from investors regarding their proof of claim, supporting documentation and/or the submission process. These inquiries ranged from questions about the proof of claim form, documentation needed for the submission of claims, and assistance with the submission of claims. Many of the investors in this case are not sophisticated and have needed assistance throughout this process. Now that the claims bar date has passed, the Receiver does not anticipate additional significant fees and costs for Stretto relating to the claims submission process.

VIII. Communications with Investors

The Receiver has continued to prioritize responding to inquiries from investors, and providing information and updates through the Receiver's investor website (<https://kttlaw.com/mjcapital/>). The Receiver updated this website with a proof of claim and submission section, and through her claims agent, provided notice of the proof of claim form and claims bar date to all investors who previously submitted their contact information through the website. The claims bar date passed on July 19, 2022 at 11:59 p.m. (prevailing Eastern Time), and the Receiver has closed the claims submission portal.

The Receiver and her office continue to monitor and respond to inquiries made via telephone calls, sent via email to the Receiver and her personnel, and sent to the Receiver's email address established for investors (MJCapital@kttlaw.com). The Receiver and her personnel have responded to hundreds of investor inquiries received through email correspondence and telephone calls. The Receiver appreciates and understands the investor's need for information.

IX. Status of SEC Action and Pending Motion to Supplement Turnover Order

The SEC's Complaint which commenced this action sought injunctive and other relief against the MJ Defendants and Ms. Garcia arising from the sale of investments in violation of securities laws. The SEC's claims against the MJ Defendants have been resolved through the entry of consent judgments that were agreed to by the Receiver and permanently enjoin the MJ Defendants from further violations of Section 10(b) of the Securities Exchange Act of 1934 and Exchange Act Rule 10b-5, Section 17(a) of the Securities Act of 1933, and Section 5 of the Securities Act. [ECF 65, 66]. On March 21, 2022, the SEC filed an Amended Complaint for Injunctive and Other Relief and Demand for Jury Trial [DE 130], and on April 4, 2022, Ms. Garcia filed her Answer to Amended Complaint with Affirmative Defenses/Avoidances and Demand for Jury Trial [DE 131].

The SEC's claims against defendant Ms. Garcia have not been resolved and are pending before the Court. The Court's Order Setting Trial and Pre-Trial Schedule, Requiring Mediation, and Referring Certain Matters to Magistrate Judge [ECF 77] requires the parties to take certain steps in advance of trial, including attending mediation. The SEC, the Receiver and Ms. Garcia attended mediation on February 28, 2022, and on the same day, Howard A. Tescher filed the Mediator's Report [DE 122] stating in part that he continued the mediation with the consent of the parties. The continued mediation date has not been scheduled.

Ms. Garcia consented to a freeze of bank accounts and other assets as set forth in the Court's Order extending the asset freeze for 90 days through June 19, 2022 [DE 127]. On June 17, 2022, the SEC filed a Motion seeking to further extend the asset freeze with the consent of Ms. Garcia. Ms. Garcia and a related company, MJ Enterprise, have agreed to turnover funds in three

of their accounts in Chase as discussed above.

The following motions filed by the Receiver remain pending before the Court during the Reporting Period:

(a) the Motion for Supplemental Order for Turnover of Wolters Kluwer and Taxwise Accounts [DE 121] filed on February 24, 2022;

(b) the Motion for Entry of Consent Order for Turnover of Funds Against Johanna M. Garcia and MJ Enterprise Inc. [DE 123] filed on March 8, 2022; and

(c) the Motion to Expand Employment of Auctioneer and Auction Sale of Vehicles and Surrendered Personal Property [DE 124]

X. Retention of Professionals

The Receivership Order authorizes the Receiver to engage professionals to assist her in the performance of her duties, subject in some circumstances to Court approval. The Receiver has not engaged any additional professionals during the Reporting Period. The Receiver has previously engaged the following professionals: Kozyak Tropin & Throckmorton, LLP (Attorneys), KapilaMukamal, CPA (Forensic Accountants), HD Investigative Group LLC (Investigators), Martin Claire & Co LLC (Auctioneer), and Stretto, Inc. (Claims Agent). Compensation of all professionals employed by the Receiver is subject to applications and Court approval.

XI. Additional Quarterly Status Report Matters Pursuant to Receivership Order

The Receivership Order directs the Receiver to report on a quarterly basis as to the following matters:

- a. A summary of the operations of the Receiver

The operations of the Receiver are summarized above.

- b. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate

As of June 30, 2022, the receivership estate had cash on hand in the total amount of \$12,087,723.83.¹ The amount of unencumbered funds in the receivership estate, as of June 30, 2022, is \$12,087,723.83. Details are set forth in the Receiver’s receipt and disbursements report for the Reporting Period attached hereto as Exhibit A.

The total amount and nature of known accrued administrative expenses as of June 30, 2022 is \$1,406,276.72, which consists of professional fees and expenses of the Receiver’s professionals, as follows:

1. 20% holdback from the First Fee Application for the Period of August 12, 2021 through October 31, 2021, approved by the Court [DE 118]
 - a. Receiver Fees: \$13,160.00
 - b. Kozyak, Tropin & Throckmorton Fees: \$61,706.00
 - c. KapilaMukamal Fees: \$50,855.80
 - d. HD Investigative Group Fees: \$495.00

2. 20% holdback from the Second Fee Application for the Period of November 1, 2021 through December 31, 2021, approved by the Court [DE 126]
 - a. Receiver Fees: \$ 2,695.00
 - b. Kozyak, Tropin & Throckmorton Fees: \$24,103.00
 - c. KapilaMukamal Fees: \$33,243.80
 - d. HD Investigative Group Fees: \$1,805.00

3. Fees and Expenses from the Third Fee Application for the Period of January 1, 2022 through March 31, 2022, which was filed with the Court and have not been approved:
 - a. Receiver:

Fees:	\$16,590.00
Expenses:	\$0.00
Hours:	\$47.40

 - b. Kozyak, Tropin & Throckmorton:

Fees:	\$151,955.00
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¹ Of this amount, the Receiver estimates that \$1,056,065 consists of funds deposited into MJ Capital’s Chase account on and after August 12, 2021, the date the Receivership Order was entered.

	Expenses:	\$5,878.62
	Hours:	579.40
c. KapilaMukamal:	Fees:	\$198,181.00
	Expenses:	\$260.87
	Hours:	917.90
d. HD Investigative Group:	Fees:	\$5,400.00
	Expenses:	\$0.00
	Hours:	\$24.00
e. Stretto, Inc. (Claims Agent)	Fees:	\$25,875.60
	Expenses:	\$0.00
	Hours:	\$101.00
4. Fees and Expenses from the Fourth Fee Application for the Period of April 1, 2022 through June 30, 2022, which will be filed with the Court and have not been approved:		
a. Receiver:	Fees:	\$17,430.00
	Expenses:	\$0.00
	Hours:	49.80
b. Kozyak, Tropin & Throckmorton:	Fees:	\$131,265.00
	Expenses:	\$8,347.90
	Hours:	485.00
c. KapilaMukamal:	Fees:	\$120,458.00
	Expenses:	\$402.26
	Hours:	531.40
d. HD Investigative Group:	Fees:	\$7,200.00
	Expenses:	\$0.00
	Hours:	32.00
e. Stretto, Inc. (Claims Agent)	Fees:	\$401,438.40
	Expenses:	\$127,530.47
	Hours:	1,759.60

These amounts represent fees and expenses of the Receiver and her professionals which:

(a) have been awarded by the Court and held back, and the Receiver may request payment upon final distribution of receivership assets, and (b) with respect to the period for January 1, 2022

through March 31, 2022 and April 1, 2022 through June 30, 2022, have been applied for but have not been approved.

- c. A schedule of all the Receiver's receipts and disbursements (attached as Exhibit A to the Quarterly Status Report) with one column for the quarterly period covered and a second column for the entire duration of the Receivership.

A report of the Receiver's receipt and disbursements, on a quarterly and cumulative basis, is attached as Exhibit A.

- d. A description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended.

As of June 30, 2022, the known Receivership Property consists of: (a) cash on hand of \$12,087,723.83, (b) 14 One Oz. Gold Bars, (c) 3 T-Mobile SIM Cards, (d) 3 Pre-Paid Visa Cards, (e) Hand & Stone Gift Card, (f) \$100 Visa Gift Card and \$50 Starbucks Gift Card, (g) Gold Chain, (h) 6 Rolex Watches, 1 Michelle Watch and 1 Gucci Watch, (i) 1 Gucci Backpack, 1 Louis Vuitton Purse, 1 Louis Vuitton Bag and 1 Christian Dior Purse, (j) 3 rings, and 1 pair of earrings, and (k) security deposits totaling approximately \$27,000 held by the landlord of the Pompano Beach locations which premises have been returned to the landlord.

In addition, the Receiver's investigation to date reflects that several other entities and individuals are in possession of Receivership Assets and/or Recoverable Assets as defined in the Receivership Order, i.e., assets that (a) are attributable to funds derived from investors or clients of the Defendants, (b) are held in constructive trust for the Defendants, (c) were fraudulently transferred by the Defendants, and/or (d) may otherwise be includable as assets of the estates of the Defendants. The Receiver will continue her efforts to recover such assets. Several investors have provided the Receiver with information that may assist in the recovery of these funds.

- e. A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in (i) reducing the claims to judgment; and (ii) collecting such judgments).

The formal proof of claim submission portal has been opened during the Reporting Period. During the Reporting Period, more than 9,000 proofs of claim were submitted. The claims bar date occurred on July 19, 2022 at 11:59 p.m. (prevailing Eastern Time), and after, the Receiver will need to review the thousands of proofs of claim and documents that were timely submitted to identify valid claims to be administered through this receivership proceeding. Thus, the Receiver is still in the process of investigating the potential liquidated and unliquidated claims held by the receivership estate, and is not yet able to provide a valuation of such claims or the anticipated or proposed methods of enforcing such claims.

- f. A list of all known creditors with their addresses and the amounts of their claims.

Over 9,000 claimants have filed proofs of claim. In the interest of protecting the privacy of investors and ensuring that the list of fraud victims does not become available to others who may use it for improper purposes, the Receiver does not recommend at this time that a list of the known creditors and their addresses be publicly filed.

- g. The status of Creditor Claims Proceedings, after such proceedings have been commenced.

On March 21, 2022, the Court entered an Order granting the Receiver's Motion to (I) Establish Bar Date for Claims; (II) Approve Form and Manner of Notice; (III) Approve Proof of Claim Form; and (IV) Approve Claim Submission and Administration Procedures (the "Claims Procedures Order") [DE 125], setting the claims bar date, and approving the proof of claim form,

proposed notice, and proposed submission and administration procedures.

The Receiver and claims agent provided notice of the bar date and proof of claim form to over 12,000 email addresses and 14,000 physical addresses for potential claimants. Over 9,000 timely proofs of claim have been submitted electronically via the claim agent's webpage, or via mail or email to Stretto. The next significant undertaking for the Receiver is a review of the proofs of claim and supporting documentation to determine which claims are valid and should be administered through the receivership proceeding and which claims should be rejected.

h. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

The Receiver recommends the continuation of the receivership. While the operations of the Receivership Entities have been terminated, there is a substantial amount of work to be done in reconstructing the Receivership Entities' financial operations, assessing the amounts due to victim investors, recovering funds on behalf of victims, and distributing those recoveries to the investors.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was filed with the clerk of the Court using CM/ECF, and the foregoing document has been served via CM/ECF upon all counsel of record this 29th day of July, 2022.

By: /s/ Bernice C. Lee
Bernice C. Lee

Exhibit A

Coral Lopez-Castro, as Receiver
SEC v. MJ Capital Funding, LLC, et al.
Case No. 21-61644-CIV-SINGHAL

STANDARDIZED FUND ACCOUNTING REPORT
Reporting Period: 04/01/22– 06/30/22

FUND ACCOUNTING				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (as of 03/31/2022) (Note 1)			\$11,223,559.00
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income			
Line 3	Cash and Securities			
Line 4	Interest/Dividend Income	\$10,030.43		
Line 5	Business Asset Liquidation			
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous – Other (Note 2)	\$854,659.40		
	Total Funds Available (Lines 1-8):			\$12,088,248.83
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	N/A		
Line 10	Disbursements for Receivership Operations	N/A		
<i>Line 10a</i>	<i>Disbursements to Receiver or Other Professionals</i>			
<i>Line 10b</i>	<i>Business Asset Expenses</i>			
<i>Line 10c</i>	<i>Personal Asset Expenses</i>			
<i>Line 10d</i>	<i>Investment Expenses (Note 3)</i>	\$525.00		
<i>Line 10e</i>	<i>Third-Party Litigation Expenses</i>			
	1. Attorney Fees			
	2. Litigation Expenses			
	<i>Total Third-Party Litigation Expenses</i>	\$0.00		
<i>Line 10f</i>	<i>Tax Administrator Fees and Bonds</i>	\$0.00		
<i>Line 10g</i>	<i>Federal and State Tax Payments</i>	\$0.00		
	Total Disbursements for Receivership Operations			\$525.00
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
<i>Line 11a</i>	<i>Distribution Plan Development Expenses:</i>	\$0.00		
<i>Line 11b</i>	<i>Distribution Plan Implementation Expenses:</i>	\$0.00		
	Total Disbursements for Distribution Expenses Paid by the Fund:			\$0.00
Line 12	Disbursements to Court/Other:			
<i>Line 12a</i>	<i>Investment Expenses/Court Registry Investment System (CRIS) Fees</i>	\$0.00		
<i>Line 12b</i>	<i>Federal Tax Payments</i>	\$0.00		
	Total Disbursements to Court/Other:			\$0.00
	Total Funds Disbursed (Lines 9-11):			\$525.00
Line 13	Ending Balance (as of 12/31/2021):			\$12,087,723.83
Line 14	Ending Balance of Fund – Net Assets:			
<i>Line 14a</i>	<i>Cash & Cash Equivalents</i>	\$0.00		

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**STANDARDIZED FUND ACCOUNTING REPORT
Reporting Period: 04/01/22– 06/30/22**

FUND ACCOUNTING				
		Detail	Subtotal	Grand Total
<i>Line 14b</i>	<i>Investments</i>	\$0.00		
<i>Line 14c</i>	<i>Other Assets or Uncleared Funds</i>			
	Total Ending Balance of Fund – Net Assets			<u>\$12,087,723.83</u>
OTHER SUPPLEMENTAL INFORMATION				
		Detail	Subtotal	Grand Total
Line 15-19		N/A		

Note 1: The Receiver estimates that the Beginning Balance includes approximately \$1,056,065 of funds deposited into MJ Capital’s Chase Bank Account on and after August 12, 2021.

Note 2: “Miscellaneous – Other” consists of cash surrendered by individuals and companies from April 1, 2022 through June 30, 2022.

Note 3: Represents bank fees