

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

EMPIRE HOLDINGS GROUP LLC d/b/a
ECOMMERCE EMPIRE BUILDERS d/b/a
STOREFUNNELS.NET and PETER
PRUSINOWSKI,

Defendants.

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: Civil Action
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: No. 2:24-cv-04949-WB
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RECEIVER, KEVIN DOOLEY KENT’S SECOND WRITTEN REPORT AND
MOTION FOR APPROVAL OF SECOND INTERIM FEE APPLICATION WITH
INCORPORATED MEMORANDUM OF LAW FOR THE PERIOD
NOVEMBER 1, 2024 THROUGH DECEMBER 31, 2024

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I. INTRODUCTION

Following the entry of the September 20, 2024 Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief (ECF No. 19) (the “TRO Order”), Kevin Dooley Kent, in his capacity as Temporary Receiver (the “Receiver”), assumed control of Empire Holdings Group LLC d/b/a Ecommerce Empire Builders d/b/a Storefunnels.net (hereinafter “EEB”) and its existing business operations. The Receiver thereafter identified nonparty entities Star Active Sports LLC (“Star Active”) and Empire Partner Network LLC (“Empire Partner”) as Receivership Entities on October 2, 2024, and Atlas Fund Limited Partnership (“Atlas Fund”), Atlas Fund Trust (“Atlas Trust”), and Atlas Fund Land Trust (“Atlas Land”) (collectively, the “Atlas Entities”) as Receivership Entities on October 14, 2024, and began exercising his duties with respect to those entities as well.^{1, 2} The TRO Order was subsequently extended by the Stipulated Preliminary Injunction entered on November 8, 2024 (“Stipulated PI”) (ECF No. 49), which extends the Receiver’s duties set forth in the TRO Order.

The Receiver’s duties are broad and include, *inter alia*, continuing EEB’s business operations until the Receiver determined that “such operations cannot be continued legally and profitably,” TRO Order § XII ¶ T, and “prioritiz[ing] the protection of legitimate business operations, if any,” *id.* § XII ¶ X, while simultaneously “[c]onserv[ing], hold[ing], manag[ing], and prevent[ing] the loss of all Assets of the Receivership Entities, and perform[ing] all acts necessary or advisable to preserve the value of those Assets.” *Id.* § XII ¶ D. Thus, in carrying out

¹ The TRO Order defines “Receivership Entities” to include the “Corporate Defendant as well as any other entity that has conducted any business related to the advertising, marketing, and sale of Defendants’ Products and Services, including receipt of Assets derived from any activity that is the subject of the Complaint in this matter, and that the Receiver determines is controlled or owned by any Defendant.” TRO Order, Definitions ¶ J.

² The TRO Order provides that “[i]f the Receiver identifies a nonparty entity as a Receivership Entity [he is directed and authorized to] promptly notify the entity as well as the parties, and inform the entity that it can challenge the Receiver’s determination by filing a motion with the Court.” TRO Order § XII ¶ U. The Receiver promptly notified the parties and entities of these determinations via letter, pursuant to the terms of the TRO Order.

his duties, the Receiver needed to focus not only on locating and controlling all documents and assets of the Receivership Entities, *see id.* § XII ¶¶ B-E, but also understanding and managing the business operations of EEB and making necessary payments to keep operations running, while simultaneously determining whether those operations could continue both legally and profitably.

Understandably, and as is typical for receiverships such as this, the weeks following the entry of the TRO Order were intense, with the Receiver, his Counsel and support staff at Clark Hill PLC (“Clark Hill,” “Law Firm,” or “Counsel”), and his Accountants at Alvarez & Marsal Disputes and Investigations, LLC (“A&M” or “Accountant”) (collectively, “Retained Personnel”) devoting significant amounts of time to carrying out the Receiver’s duties. The complexities of EEB’s operations in particular resulted in significant time and effort expended by the Receiver and his Retained Personnel in maintaining the business operations for existing EEB customers, which was exacerbated by the fact that EEB does not have a physical office location, operates entirely by Cloud-based/electronic means through various platforms, and has contractors all over the world. The nature of these international online business operations also made data and fact gathering complex and time-consuming. The Receiver filed his First Interim Fee Application on November 19, 2024, in which he described his and his Retained Personnel’s activities during the first six weeks of the Receivership in detail. (ECF No. 54). The Receiver’s First Interim Fee Application was approved on December 18, 2024. (ECF No. 64).

Pursuant to Sections XVIII of the TRO Order and XIX of the Stipulated PI, the Receiver hereby submits this Second Written Report and Second Interim Fee Application for the period November 1, 2024 through December 31, 2024 (the “Second Reporting Period”), and moves for approval of payment of fees and expenses invoiced by the Receiver, his Law Firm Clark Hill, and his Accountant A&M during the Second Reporting Period. As will be apparent from this Report

and the associated bills, the Receiver and his Retained Personnel have devoted the majority of their time during the Second Reporting Period focusing on shutting down EEB's business operations, continued factual and asset preservation and investigation, handling tax-related and accounting issues, and continuing to handle customer outreach and address customer inquiries.

II. BACKGROUND OF APPOINTMENT

On September 18, 2024, the Federal Trade Commission ("FTC") filed a Complaint for Permanent Injunction, Monetary Judgment, and Other Relief against Defendants EEB and Peter Prusinowski ("Prusinowski"), alleging that Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a); the FTC's Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Business Opportunities ("Business Opportunity Rule"), 16 C.F.R. Part 437; and the Consumer Review Fairness Act ("CRFA"), 15 U.S.C. § 45b. *See* ECF No. 1 ¶ 1. The FTC alleges that "Defendants deceptively market and sell ecommerce business opportunities and self-study programs by falsely claiming that consumers will generate substantial income from online stores that are 'powered by artificial intelligence; and Defendants' 'proven' strategies." *Id.* ¶ 2. The FTC alleges that Defendants falsely promised consumers significant earnings when, in reality, the promised profits never materialize, thereby leaving clients with failed businesses that generate little, if any, profits, while Defendants enrich themselves. *Id.* The FTC also alleges that Defendants use non-disparagement clauses which violate the Consumer Review Fairness Act, and that Defendants failed to provide statements and disclosure documents required by the Business Opportunity Rule. *Id.* ¶ 3. The FTC alleges that "[s]ince 2021, Defendants have deceived consumers out of at least \$14.3 million. *Id.* ¶ 4.³

³ The Receiver and his Retained Personnel have determined that EEB reported revenue and purported operating expenses of approximately \$21.8 million and \$17.3 million, respectively, from May 16, 2018 through August 31, 2024, and, based on available accounting records, nearly all funds generated by EEB were transferred to/for the benefit of Prusinowski after payment of purported expenses.

Along with its Complaint, the FTC filed an Emergency Motion for Temporary Restraining Order with an Asset Freeze and Other Equitable Relief, and an Order to Show Cause Why a Preliminary Injunction Should Not Issue (“Motion for TRO”). (ECF No. 2). In its Motion for TRO, the FTC sought the appointment of a receiver. The FTC also filed its Recommendation for Temporary Receiver that same day, proposing the appointment of Kevin Dooley Kent as Receiver. (ECF No. 8). The supporting materials submitted therewith set forth the following rates for the Receiver, Law Firm, and Accountant, which provide substantial discounts from their standard 2024 rates:

<u>The Receiver</u>	
Name	Rate
Kevin Dooley Kent	\$722.50

<u>The Law Firm</u>	
Clark Hill PLC	
Name/Position	Rate
Senior Counsel (Megan Guernsey)	\$633.25
Senior Attorney (Robin Weiss)	\$562.50
Associates	\$292.50–\$436.50
Paraprofessionals	\$270.00

<u>The Accountant</u>	
Alvarez & Marsal Disputes and Investigations, LLC	
Name/Position	Rate
Michael Shanahan, Managing Director	\$750.00
Managing Directors	\$850.00
Senior Director	\$635.00
Director	\$575.00
Manager	\$490.00
Senior Associate	\$450.00
Associate	\$350.00

See id. Ex. A.

On September 20, 2024, based upon the FTC’s recommendation, the Court entered the TRO Order which appointed Kevin Dooley Kent as Receiver. (ECF No. 19). The TRO Order

authorized the Receiver to “[c]hoose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by [the TRO] Order.” TRO Order § XII ¶ F.⁴ The Receiver engaged the Law Firm and Accountant to provide professional services as permitted by the TRO Order, at the rates set forth in Exhibit A to the Recommendation for Temporary Receiver. *See* ECF No. 8 Ex. A.

Both the TRO Order and Stipulated PI provide that “the Receiver and all personnel hired by the Receiver as herein authorized, including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the Receivership Entities.” TRO Order § XVIII; Stipulated PI § XIX. Both the TRO Order and the Stipulated PI direct the Receiver to file and serve periodic requests for payment of such reasonable compensation, with the first request to be submitted no more than sixty (60) days after the entry of those respective orders. *See ids.*

In light of the foregoing, the Receiver submits this Second Written Report and Second Interim Fee Application seeking reasonable compensation for the fees and out-of-pocket expenses incurred by the Receiver, Law Firm, and Accountant for the period November 1, 2024 through December 31, 2024, for the Court’s consideration and approval. As will be apparent from the below and from the corresponding invoices, the Receiver and his Retained Personnel’s time devoted to this matter has dropped significantly as compared to the first six weeks of the Receivership, as the Receiver anticipated in his First Interim Fee Application.

⁴ The Receiver’s appointment and authority to engage his Retained Personnel was extended by the Stipulated PI. *See* Stipulated PI § XIII ¶ F.

III. INVESTIGATION AND CONTROL OVER ASSETS AND DATA OF RECEIVERSHIP ENTITIES

A. Notice of TRO Order and Requests for Information/Documentation and/or Compliance with TRO Order

As set forth in detail in the Receiver's First Written Report (ECF No. 38) and First Interim Fee Application (ECF No. 54), the Receiver sent notices of the TRO Order, with document requests and/or asset turnover demands, to all financial institutions, entities, and other third parties that were involved in any way with EEB business operations. The Receiver thereafter sent follow-up notices following the entry of the November 8, 2024 Stipulated PI. (*See* ECF No. 54 at 8-13).

As a result of these Notices, the Receiver, through his Counsel and/or Paraprofessionals, where appropriate, conducted interviews and/or exchanged communications with many individuals and/or entities served with the TRO Order, directly or through their counsel, many of whom turned over additional documents for review. For example, the Receiver and his agents: (1) corresponded with Stripe, American Express, PayPal, and Wave, demanding compliance with the TRO Order, and subsequently worked through such noncompliance with these entities and/or their counsel; (2) corresponded with Charles Schwab regarding its holdback of funds in the Atlas account in relation to a purported margin loan; (3) corresponded with special counsel to the debtors in the bankruptcy case *In re: Celsius Network, LLC, et al.*, Case No. 22-10964-MG (S.D.N.Y.) following Defendant Prusinowski's forwarding of a notification regarding a claim distribution in connection with the bankruptcy proceedings, requesting documents and information pursuant to the TRO Order and compliance with the asset freeze; (4) received and reviewed documents from Closer Secrets LLC and communicated with counsel regarding requests for additional documents after determining their production was incomplete; and (5) received documents from Lodmell & Lodmell P.C. on November 7, 2024 in response to the subpoena that the Receiver served on Lodmell on October 25, 2024.

B. Receivership Bank Account

Pursuant to Section XII, Paragraph O of the TRO Order and Section XIII, Paragraph O of the Stipulated PI, the Receiver has continued to maintain a centralized Receivership Account with WSFS Bank (the “Receivership Account”), through which he has continued to receive the transfer of funds and has made payments and disbursements as necessary for the administration of the Receivership Estate. As of December 31, 2024, the balance in the Receivership Account was \$759,820.65.

The Receiver secured the transfer of EEB and Empire Partner funds from TD Bank (\$51,945.01 and \$10,211.26, respectively), and EEB and Atlas Fund Assets from Schwab (\$610,672.41 and \$614,174.54,⁵ respectively) to the Receivership Account. Additionally, Defendants’ former counsel, Gordon Rees Scully Mansukhani, LLP (“Gordon Rees”) transferred \$77,000 to the Receivership Account on October 7, 2024, and an additional \$18,642.00 on November 12, 2024, representing the balance of funds held in its trust/IOLTA account following the Court’s entry of the Order granting Defendant Prusinowski’s Motion for Fees Incurred to Date, and Additional Fees to Continue to Defend (ECF No. 43), and consistent with Section IV, Paragraph 1 of the Stipulated PI. Finally, PayPal sent the Receiver a check for the balance in EEB’s PayPal account, totaling \$2,711.91, which was deposited into the Receivership Account on December 4, 2024.⁶

The wire and transfer activity for the Receivership Account is set forth in greater detail in Section VI, *infra*.

⁵ After making an initial transfer of \$613,202.79 from the Atlas Fund Schwab account on October 18, 2024, Schwab initiated a second transfer of \$971.75 in remaining funds from the account on December 9, 2024, resulting from a delayed liquidation of one of Atlas Funds’ brokerage holdings.

⁶ Additionally, on January 21, 2025, *i.e.*, after the close of the Second Reporting Period, the Receivership Account received (1) a \$1,908.73 refund from Stripe and (2) a \$341.76 transfer from Charles Schwab, representing a residual balance in EEB’s Schwab account.

C. Additional Receivership Assets

Certain Receivership Assets remain elsewhere, subject to the TRO Order and Stipulated PI, but have not been deposited and/or transferred into the Receivership Account as of the date of this filing.

1. Empire Partner TD Bank Account

The Empire Partner TD Bank Account (x8811) has continued to receive funds since the transfer of the balance of that account to the Receivership Account. As of January 20, 2025, the balance in the account was \$2,609.36. The Receiver intends to arrange for the transfer of these funds to the Receivership Account. And due to the account's continued receipt of funds, the Receiver does not anticipate seeking the closure of the Empire Partner TD Bank account at this time.

2. Empire Partner PayPal Account

As of January 13, 2025, the balance in Empire Partner's PayPal account was \$213.00. The Receiver is exploring options for the transfer of these funds to the Receivership Account.

3. EEB Charles Schwab Account

Charles Schwab produced a statement for the EEB account for period November 1, 2024 through December 31, 2024, indicating an ending account value of \$341.74 as of December 31, 2024. The Receiver submitted a request for the transfer of this balance to the Receivership Account, which was initiated on January 21, 2025. By the time the transfer was initiated, the balance had increased to \$341.76.

4. Storefunnels Stripe Account

As previously reported, the Storefunnels Stripe account has continued to collect Storefunnels subscription payments for individuals who have/had active websites on Storefunnels. Stripe paused payouts on the account pursuant to the TRO Order and Stipulated PI, but in

accordance with discussions between Stripe's counsel and the Receiver's counsel, Stripe has allowed the Storefunnels subscription payments to continue to process and accrue in the Storefunnels Stripe account. Once the Receiver and his agents complete the shutdown of Storefunnels on or about January 31, 2025, the Receiver will work with Stripe to direct the transfer of the accrued funds in the Storefunnels Stripe account to the Receivership Account. As of January 20, 2025, the balance in the Storefunnels Stripe account was \$39,720.25.

5. Empire Realty Holdings LLC

Empire Realty Holdings LLC ("Empire Realty") owns a townhome located at 6 Constitution Avenue, Doylestown, PA 18901 ("Constitution Ave Property"). According to Defendants' financial disclosures, the Constitution Ave Property was acquired on July 1, 2016 for \$196,000.00, and the current value is estimated at \$345,000.00. The mortgage balance, held by Mr. Cooper, is \$112,000.00. According to the financial disclosures, the monthly mortgage is \$1,141.64, and the monthly rent received for the property is \$2,350.00.

Mr. Prusinowski conveyed the Constitution Ave Property to Empire Realty in early 2024. Although Mr. Prusinowski claimed in his initial financial disclosures that he was the sole owner and manager of Empire Realty, among the documents produced by Lodmell in response to the Receiver's subpoena was an Operating Agreement for Empire Realty dated December 4, 2023, which states that Receivership Entity Atlas Fund is Empire Realty's sole 100% member. Thus, Atlas Fund is the beneficial owner of all of Empire Realty's assets, including the Constitution Ave Property.

After the Receiver's counsel notified defense counsel of this discrepancy on November 25, 2024, Defendants issued updated disclosures which properly reflected Atlas Fund as the sole member of Empire Realty. However, Mr. Prusinowski failed to respond to the Receiver's other

requests regarding the Constitution Ave Property. Specifically, the Receiver's counsel requested that nothing further be done with the assets of Empire Realty without the Receiver's express consent, and requested clarity regarding what has been done with the rental income and approximately \$1,200.00 in profits earned each month. Counsel also requested a copy of the lease agreement, information regarding the account through which rental payments are being collected and the mortgage paid, all mortgage documents and deeds for the property, insurance policies for the property, property tax and insurance bills for the property, and proof that all mortgage, property tax, and insurance payments are up-to-date and not in arrears. The Receiver's counsel sent multiple follow-up requests to defense counsel on December 11, 2024, December 13, 2024, December 19, 2024, January 8, 2025, and January 20, 2025. On January 22, 2025, defense counsel sent the Receiver's counsel (1) the original deed for the property, (2) the landlord insurance policy, (3) the residential lease agreement entered into with the current tenant of the property,⁷ and (4) the current mortgage statement from Mr. Cooper.

In addition to the Constitution Ave Property, Empire Realty holds a bank account with TD Bank. As of January 20, 2025, there was a balance of \$5,937.79 in Empire Realty's TD Bank Account (x8762).

6. Safe Deposit Box

As indicated in the Receiver's First Written Report and First Interim Fee Application, the Receiver has taken possession of the keys to access the Safe Deposit Box at TD Bank in Jamison, Pennsylvania, and has inventoried the contents thereof, which include assets such as Rolex watches, gold and silver bullion, and gold and silver coins. The Receiver understands that discussions are ongoing between Defendants and the FTC regarding certain items in the Safe

⁷ The residential lease is currently in its second six (6) month renewal term, which is set to end on April 30, 2025.

Deposit Box which Mr. Prusinowski claims were inherited and/or are otherwise of significant personal and/or sentimental value. Thus, the Receiver has not yet taken any action to sell and/or liquidate the items in the Safe Deposit Box.

D. Status of Disputes with Payment Processors, Credit Cards, and Financial Institutions

The Receiver has had varying degrees of difficulty securing compliance with the TRO Order and Stipulated PI from American Express, PayPal, Stripe, Wave, and Charles Schwab. The Receiver has provided information regarding some of these difficulties in previous filings. The latest developments with respect to these disputes are as follows.

1. American Express

As previously reported, the Receiver discovered that additional charges were still being incurred on multiple EEB American Express (“AMEX”) accounts after September 20, 2024, most of which appeared to have been through automatic recurring payments to sites like Google, Facebook, and Amazon. AMEX also continued to charge late fees and interest on the accounts, and sent repeated automated calls to the Receiver’s agents attempting to secure payment on the outstanding balances, all in violation of the TRO Order and Stipulated PI.

The Receiver sent three (3) Notices of Non-Compliance to AMEX on October 11, 2024, October 23, 2024, and November 21, 2024. Finally, the Receiver’s counsel received a response from AMEX’s General Counsel’s office on November 21, 2024, and had a call with AMEX’s counsel on November 26, 2024. AMEX’s counsel confirmed that the accounts are frozen and that all collection efforts would cease, and further advised that they were looking into the late fee and interest issue. The EEB AMEX accounts have all been successfully frozen, and no further charges have been incurred from third party vendors and/or service providers. Additionally, the collection calls have largely stopped. However, AMEX’s imposition of interest and late fees continues.

As of January 20, 2025, the balances on the EEB AMEX accounts totaled \$186,630.87, broken down as follows:⁸

- EEB Business Gold Card x24001: \$28,755.87;
- EEB Business Platinum Card x22007: \$72,782.94;
- EEB Business Gold Card x94002: \$375.00;
- EEB Business Gold Card x93004: \$888.30;
- EEB Business Gold Card x92003: \$27,390.14;
- EEB Business Gold Card x82002: \$16,145.74;
- EEB Business Gold Card x42008: \$14,192.95;
- EEB Business Gold Card x42005: \$1,048.67;
- Business Gold Card x32000: \$25,051.26.

This represents a \$13,763.84 increase in the total balances of the EEB AMEX accounts since October 10, 2024, consisting exclusively of interest charges, late fees, and three membership renewal fees (\$375 each). On January 20, 2025, the Receiver's counsel sent a follow-up communication to AMEX's counsel regarding the continued imposition of interest and late charges. AMEX's counsel responded by inquiring into whether there will be a claims process through which AMEX can submit a claim, at which point the claims for late fees and interest can be addressed.

2. Payment Processors

The Receiver determined that PayPal, Stripe, and Wave were all violating the TRO Order and/or Stipulated PI by continuing to process customer chargebacks despite receiving notice of the

⁸ The Receiver has excluded from this list Defendant Prusinowski's personal Charles Schwab Platinum Card (x91000) and High Yield Savings Account ("HYSA") (x8569). The TRO Order and Stipulated PI do not forbid Mr. Prusinowski from incurring charges on personal credit cards. See TRO Order § III ¶ C & § IV ¶ A; Stipulated PI § III ¶ C & V ¶ A.

asset freeze. The Receiver sent non-compliance letters to Stripe and PayPal on October 14 and 16, 2024, respectively, and sent a second notice to Stripe on October 24, 2024. When the Receiver thereafter discovered Wave's noncompliance, he sent non-compliance letters to Wave on November 21, 2024 and December 17, 2024. In these letters, the Receiver requested, *inter alia*, that these payment processors reverse any customer chargebacks and prevent further customer chargebacks from continuing. The Receiver also demanded that Stripe reverse its withdrawal of \$1,908.73 from one of EEB's TD Bank accounts on October 10 (which caused an overdraft) and return those funds to the Receiver.

After receiving the Receiver's second notice of non-compliance, counsel for Stripe contacted Receiver's counsel to work through the issues asserted in the non-compliance letters. In working through Stripe's noncompliance with the TRO Order with Stripe's counsel, Receiver's counsel confirmed that (1) Stripe would make efforts to reverse the withdrawal processed through the EEB Stripe account, (2) there was no positive balance in the Stripe EEB account that would warrant the hold back of any funds upon account closure, and that (3) Stripe's closure of the EEB account would not in any way impact the Storefunnels Stripe account.⁹ On January 17, 2025, Stripe emailed the Receiver's counsel advising that it had initiated the transfer of the \$1,908.73 refund to the Receivership Account. The funds were received in the Receivership Account on or about January 21, 2025.¹⁰

As for PayPal, the Receiver's counsel had numerous e-mail communications with PayPal's outside counsel, followed by a phone call on November 11, 2024. During the call, PayPal's

⁹ As of January 20, 2025, the balance in the Storefunnels Stripe account was \$39,720.25.

¹⁰ Of note, although Stripe advised that it was unilaterally closing the EEB Stripe account in October 2024, as of January 20, 2024, the EEB Stripe account reflects a balance of -\$64,694.39, presumably due to the continued internal processing of chargebacks.

counsel advised that PayPal sent the Receiver a check for the balance in the PayPal account totaling \$2,711.91 (which was received and deposited into the Receivership Account on December 4, 2024), that they are required to allow customer chargebacks to go through when customer disputes are timely submitted, and that this happens through an automated process. However, PayPal has covered the cost for the previous chargeback submitted after the entry of the TRO Order, and it will continue to do so in the event additional chargebacks are initiated. Given the losses PayPal has or may incur in connection with this chargeback process in order to comply with the TRO Order and Stipulated PI, PayPal may submit a claim in the future through the Receivership Estate for those losses. PayPal is also banning EEB and its principals from using its services in the future. As of January 20, 2025, there was a balance of -\$7,453.50 in the EEB PayPal account, due to PayPal's issuance of customer chargebacks.

Wave initially did not respond to the Receiver's notice letter. However, on November 14 and 19, 2024, the Receiver received copies of email notifications sent by Wave's dispute resolutions team to Peter Prusinowski, advising of disputed transactions for which chargebacks would be and/or had been automatically accepted. In response, the Receiver sent Wave the first Notice of Non-Compliance on November 21, 2024, advising that the processing of chargebacks was a violation of both the TRO Order and Stipulated PI. The Receiver did not receive any response to this communication. Then, on December 12, 2024, an analyst on Wave's Loss Mitigation Team e-mailed Mr. Prusinowski, with a copy to the Receiver's paralegal, advising that Wave had been attempting to debit \$86,070.00 from the EEB account for customer disputes, and advising that the account would be suspended until at least 10% of the balance had been paid. The Receiver's paralegal forwarded the November 21 Non-Compliance letter to the analyst, who responded that the full balance was owed and, if not paid, the account would be sent to Wave's

external collections agency. This prompted the Receiver to send a Second Notice of Noncompliance to Wave on December 17, 2024, advising that Wave must immediately cease all chargebacks and cease all efforts to collect these chargeback amounts as these actions are in violation of the TRO Order and Stipulated PI. To date, Wave has not responded, and the account is now suspended and inaccessible. However, the balance on the account was previously \$0.00 as of October 20, 2024.

3. Charles Schwab

As previously reported, Charles Schwab did not transfer the full balance of the Atlas account to the Receivership Account, instead retaining over \$300,000.00, which the Receiver presumed was held back due to a margin loan Schwab claimed it was owed. On October 22, 2024, the Receiver sent a follow-up letter to Schwab indicating as such, informing Schwab that such acts of self-help were not authorized under the TRO Order, and demanding copies of all records and documents pertaining to the Atlas account pursuant to Section IV, Paragraph D of the TRO Order, in order for the Receiver to better understand the basis for Schwab's asserted secured interest in the held-back funds. On October 23, 2024, in response to the Receiver's letter, Schwab sent Receiver's counsel a copy of the Application completed by Defendant Prusinowski regarding the margin loan taken out on Atlas's Schwab account and, on November 18, 2024, the Receiver received a document production from Schwab regarding, *inter alia*, the Atlas account.

The Atlas Schwab account records confirmed that the account balance as of September 1, 2024 was \$984,165.39. By September 30, 2024, the balance had been reduced to \$609,145.17. This was due, in large part, to \$400,000.00 in withdrawals initiated by Mr. Prusinowski on September 19, 2024 which, upon information and belief, were utilized to pay the retainer for the engagement of his former counsel, Gordon Rees. Schwab had indicated that this was done through

a margin loan. By the time the Receiver initiated the transfer request from the Atlas Schwab account, the balance in the account was \$614,174.54, all of which was eventually transferred to the Receiver.

While it is difficult to understand precisely what occurred by reviewing the account records, it appears that Schwab may have technically violated the TRO Order and engaged in self-help by repaying itself on the margin loan rather than remitting those funds to the Receiver and/or seeking relief from the TRO Order to protect its interests. Schwab's counsel has taken the position that it had a secured interest in the funds pursuant to the margin loan agreement and applicable federal statutes and regulations, and that the money truly was no longer in the account at the time the TRO Order was entered. In other words, Schwab's counsel's position was that even if Schwab engaged in self-help in violation of the TRO Order, the outcome would ultimately be the same, with Schwab entitled to retain the funds if the dispute was brought before this Court.

The Receiver's counsel has researched and analyzed Schwab's position and, in the interest of preserving time and assets of the Receivership Estate, counsel has opted not to seek this Court's intervention with respect to Schwab's actions at this time based on weighing the likely costs of such action against the potential for success.

E. Control Over and Preservation of Documents and EEB Social Media

In his First Interim Fee Application, the Receiver described the efforts he and his agents had taken/were continuing to take to gain control over, and preserve, the Documents of EEB pursuant to Section XII, Paragraphs B, C, and E of the TRO Order, and EEB's social media accounts pursuant to Section XII, Paragraphs B, E, and I of the TRO Order. (*See* ECF No. 54 at 22-26). Those discussions are incorporated herein by reference. The Receiver has continued to receive document productions from certain financial institutions and third parties in response to notice letters and/or subpoenas, which he and his Retained Personnel continue to review.

F. Investigation of Potential Assets

During the Second Reporting Period, the Receiver and his Retained Personnel continued to investigate the assets and liabilities of the Receivership Entities, including through a review of materials preserved from various e-mail accounts and drives, as well as materials produced by various entities and individuals. Based on his investigation thus far, the Receiver is currently of the belief that all meaningful and recoverable assets of the Receivership Entities have been identified by the Receiver and described herein. This conclusion is consistent with the financial records and transactional history of the Receivership Entities.

The Receiver remains mindful of the parties' assertions that they are attempting to work towards a settlement in this matter; therefore, the Receiver and his Retained Personnel have slowed down further investigatory efforts in the interest of preserving costs and expenses and preventing the dissipation of assets of the Receivership Estate. If the matter does not resolve, the Receiver's next step would likely be to depose counsel from Lodmell in order to definitively determine whether the Atlas Entities may be holding any additional assets, *e.g.*, whether Atlas Land owns any property and whether certain Atlas funds may be held in Belize.¹¹

G. Depositions of Peter Prusinowski, Aliakbar Gulshan, and Kellie Prusinowski

The Receiver reported on the depositions of Defendant Prusinowski, EEB's Chief Operating Officer Aliakbar Gulshan, and Mr. Prusinowski's wife, Kellie Prusinowski, in his First Interim Fee Application, in which he noted that the depositions of Mr. Gulshan and Ms. Prusinowski took place on November 4, 2024. (*See* ECF No. 54 at 27-28). The Receiver incorporates by reference the description of their testimony set forth in his First Interim Fee Application as if fully set forth herein.

¹¹ This seems unlikely given the limited evidence and information reviewed to date.

IV. MANAGEMENT, ANALYSIS, AND SHUTDOWN OF EEB BUSINESS OPERATIONS

A. Consumer Outreach

As reported in prior filings, after conducting individualized outreach to a number of EEB customers in order to gain further insight on EEB's business operations, the Receiver collected information from as many current and former EEB customers as possible in a streamlined manner. After placing a Notice of Receivership on the EEB website and creating a Receivership Website,¹² the Receiver's agents reviewed all signed contracts between EEB and the customers who purchased EEB's services,¹³ compiled customer emails from the contracts, created an email address specifically for the Receivership (empireholdingsrcvr@clarkhill.com) (The "Receivership Email"), and sent a mass bcc email¹⁴ from the Receivership Email to those EEB customers informing them of the Receivership and inviting them to complete a Consumer Questionnaire¹⁵ regarding their experience with EEB.

As of January 17, 2025, approximately 136 individuals have submitted Consumer Questionnaires to the Receiver, with responses continuing to be submitted. The overall reported customer experience continues to be overwhelmingly negative—customers have reported that their experience did not align with their expectations, that they have had very few sales, if any, and that they have suffered significant financial losses. Some notable customer responses as of the date of this filing include the following:

- "I am extremely disappointed and I have stopped funding the ads and closed the storefunnel. The company has been terrible and I feel taken advantage of. They are

¹² <https://empireholdingsgroupreceivership.com/>.

¹³ Receiver's agents extracted all signed Service Agreements found in EEB's HelloSign and DocuSign platforms.

¹⁴ The Receiver compiled and sent the mass bcc email to 481 EEB customer emails. Of the 481, 25 emails were returned as undeliverable, and 1 was returned as the recipient's inbox is full.

¹⁵ The Consumer Questionnaire was attached as Exhibit C to the Receiver's First Written Report (ECF No. 38-3).

amateurs at best, scam artists most likely. . . . I am losing money every day with no sign of any change.”

- “The sales tactic[s] to get customers to join was very predatory. I told them this was a big risk for me and my family financially and the sales agent only doubled down on his promise of sales and financial success. wish I had never signed up with [EEB] as I was tricked into a false promise of wealth and only incurred losses.”
- “It started out great, but then when the original product that they selected for me had zero sales, I realized I had made a huge mistake.”
- “The experience and result has been absolutely stressful and not what has been promised, I was promised I’ll be profitable within first 2 months, but almost after six months, not a single dollar in profit.”
- “We were told they would create an ecomm business for us that was ‘guaranteed’ to bring in at least \$10k a month. We only lost money. . . . They couldn’t even come close to delivering on what they promised.”
- “We are not getting the product that’s been promised to us.”
- “There were plenty of sales people trying to tell us we needed to go ‘all in’ and buy a bigger package, but they in no way deliver what they promised so we weren’t about to be scammed again.”
- “Empire is dishonest, crooked in every way, provide no support when needed. PROVEN products were cheap dropshipped bad products from China and the ads were worthless.”
- “Nothing that was promised to me happened in a way that produced profitable results.”
- “For the price that I paid [for] this and the result that they gave me, I knew that I just got scammed.”
- “In 2 years, defendant has not selected a single product that has reliably earned more income per month than it has cost to advertise it. Furthermore, Defendant repeatedly declined to provide me their commitment to performance goals be it for engagement or revenue. I contracted for a managed – or, delegated—service. . . . I have not received my fair share of the transaction.”
- “I believe EEB knowingly defrauded me and many other clients and promised many things upfront that they could not deliver or accomplish and they charged a lot of money for services they were not intending to provide. I put my life savings in to this business based on all what I heard and was assured of future potential income and now I am left with nothing!”
- “I feel like they used me and took my money for ransom.”

- “A lot of time, money, and effort have been wasted on my part, and nothing to show for it.”
- “I feel like I was taken advantage of. They assure[d] me of results and never came through on their promises.”
- “I do not feel like my experience from my StoreFunnel page aligns with anything that I have expected or what I have purchased This company is nothing but a scam, and the employees of ecommerce empire do nothing to help, or support you with what they promised.”
- “My experience was well short of what was promised and in no way would I ever trust or repeat any attempt to try this again.”
- “The experience absolutely does not align[] with what I expected after spending so much on online scam.”
- “Nothing sold and I lost in every way.”
- “They work the system good, sell you every program quickly, take[] your money, and then turns the process over to foreigners.”
- “They basically completely mis-represented what they could accomplish and strung me along until my funds dried up.”
- “No I am not satisfied. They did not do anything that they promised. . . . I feel like I was robbed.”
- “No, this was not at all what I expected. . . . They are total frauds/liars and truly do not care about any of their clients.”

In addition to receiving and reviewing Consumer Questionnaires, the Receiver’s agents continue to review and respond to customer inquiries that are sent to the Receivership Email. The number of customer inquiries vary from week-to-week, with the largest volume of incoming customer e-mails whenever the Receiver sends a mass bcc email update from the Receivership Email. The customer emails generally consist of: (1) requests for information/updates, (2) refund requests, and (3) inquiries regarding Storefunnels technical issues, which the Receiver has directed the customers to send to Simvoly through the customer support chat function on the Storefunnels website.

B. EEB Website and Receivership Website

Pursuant to Section XII, Paragraph V of the TRO Order (and consistent with Section XIII, Paragraph V of the Stipulated PI), and as indicated in the Receiver’s October 8, 2024 letter to the Court, the Receiver’s agents placed a notice on the EEB website, <https://ecommerceempirebuilders.com/>. That notice remains on EEB’s website, and has been updated to reflect the entry of the Stipulated PI:¹⁶



The Receiver’s agents also posted similar notices on two additional websites associated with Defendants, <https://peterpru.com> and <https://empireplr.com>.

Additionally, the Receiver continues to update the Receivership Website to provide updates regarding important developments to consumers and members of the public. EEB customers also still have the opportunity to complete their Consumer Questionnaires through the Receivership Website.

C. Management of EEB Business Operations and Storefunnels

Pursuant to Section XII, Paragraph X of the TRO Order—and as discussed between the Court and counsel for the parties during the September 20, 2024 TRO Hearing¹⁷—the Receiver

¹⁶ The Court Orders listed in the notice are hyperlinks to the filed copies of the Orders, and “Empire Holdings Group Receivership” is hyperlinked to the Receivership Website.

¹⁷ See Sept. 20, 2024 TRO Hearing Trx. at 68:9–69:11.

allowed business operations to continue for existing EEB customers through October 31, 2024. The Receiver's management of EEB business operations through October 31, 2024, and the significant difficulties and costs associated therewith, were discussed at length in the Receiver's First Interim Fee Application. (*See* ECF No. 54 at 36-39).

Even after shutting down EEB's business operations effective October 31, 2024, the Receiver allowed Storefunnels to remain fully operational during the Second Reporting Period. In order to continue those operations, pursuant to Section XII, Paragraph O of the TRO Order and Section XIII, Paragraph O of the Stipulated PI, the Receiver and his agents have continued to make weekly payments to Simvoly (the company that manages the day-to-day operations and customer support for Storefunnels) via wire transfer from the Receivership Account. Simvoly's CTO, Ivan Nikolchov, has continued to send invoices to the Receiver every Tuesday, with the amount of the invoice dependent on the number of active Storefunnels websites for that week. As set forth in further detail below, the Receiver intends to shut down Storefunnels effective January 31, 2025.

D. Shutdown of EEB Business Operations and Transition of Storefunnels to Simvoly

As discussed at length in the Receiver's First Written Report and First Interim Fee Application, the Receiver and his agents took steps to shut down all aspects of EEB's business operations related to the advertising, marketing, promoting, or offering for sale of EEB's products and services to prospective purchasers following the Receiver's initial appointment pursuant to the TRO Order. The Receiver and his agents thereafter took steps to preserve and remove public access to and/or deactivate EEB's social media sites, after determining that EEB's social media marketing and advertising had not been conducted legally, that a substantial amount of the social media posts included deceptive "Earnings Claims",¹⁸ and that EEB's social media activity violated

¹⁸ The TRO Order defines Earning Claims as "[a]ny oral, written, or visual representation to a prospective purchaser

Section 5(a) of the FTC Act¹⁹ and the Business Opportunity Rule.²⁰

As noted in the Receiver's Accounting (ECF No. 53), due to the lack of detail in the accounting records and limited underlying support in the available documents, A&M was not able to quantify precisely the amount of revenue that EEB generated through the sale of its Products and Services, or the associated operating costs to generate said revenue on a product or service level offering. That said, based on A&M's accounting analysis of the available information from the Connected Accounts and information provided by Defendant Prusinowski, the Receiver formed the opinion that EEB could not be profitable without its social media marketing and advertising—which was the primary, if not sole, method through which EEB acquired new customers. The Receiver explained the factors which led to this conclusion in his First Interim Fee Application. (*See* ECF No. 54 at 43-54).

Based on the Receiver's conclusions that (a) EEB's social media marketing and advertising were not conducted legally and (b) EEB could not be profitable without its social media marketing and advertising, the Receiver and his agents made the decision to suspend *all* EEB business

that conveys, expressly or by implication, a specific level or range of actual or potential sales, or gross or net income or profits. Earnings Claims include, but are not limited to: (1) any chart, table, or mathematical calculation that demonstrates possible results based upon a combination of variables; and (2) any statements from which a prospective purchaser can reasonably infer that her or she will earn a minimum level of income." TRO Order, Definitions ¶ E. This definition parallels the definition of "Earnings Claims" found in Code of Federal Regulations; however, the CFR's definition includes specific examples of prohibited Earnings Claims, such as: "earn enough to buy a Porsche," "earn a six-figure income," or "earn your investment back within one year." 16 C.F.R. § 437.1. The TRO Order provides that "Defendants . . . in connection with advertising, marketing, promoting or offering for sale of any goods or services, are temporarily restrained and enjoined from making any Earnings Claims to a prospective purchaser."

¹⁹ Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

²⁰ The Business Opportunity Rule requires sellers to provide prospective purchasers with a disclosure document in the form and using the language set forth in the Business Opportunity Rule and its Appendix A, and any required attachment. The Business Opportunity Rule prohibits sellers from making earnings claims unless the seller: (1) has a reasonable basis for the claim at the time it is made; (2) has in its possession written materials to substantiate the claim at the time it is made; (3) furnishes an Earnings Claim statement to prospective purchasers in conjunction with the disclosure document, containing, among other things, information regarding the time frame captured by the earnings claim, the characteristics of the purchasers, and the number and percentage of all persons who purchased the business opportunity within the time frame who achieved at least the stated level of earnings; and (4) makes written substantiation of the earnings claim available to any prospective purchaser who requests it. 16 C.F.R. § 437.1(b).

operations pursuant to Section XII, Paragraph T of the TRO Order (now Section XIII, Paragraph T of the Stipulated PI). In making this decision, the Receiver placed particular significance on the fact that the TRO Order and Stipulated PI direct him to suspend business operations if “such operations cannot be continued legally *and* profitably.” TRO Order § XII ¶ T; Stipulated PI § XIII ¶ T (emphasis added). Even *if* EEB personnel were providing legitimate back-office support to existing EEB customers—which was questionable given the methods used to bring in those customers—and even if Simvoly is providing legitimate services to maintain Storefunnels, these business operations do not generate profit. Absent both legality *and* profitability, the TRO Order and Stipulated PI direct the Receiver to suspend business operations.

Accordingly, the Receiver made the decision to formally shut down EEB business operations effective October 31, 2024. The Receiver’s counsel notified all EEB contractors that their status as contractors would thus officially terminate on October 31, 2024, and that they would not receive any further payments beyond that point unless the Receiver or his agents specifically requested additional services from them.²¹ The Receiver also sent a letter to current and former EEB customers notifying them of the plan to start formally shutting down EEB business operations on October 31, 2024, but making clear that Storefunnels would remain fully operational through at least November 2024 so that they had time to decide whether they would like to keep their Storefunnels websites active and/or move their online storefronts to a different platform.

As set forth above, the Receiver’s agents then continued to make weekly payments to Simvoly, Storefunnels’ white label service provider, in order to keep Storefunnels operational during the Second Reporting Period. Additionally, the Receiver’s agents have made payments to

²¹ Upon receiving sufficient proof from four contractors that they were normally paid for work already performed—as opposed to pay in advance of work performed—the Receiver’s agents facilitated final wire transfer payments to those contractors, which totaled to \$13,747.26.

other service providers/platforms, including GoDaddy, to ensure that Storefunnels.net website domain remains fully operational.

Through discussions with Simvoly's CTO Mr. Nikolchov, the Receiver learned that numerous Storefunnels customers were reaching out to Simvoly about transferring their accounts. Mr. Nikolchov further advised that Simvoly can transfer all active Storefunnels customer accounts over to the Simvoly platform, where they would receive the exact same services and customer support as they have already been receiving through Storefunnels. The accounts can be transferred with no downtime, and the customers' website domains will continue to work; the only difference would be that the customers' "admin area" and log-in URL would change from "<unique-customer-subdomain>.storefunnels.net" to "<unique-customer-subdomain>.storefunnels.simvoly.com." Given that the Receiver has simply been serving as a middleman—collecting money from subscribers through the Storefunnels' Stripe account and making wire payments to Simvoly for its services—and that customer websites can continue to operate undisturbed if hosted by Simvoly directly, the Receiver determined that it was appropriate to shut down Storefunnels effective January 31, 2025, and have Simvoly transfer any remaining, active Storefunnels accounts over to the Simvoly platform.

After notifying all counsel of his plans and receiving no objections, the Receiver sent a letter to all active Storefunnels customers on December 24, 2024 advising of his plans, and also posted a copy of the letter to the Receivership Website. The letter advises those with active Storefunnels accounts about the ability to transfer over to the Simvoly platform upon the Storefunnels shutdown on January 31, and that the websites of any transferred accounts could continue to operate uninterrupted so long as the customers arrange for continued subscription payments directly to Simvoly. Specifically, the customers would need to re-enter their billing

information on the Simvoly platform once their current Storefunnels subscription lapses, because Simvoly cannot charge them without direct payment authorization. Thus, customers' existing Storefunnels websites would continue to exist on Simvoly until their subscription renewal dates. If customers fail to re-enter their billing details on the Simvoly platform, their websites will expire at the end of their subscription; thus, the Receiver recommended that those who wish to keep their websites active enter their billing information on the Simvoly platform before their renewal date.

This letter left customers with five (5) weeks to make a decision about their Storefunnels account/websites: If they wished to transition their Storefunnels accounts to Simvoly, they could contact Simvoly to transfer their account before January 31, or they could wait for the account to be automatically transferred to Simvoly on January 31. Alternatively, if customers did not wish to transfer their accounts to Simvoly, they need to take action before January 31 to either cancel their Storefunnels accounts or transfer their Storefunnels website to different platform. This gives customers the ability to decide how they want to proceed with their individual storefronts, and provides them with the opportunity to continue receiving the same customer support they have been receiving since the Receiver shut down EEB's back-office operations on October 31, 2024.

Mr. Nikolchov has confirmed that Simvoly will transfer all remaining accounts on January 31 in a timely manner, with no interruption to customers. Once the accounts are moved, Simvoly will send a welcome email to all customers with details about the login URL and subscription. Simvoly advised that it will notify the Receiver once the accounts are moved over, and that it will be able to assist the Receiver with accessing any prior invoices after Storefunnels is shut down, to the extent the Receiver needs to access any prior invoices for accounting or other purposes. Mr. Nikolchov also advised that Simvoly can redirect the homepage for storefunnels.net to storefunnels.simvoly.com, which is the log-in page for existing customers.

On January 31, Mr. Nikolchov informed the Receiver that all active Storefunnels accounts were successfully transferred over to Simvoly with no interruptions.

E. Accounting and Tax-Related Matters

Pursuant to Section XII, Paragraph F of the TRO Order and Section XIII, Paragraph F of the Stipulated PI, the Receiver engaged A&M to provide accounting support to the Receiver and assist him in carrying out his duties under the TRO Order and Stipulated PI. In connection with this engagement, the Receiver and his counsel provided A&M access to the available accounting records of EEB and Empire Partner, as well as access to financial accounts available to the Receiver, among other documents. The procedures performed by A&M in preparing its accounting involved the following: (1) reviewing available transaction data to verify completeness and accuracy of EEB's accounting general ledger, which A&M relied on in preparing the accounting for the Receivership Entities; (2) analyzing the cash and expense accounting records of EEB's general ledger to understand how cash was being used by EEB, including the quantification of transactions that benefited Defendant Prusinowski; (3) analyzing EEB's revenue to determine if revenue could be quantified at the product or service offering level; and (4) reviewing additional assets held at various financial institutions, such as Charles Schwab, Coinbase, and Gemini, to ensure all assets related to EEB were included in the accounting. A&M's accounting procedures and findings were discussed in depth in the Receiver's First Interim Fee Application (ECF No. 54) and in the Notice of Receiver's Accounting filed on November 15, 2024 (ECF No. 53), which are incorporated herein by reference.

A&M is continuing to provide tax-related services for the Receivership Entities on a going-forward basis. Additionally, the Receiver has made a payment to Empire Tax Advisors totaling \$1,250.00, so that Empire Tax can prepare the September 2024 accounting for the Receivership Entities (which was never completed due to the entry of the TRO Order) in a cost-effective manner.

The Receiver and his accountants have provided Empire Tax with access to the materials necessary for them to complete these services for September 2024.

F. Corporate Transparency Act

With the assistance of his Law Firm's Corporate Transparency Act ("CTA") Task Force, the Receiver and his counsel have been investigating whether the Receiver needs to file Beneficial Ownership Information ("BOI") Reports with the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) for the Receivership Entities, pursuant to the CTA and its implementing regulations. The initial filing deadline for the CTA was December 31, 2024, and the Receiver and his team began preparations for making such filings prior to that initial deadline.

On December 3, 2024, however, the United States District Court for the Eastern District of Texas issued a nationwide preliminary injunction halting enforcement of the CTA and its reporting requirements in *Texas Top Cop Shop, Inc. v. Garland*, 2024 WL 4953814 (E.D. Tex. Dec. 3, 2024).²² The government appealed the decision, and on December 23, 2024, the United States Court of Appeals for the Fifth Circuit issued an order initially staying the preliminary injunction pending appeal, *see Texas Top Cop Shop, Inc. v. Garland*, 2024 WL 5203138 (5th Cir. Dec. 23, 2024), and then subsequently vacating the stay, *see Texas Top Cop Shop, Inc. v. Garland*, 2024 WL 5224138 (5th Cir. Dec. 26, 2024), while the court considers the parties' substantive arguments regarding the constitutionality of the CTA. Briefs are expected to be submitted to the Fifth Circuit in February 2025.

On December 31, 2024, the government submitted an application for a stay of injunction pending its Fifth Circuit appeal to the United States Supreme Court. *See Garland v. Texas Top Cop Shop*, No. 24A653 (Dec. 31, 2024). On January 23, 2025, the Supreme Court granted a

²² The district court subsequently issued a superseding Amended Memorandum Opinion and Order on December 5, 2024. *See Texas Top Cop Shop, Inc. v. Garland*, --- F. Supp. 3d ---, 2024 WL 5049220 (E.D. Tex. Dec. 5, 2024).

temporary stay, pending the disposition of the appeal in the Fifth Circuit and the disposition of any petition for writ of certiorari filed with the Supreme Court. *See McHenry v. Texas Top Cop Shop, Inc.*, 2025 WL 272062 (U.S. Jan. 23, 2025). But on January 24, 2025, FinCEN issued an alert advising that although the Supreme Court granted the stay, a separate nationwide injunction issued in *Smith v. U.S. Dept. of the Treasury*, No. 6:24-cv-336-JDK (E.D. Tex. Jan. 7, 2025) remains in place, meaning that reporting companies are not currently required to file BOI Reports with FinCEN. Additionally, FinCEN indicated that reporting companies are not subject to liability if they fail to file the BOI Report while the *Smith* order remains in effect, though they can continue to voluntarily do so if they so choose. *See Alert: Ongoing Litigation – Texas Top Cop Shop, Inc., et al. v. McHenry, et al.*, No. 4:24-cv-00478 (E.D. Tex.) & Voluntary Submissions [Updated January 24, 2025], available at <https://www.fincen.gov/boi>.

The Supreme Court will likely ultimately be left to determine the constitutionality of the CTA.²³ In the meantime, the Receiver and his team continue to closely monitor any further developments in this regard.

V. OTHER ADMINISTRATIVE MATTERS

A. Notices Filed with Federal District Courts

As described in the First Interim Fee Application, following the entry of the Stipulated PI, the Receiver filed notices in accordance with 28 U.S.C. § 754 in every United States District Court.²⁴ (*See* ECF No. 54 at 54-55). This enables the Receiver to obtain complete jurisdiction

²³ Appeals addressing the constitutionality of the CTA are also pending in the Fourth, Ninth, and Eleventh Circuits. *See Firestone v. Yellen*, No. 24-6979 (9th Cir.); *Community Ass'n Inst. v. Yellen*, No. 24-2118 (4th Cir.); *United States v. Yellen*, No. 24-10736 (11th Cir.).

²⁴ The bulk of the filing fees for the § 754 Notices were reflected on Clark Hill's invoice submitted with the First Interim Fee Application. Associated Fed-Ex fees for these filings are reflected on Clark Hill's invoice submitted with this filing.

and control over any Receivership Assets located within other federal districts.^{25, 26}

B. Tax Form 56

As described in the First Interim Fee Application, the Receiver likewise promptly submitted a Tax Form 56 for EEB, Empire Partner, Star Active, and Atlas Fund following the entry of the Stipulated PI. (*See* ECF No. 54 at 55).

C. Diversion of Mail

As described in the First Interim Fee Application, the Receiver notified the United States Postal Service of the TRO extensions issued on November 1, 2024, and of the entry of the Stipulated PI on November 12, 2024, resulting in a mail forwarding extension for all Receivership Entities. (*See* ECF No. 54 at 56). The Receiver also still holds the keys for EEB's P.O. Box.

²⁵ Section 754 provides as follows:

A receiver appointed in any civil action or proceeding involving property, real, personal or mixed, situated in different districts shall, upon giving bond as required by the court, be vested with complete jurisdiction and control of all such property with the right to take possession thereof.

He shall have capacity to sue in any district without ancillary appointment, and may be sued with respect thereto as provided in section 959 of this title.

Such receiver shall, within ten days after the entry of his order of appointment, file copies of the complaint and such order of appointment in the district court for each district in which property is located. The failure to file such copies in any district shall divest the receiver of jurisdiction and control over all such property in that district.

28 U.S.C. § 754.

²⁶ A court order renewing, extending, or reappointing a Receiver resets the 10-day period to file § 754 Notices with federal district courts. *See S.E.C. v. Am. Cap. Invs., Inc.*, 98 F.3d 1133, 1142-43 (9th Cir. 1996) (citing *SEC v. Vision Communications, Inc.*, 74 F.3d 287, 291 (D.C. Cir. 1996) (“[T]he court may reappoint the receiver and start the ten-day clock of § 754 ticking once again.”)); *McNamara v. Allen*, 2017 WL 10439830, at *1 (C.D. Cal. Dec. 12, 2017) (citing *Am. Cap. Invs., supra*) (“Under 28 U.S.C. § 754, the receiver must have filed, in the district court where the person and receivership property is believed to be located, copies of the complaint and order of appointment within ten days after the entry of the order of appointment. The entry of a renewed appointment order starts a new ten-day period.”); *Terry v. June*, 2003 WL 22125300, at *3 (W.D. Va. Sept. 12, 2003) (explaining that “[s]ection 754 does not, by its terms, distinguish between initial orders of appointment and later reappointment of the receiver” but “[c]ourts having addressed this issue unanimously suggest that an order of reappointment will renew the ten-day filing deadline mandated by section 754” and collecting cases holding same).

VI. ASSETS, EXPENSES, AND LIABILITIES OF THE RECEIVERSHIP ESTATE

A. Assets

As of December 31, 2024, the total balance in the Receivership Account was \$759,820.65.

This balance is the result of the wire and transfer activity set forth below.

Since the opening of the Receivership Account through December 31, 2024, the Receivership Account has received: (a) \$610,672.41 in funds from Schwab from the EEB account on 10/1/24; (b) \$0.07 cents in Preauthorized ACH Credit from PayPal in connection with the Receiver's set up of a PayPal account in an attempt to pay back-office staff through that platform; (c) \$77,000.00 from Gordon Rees on 10/7/24; (d) \$51,945.01 from TD Bank from the EEB accounts on 10/10/24; (e) \$613,202.79 in funds from Schwab from the Atlas Fund account 10/18/24; (f) \$10,211.26 in funds from TD Bank from the Empire Partner account on 11/12/24; (g) \$18,642.00 from Gordon Rees on 11/12/24; (h) \$2,711.91 from PayPal on December 4, 2024; and (i) an additional \$971.75 in remaining funds from the Schwab Atlas Fund account on December 9, 2024.^{27, 28, 29}

As set forth above, additional assets/potential assets include: (a) the balance in the Empire Partner TD Bank Account (\$2,609.36 as of 1/20/25); (b) the balance in the Storefunnels Stripe account (\$39,720.25 as of 1/20/25); (c) the balance in Empire Partner's PayPal account (\$213.00 as of 1/20/25); (d) the assets of Empire Realty (of which Atlas Fund is the beneficial owner), including the balance in Empire Realty's TD Bank Account (\$5,937.79 as of 1/20/25) and the

²⁷ This is from a trade that was requested when the Receiver submitted his initial request for liquidation and transfer of the account, but which did not go through until later.

²⁸ This excludes transactions that cancelled one another out—*e.g.*, withdrawals and deposits totaling 19 cents each to verify the Receiver's PayPal account on December 17, 2024 and refunds for failed wire transfers to back-office staff that were re-initiated after the funds were returned.

²⁹ After the close of the Reporting Period, the Receiver also received a refund payment from Stripe totaling \$1,908.73 and a transfer of the \$341.76 balance in EEB's Schwab account on January 21, 2025.

Constitution Ave Property, less what is owed on the mortgage; (e) the value of Receivership Assets or property held in the Safe Deposit Box; and (f) a potential shareholder loan in the amount of \$95,000.00, as reported in the Receiver's Accounting (ECF No. 53).

B. Expenses

The Receiver paid the following in professional fees and expense reimbursements on December 23, 2024, in connection with the Court's approval of the Receiver's First Interim Fee Application: (a) \$112,782.25 to Clark Hill PLC for professional fees incurred by the Receiver; (b) \$283,322.69 to Clark Hill PLC for professional fees incurred by the Receiver's counsel; (c) \$6,176.56 to Clark Hill PLC for expenses incurred by the Receiver's counsel; and (d) \$153,203.00 to A&M for professional fees incurred by them in their role as the Receiver's accountants.

The Receiver paid a total of \$13,529.54 to Simvoly through December 31, 2024 through weekly payments made on 10/3/24 (\$856.19), 10/8/24 (\$2,288.65), 10/15/24 (\$1,163.35), 10/22/24 (\$779.16), 10/29/24 (\$1,426.00), 11/7/24 (\$1,197.00), 11/13/24 (\$1,116.50), 11/19/24 (\$950.10), 11/26/24 (\$838.16), 12/3/24 (\$1,114.02), 12/11/24 (\$691.35), 12/18/24 (\$583.41), and 12/24/24 (\$525.65).³⁰ The Receiver has paid a total of \$107.14 to GoDaddy through the following payments: 10/23/24 (\$48.88), 10/29/24 (\$9.71), 11/7/24 (\$9.71), 11/18/24 (\$9.71), 12/5/24 (\$9.71), 12/10/24 (\$9.71), and 12/26/24 (\$9.71).³¹ These payments have been made to ensure that Storefunnels and certain e-mail addresses remained operational for the time being, in order to keep EEB customers' Storefunnels webpages up and running, and for preservation purposes.

With the exception of a re-initiated wire transfer payment to one of the former EEB back-office personnel, after the initial wire transfer payment to him was rejected and the funds returned,

³⁰ Since December 31, 2024, additional payments to Simvoly have been made on 1/2/25 (\$586.85), 1/10/25 (\$781.55), 1/17/25 (\$656.91), and 1/22/25 (\$549.45).

³¹ Since December 31, 2024, additional payments to GoDaddy have been made on 1/6/25 (\$9.71), 1/17/25 (\$22.17), and 1/21/25 (\$9.71).

no additional payments have been made to EEB personnel beyond the \$53,986.10 previously reported as of November 19, 2024. These payments represented a combination of reduced payments of flat rates for October 2024 and/or based on past work performed upon receipt of sufficient proof. Since all EEB back-office personnel were let go effective October 31, 2024, the Receiver does not anticipate making any further payments to EEB back-office personnel.³²

Additional administrative expenses include the following payments in connection with the Receivership Account: (a) \$141.50 in WSFS Analysis Activity/Maintenance Fees paid on October 22, 2024; (b) \$1,647.45 in WSFS Analysis Activity/Maintenance Fees paid on November 26, 2024; (c) \$302.32 in check ordering fees for the Receivership Account paid on December 16, 2024; and (d) \$338.00 in WSFS Analysis Activity/Maintenance Fees paid on December 24, 2024.

The Receiver also made payment to Empire Tax Advisors via check on December 23, 2024, in the amount of \$1,250.00, but that check was not deposited until January 15, 2025.

C. Potential Liabilities

Potential liabilities largely relate to potential claims that may be submitted to the Receivership Estate in connection with losses incurred by payment processors through the processing of customer chargebacks and AMEX through the non-payment of credit card bills. The amount of known potential liabilities as of January 20, 2025 is \$344,848.76.

As of January 20, 2025, there was a balance of -\$64,694.39 in the EEB Stripe account, which suggests that Stripe may have processed chargebacks totaling that amount even after they informed Mr. Prusinowski and Receiver's counsel of their intent to shut down the account in October 2024. As of January 20, 2025, there was a balance of -\$7,453.50 in the EEB PayPal account, likewise likely due to PayPal issuing customer chargebacks. It appears that Wave may

³² The Receiver's Retained Personnel, however, continued to address payment difficulties relating to returned/failed prior payments to back-office personnel through early December 2024.

have potential claims totaling \$86,070.00 in connection with the processing of customer chargebacks as of December 12, 2024, which may have increased since then. Finally, the total balance on the EEB AMEX accounts as of January 20, 2025 was \$186,630.87, though at least \$13,763.84 of that is related to late fees, interest charges, and membership renewal fees charged since the entry of the TRO Order.

Several of these entities have inquired into whether there will be a claims process through which they can submit claims.

VII. CURRENT AND PREVIOUS BILLINGS

The total fees incurred by the Receiver for the Second Reporting Period are \$21,169.25. The total fees incurred by the Law Firm for the Second Reporting Period are \$92,451.80, while the Law Firm's expenses total \$5,094.72. The total fees incurred by the Accountant for the Second Reporting Period are \$54,285.00, while the Accountant's expenses total \$31.76.

This is the second interim fee application for approval of fees and expenses of the Receiver, Law Firm, and Accountant. A summary of the prior interim fee application in this matter is as follows:

	Fees	Expenses	Status
First Interim Fee Application for the Period September 20, 2024 through October 31, 2024, filed November 19, 2024 (ECF No. 54)			
Receiver	\$112,782.25	\$0.00	Approved 12/18/24 (ECF No. 64)
Law Firm	\$283,322.69	\$6,176.56	
Accountant	\$153,203.00	\$0.00	

As evidence of the time and effort the Receivership has required, and in support of the fee compensation and expense reimbursement sought herein, the Receiver is submitting herewith the following exhibits for the Court's review and consideration:³³

³³ Consistent with the Court's November 21, 2024 Order (ECF No. 58) regarding the Receiver's Motion to Seal the billing records submitted in connection with the Receiver's First Interim Fee Application (ECF No. 56), the Receiver

- Exhibit “A”—Summary of Legal Professional Time of the Receiver;
- Exhibit “B”—Summary of Legal Professional & Paraprofessional Time and Expenses of the Receiver’s Counsel; and
- Exhibit “C”—Summary of Accounting Professional & Paraprofessional Time and Expenses.

These exhibits, as well as the narrative descriptions in this Application, evidence the time and labor employed in this matter.

The following is a breakdown of the Receiver’s hours and fees for the Second Reporting Period:

Name/Position	Hourly Rate	Hours	Fee Amount
Kevin Dooley Kent, Receiver	\$722.50	29.3	\$21,169.25

The following is a breakdown of the Law Firms’ hours and fees for the Second Reporting Period, broken down by biller:³⁴

Name/Position	Hourly Rate	Hours	Fee Amount
Robin Weiss, Senior Attorney	\$562.50	51.80	\$29,137.50
Adam M. Ansari, Member	\$525.00	2.50	\$1,312.50
Vanessa Huber, Associate	\$436.50	76.20	\$33,261.30
Madison Mull, Associate	\$265.00	35.30	\$9,354.50
Justin Russell, Paralegal	\$270.00	71.80	\$19,386.00
Totals		237.60	\$92,451.80

is attaching redacted billing records in support of this Second Interim Fee Application, in which billing narratives describing privileged strategy and work product have been redacted. The Receiver can provide fully unredacted versions of the billing records under seal and/or submit them for *in camera* review, should the Court so request.

³⁴ The Receiver discovered 2.8 hours of charges related to the submission of the First Interim Fee Application that should have been excluded. These 2.8 hours have been crossed out of Exhibit B, reduced from Ms. Huber’s total time set forth in the above table, and the total amount requested herein reflects the exclusion of this time.

The following is a breakdown of the Accountant’s hours and fees for the Second Reporting Period, broken down by biller:

Name/Position	Hourly Rate	Hours	Fee Amount
Michael Shanahan, Managing Director	\$750.00	16.10	\$12,075.00
Tracy Gosau, Director	\$575.00	34.20	\$19,665.00
Ameeta Mehta, Senior Associate	\$450.00	34.80	\$15,660.00
Madeline Alderfer, Senior Associate	\$450.00	15.30	\$6,885.00
Totals		100.40	\$54,285.00

VIII. REQUEST FOR COMPENSATION FOR FEES AND EXPENSES

This Court has the power to award fees to the Receiver for his services and for expenses he incurred in the performance of his duties. *See Donovan v. Robbins*, 588 F. Supp. 1268, 1272 (N.D. Ill. 1984) (“[T]he receiver diligently and successfully discharged the responsibilities placed upon him by the Court and is entitled to reasonable compensation for his efforts.”); *see also Securities & Exch. Comm’n v. Elliot*, 953 F. Supp. 1560 (11th Cir. 1992) (noting that the receiver is entitled to compensation for faithful performance of his duties). This Court has discretion to determine compensation to be awarded to a court-appointed receiver and his counsel and “may consider all of the factors involved in a particular receivership in determining the appropriate fee.” *Gaskill v. Gordon*, 27 F.3d 248, 253 (7th Cir. 1994). The Third Circuit has stated that relevant considerations include “the time and labor required . . . in the proper performance of the duties imposed by the court upon the receivers, the fair value of such time, labor and skill measured by conservative business standards, the degree of activity, integrity and dispatch with which the work is conducted and the result obtained.” *United States v. Larchwood Gardens, Inc.*, 404 F.2d 1108, 1110 (3d Cir. 1968) (citing *United States v. Code Products Corp.*, 362 F.2d 669, 673 (3d Cir.

1966)); *see also Securities & Exch. Comm'n v. W.L. Moody & Co.*, 374 F. Supp. 465, 483, 485 (S.D. Tex. 1974), *aff'd*, 519 F. 2d 1087 (5th Cir. 1975) (explaining that a “basic consideration is the nature and complexity of the legal problems confronted and the skill necessary to resolve them” and that “[t]ime spent cannot be ignored.”); *Fed. Trade Comm'n v. AI Janitorial Supply Corp.*, 2020 WL 887386, at *4 (N.D. Ill. Feb. 24, 2020) (quoting *U.S. S.E.C. v. Wealth Mgmt. LLC*, 2011 WL 4479518, at *1 (E.D. Wis. Sept. 26, 2011)) (“[C]ourts evaluate fee awards by considering (1) ‘the time records presented,’ (2) ‘the benefits to the receivership estate,’ and (3) ‘the quality of the work performed.’”). Moreover, courts have recognized that the fees and expenses incurred in the beginning of a receivership will not necessarily be typical of future fee applications, due to the extent of initial start-up work required to secure and liquidate the assets and to wind up the business entities. *See Gordon v. Dadante*, 2008 WL 1805787, at *11 (N.D. Ohio Apr. 18, 2008) (recognizing that, with receivership, as is “common in cases of this nature, the bulk of the effort—and expense—is frontloaded.”).

Under these standards—and given the time and effort the Receiver and his Retained Personnel have devoted to this matter, as shown in detail above—the Receiver has adequately demonstrated that the amount of fees requested is appropriate. The Receiver has attempted to maximize cost savings as much as possible by, for example, assigning professionals and paraprofessionals with the lowest billable rate appropriate for the task at issue. The Receiver and his counsel have utilized non-billing administrative personnel where appropriate—*e.g.*, having the Law Firm’s office manager assist with fees for the filings submitted pursuant to 28 U.S.C. § 754; utilizing administrative and secretarial staff to communicate with courts in connection with issues and procedures relating to filings pursuant to 28 U.S.C. § 754; and utilizing non-billing staff to assist with change of address procedures.

Moreover, as reflected in the Summary of Time and Expenses submitted by the Receiver, Law Firm, and Accountant, the time and effort expended by the Receiver and his Retained Personnel has reduced significantly as compared to the First Interim Fee Application covering the first six (6) weeks of the Receivership. Indeed, as courts have recognized, *see Gordon*, 2008 WL 1805787, at *11, the Receiver and his Retained Personnel had to perform various time-consuming tasks immediately following the Receiver's appointment to, *inter alia*, secure Receivership Assets and Documents and investigate, take control of, and manage EEB's business operations, in accordance with the TRO Order. Now that the Receiver has shut down EEB's business operations and A&M has completed its initial accounting analysis, the Receiver and his Retained Personnel have been able to expend less time and effort on this matter generally.

The Receiver and his Law Firm never sought compensation for any pre-appointment time, and the Receiver has continued to write off certain fees incurred since his appointment, as indicated by the "No Charge" entries on the Receiver and Law Firm's bills submitted with this Application. Additionally, the Receiver and his Retained Personnel are handling this matter at substantially discounted billing rates, with the Receiver and the Law Firm operating at a 10-15% discount from their standard 2024 rates, and the Accountant operating at a discount of 26-38% discount from their standard 2024 rates.

Based on the foregoing, the Receiver respectfully submits that the compensation sought by the Receiver and his Retained Personnel is reasonable and warranted.

IX. CONCLUSION

WHEREFORE, the Receiver respectfully requests that the Court grant his Motion for Approval of the Second Interim Fee Application for the Time Period November 1, 2024 through December 31, 2024, and thereby authorize the following:

1. Payment to Clark Hill PLC in the amount of \$21,169.25, representing fees incurred for the Receiver's services performed between November 1, 2024 through December 31, 2024;
2. Payment to Clark Hill PLC in the amount of \$92,451.80, representing fees incurred for the Receiver's counsel's services performed between November 1, 2024 through December 31, 2024;
3. Payment to Clark Hill PLC in the amount of \$5,094.72, representing expenses incurred by Clark Hill PLC between November 1, 2024 through December 31, 2024;
4. Payment to Alvarez & Marsal Disputes and Investigations, LLC in the amount of in the amount of \$54,285.00, representing fees incurred for the Receiver's accountant's services performed between November 1, 2024 through December 31, 2024; and
5. Payment to Alvarez & Marsal Disputes and Investigations, LLC in the amount of \$31.76, representing expenses incurred by the Receiver's accountant's between November 1, 2024 through December 31, 2024.

Dated: February 4, 2025

Respectfully Submitted,

s/ Robin S. Weiss
Robin S. Weiss, Esquire
Vanessa L. Huber, Esquire
CLARK HILL PLC
Two Commerce Square
2001 Market Street, Suite 2620
Philadelphia, PA 19103
Phone: (215) 640-8500
Fax: (215) 640-8501
rsweiss@clarkhill.com
vhuber@clarkhill.com

*Attorneys for Receiver,
Kevin Dooley Kent*

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**EMPIRE HOLDING GROUP LLC d/b/a
ECOMMERCE EMPIRE BUILDERS d/b/a
STOREFUNNELS.NET and PETER
PRUSINOWSKI,**

Defendants.

Civil Action

No. 2:24-cv-04949-WB

CERTIFICATION OF RECEIVER, KEVIN DOOLEY KENT

Pursuant to 28 U.S.C. § 1746, I hereby certify as follows:

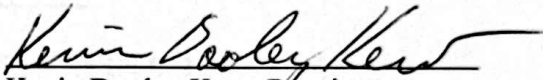
1. I, Kevin Dooley Kent, (the “Receiver” or “Applicant”), in support of the Receiver Kevin Dooley Kent’s Second Written Report and Motion for Approval of Second Interim Fee Application for the Period November 1, 2024 through December 31, 2024 (“the Application”), hereby certify as follows:

- (a) I have read the Application;
- (b) To the best of my knowledge, information, and belief formed after reasonable inquiry, the Application and all fees and expenses therein are true and accurate;
- (c) All fees contained in the Application are based on the rates listed in the Applicant’s fee schedule and such fees are reasonable, necessary, and commensurate with the skill and experience for the activity performed; and
- (d) In seeking reimbursement for a service which the Applicant justifiably purchased or contracted for from a third party (such as copying, imaging, bulk

mail, messenger service, overnight courier, computerized research, or title and lien searches), the Applicant requests reimbursement only for the amount billed to the Applicant by the third party vendor and paid by the Applicant to such vendor. With regard to any like services performed by the Receiver or his staff, the Receiver certifies that he is not making a profit on such reimbursable service.

2. I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: February 4, 2025


Kevin Dooley Kent, Receiver

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**EMPIRE HOLDINGS GROUP LLC d/b/a
ECOMMERCE EMPIRE BUILDERS d/b/a
STOREFUNNELS.NET and PETER
PRUSINOWSKI,**

Defendants.

:
:
: **Civil Action**
:
: **No. 2:24-cv-04949-WB**
:
:
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:
:

ORDER

AND NOW, this _____ day of _____ 2025, upon consideration of Receiver Kevin Dooley Kent’s Second Written Report and Motion for Approval of Second Interim Fee Application for the Period November 1, 2024 through December 31, 2024, it is hereby **ORDERED** and **DECREED** that the Motion is **GRANTED**. It is **FURTHER ORDERED** as follows:

1. The Receiver’s Second Interim Fee Application is **APPROVED**.
2. Payment to Clark Hill PLC in the amount of \$21,169.25, representing fees incurred for the Receiver’s services performed between November 1, 2024 through December 31, 2024 is **APPROVED** and may be paid by the Receiver at this time.
3. Payment to Clark Hill PLC in the amount of \$92,451.80, representing fees incurred for the Receiver’s counsel’s services performed between November 1, 2024 through December 31, 2024 is **APPROVED** and may be paid by the Receiver at the time.

4. Payment to Clark Hill PLC in the amount of \$5,094.72, representing expenses incurred by Clark Hill PLC between November 1, 2024 through December 31, 2024 is **APPROVED** and may be paid by the Receiver at this time.

5. Payment to Alvarez & Marsal Disputes and Investigations, LLC in the amount of \$54,285.00, representing fees incurred for the Receiver's accountant's services performed between November 1, 2024 through December 31, 2024 is **APPROVED** and may be paid by the Receiver at this time.

6. Payment to Alvarez & Marsal Disputes and Investigations, LLC in the amount of \$31.76, representing expenses incurred by the Receiver's accountant between November 1, 2024 through December 31, 2024, is **APPROVED** and may be paid by the Receiver at this time.

BY THE COURT:

, U.S.D.J.

Exhibit A



Kevin Dooley Kent
Two Commerce Square
2001 Market Street
Suite 2620
Philadelphia, PA 19103
kkent@clarkhill.com

Invoice: 1528605
Date: 01/17/2025
Client: L5848
Matter: 501765

Matter Name: Empire Holdings Group LLC, et al.

LEGAL SERVICES RENDERED AND COSTS ADVANCED THROUGH DECEMBER 31, 2024

Total Fees:	\$	21,169.25
Total Due This Invoice:	\$	21,169.25



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FOR LEGAL SERVICES RENDERED in connection with the above matter.

TIME AND FEE SUMMARY

Name	Initials	Rate	Hours	Amount
Kevin Kent	KK	\$722.50	29.30	21,169.25
			Total	29.30 \$ 21,169.25

DETAIL OF LEGAL SERVICES

Date	Initials	Description	Hours
11/01/24	KK	Emails with Empire Accounting re tax returns.	0.10
11/01/24	KK	Multiple correspondences with consumers and follow-up emails with MK Mull.	0.30
11/01/24	KK	Multiple emails re contractor payments.	0.20
11/01/24	KK	Review CTA research and correspondences with R. Weiss and D. Malone re same.	0.20
11/02/24	KK	Review Stripe response to Order.	0.10
11/03/24	KK	Email to R. Weiss re contractor payment.	0.10
11/03/24	KK	Email to TD Bank's counsel.	0.10
11/04/24	KK	Emails with V. Huber [REDACTED]	0.10
11/04/24	KK	Review Court Order and emails with R. Weiss re hearing preparations.	0.20
11/04/24	KK	Phone call and correspondence from claimant. Emails with M. Mull re same (.2 NO CHARGE).	0.00
11/05/24	KK	Phone calls with R. Weiss re discussions with FTC and hearing preparations. Emails with R. Weiss and V. Huber re same.	0.90



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11/05/24	KK	Emails with R. Weiss [REDACTED] [REDACTED]	0.50
11/06/24	KK	Review inquiry from Simvoly re refunds. Emails with V. Huber [REDACTED] [REDACTED]	0.30
11/06/24	KK	Multiple correspondences and phone calls with claimants. Emails with M. Mull re same.	0.30
11/06/24	KK	Emails with FTC and R. Weiss re proposed stipulated PI.	0.20
11/07/24	KK	Meeting with R. Weiss re action items re hearing, declaration and potential stipulated PI. Email to R. Weiss re [REDACTED] [REDACTED]	0.40
11/07/24	KK	Review and suggest revisions to draft declaration. Email to R. Weiss and V. Huber re same.	0.80
11/07/24	KK	Emails and conference call with FTC [REDACTED] and stipulated order.	0.50
11/07/24	KK	Emails and meeting with V. Huber [REDACTED] [REDACTED]	0.40
11/07/24	KK	Phone call with claimant Christa (.2 NO CHARGE).	0.00
11/07/24	KK	Review and suggest revisions to stipulated PI. Meet with V. Huber re same.	0.90
11/07/24	KK	Review updated stipulation and draft joint motion from FTC and correspondences from FTC re same. Review redlines comparison. Emails with R. Weiss re same.	0.90
11/07/24	KK	Review further revisions / comments to declaration and email to R. Weiss re same.	0.20
11/07/24	KK	Meet with V. Huber [REDACTED] [REDACTED]	0.30
11/08/24	KK	Review notice from Court re Order. Phone call with V. Huber and emails with team re action items re same re notice to banks, asset holders, et al., 754 notices and USPS.	1.00



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11/08/24	KK	Review show cause order. Emails with FTC re same. Emails with V. Huber and FTC re follow-up.	0.30
11/08/24	KK	Emails with WSFS re motion to extend PI and expiration of order.	0.20
11/08/24	KK	Emails with FTC and Court re hearing and clarification re show cause order in light of entry of stipulated PI.	0.10
11/08/24	KK	Email to TD Bank re accounts and new order.	0.10
11/08/24	KK	Review and execute finalized affidavit. Emails with R. Weiss re same. Phone call with R. Weiss [REDACTED]	0.60
11/08/24	KK	Conference call and correspondences with R. Weiss and V. Huber re action items [REDACTED]	0.60
11/09/24	KK	Memo to R. Weiss and V. Huber re short term and mid term action items [REDACTED]	0.30
11/10/24	KK	Phone call and correspondences with R. Weiss re strategy [REDACTED]	0.30
11/10/24	KK	Review draft A&M affidavit. emails with V. Huber re same.	0.50
11/11/24	KK	Review V. Huber annotation of action items.	0.20
11/11/24	KK	Multiple emails with R. Weiss, V. Huber and A&M re [REDACTED]	0.50
11/11/24	KK	Review and revise updated declaration. Emails with R. Weiss re same.	0.30
11/11/24	KK	Approve update email to consumers (.1 NO CHARGE).	0.00
11/11/24	KK	Meeting with V. Huber and R. Weiss re action items re hearing, declarations, post-PI filings for 754 notices and IRS, [REDACTED]	1.80
11/12/24	KK	Correspondence to TD bank re accounts.	0.10



Kevin Dooley Kent, Receiver
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11/12/24	KK	Review notices from USPS and meet with K. Walsh re resolving same.	0.40
11/12/24	KK	Attend to bank account transfer and closure matters and TD Bank. Multiple correspondences with TD Bank in house counsel, TD Bank Levy department, and receiver legal during same.	2.50
11/12/24	KK	Review Order re hearing.	0.10
11/12/24	KK	Phone calls with D. Wyo. Emails with M. Mull re same. (.3 NO CHARGE)	0.00
11/13/24	KK	Review materials from Truist and email to V. Huber re follow-up.	0.10
11/13/24	KK	Review materials from Simvoly and emails with V. Huber re response to same.	0.20
11/13/24	KK	Multiple notices, correspondences and phone calls from District Courts. Emails with M. Mull re follow-up.	0.60
11/13/24	KK	Correspondence from Stripe re accounts and documents.	0.10
11/14/24	KK	Multiple correspondences from Amex and other financial institutions re accounts and credit cards.	0.20
11/14/24	KK	Email from TD Bank re closure of Empire Holdings 1 and 2 accounts.	0.10
11/14/24	KK	Phone calls and correspondences from and with several district courts re Form 754 notices. Emails with MK Mull re follow-up.	0.70
11/15/24	KK	Review updated accounting and emails with V. Huber and R. Weiss [REDACTED]	0.30
11/15/24	KK	Emails with V. Huber re [REDACTED]	0.20
11/15/24	KK	Meeting with A&M and R. Weiss re CTA issues.	0.50
11/18/24	KK	Review Schwab statement.	0.10
11/18/24	KK	Review materials from Stripe re accounts and emails with R. Weiss re same.	0.10



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11/18/24	KK	Review correspondences and notices from multiple district courts and emails to M. Mull re same (.2 NO CHARGE).	0.00
11/20/24	KK	Meeting with R. Weiss and V. Huber re action items re additional receivership assets, [REDACTED], tax filings, and related matters.	1.30
11/20/24	KK	Emails with A. Ansari and R. Weiss re CTA analysis (50% time of .4)	0.20
11/21/24	KK	Review Amex materials and correspondences with R. Weiss re updated letter to defendant re same.	0.40
11/21/24	KK	Review and comment on letter to Schwab.	0.10
11/22/24	KK	Review and revise draft correspondence re Empire Realty (.2 NO CHARGE).	0.00
11/26/24	KK	Review update from Simvoly re customers.	0.10
11/26/24	KK	Phone call and correspondences with R. Weiss and J. Russell [REDACTED]	0.30
11/26/24	KK	Multiple correspondences with R. Weiss, V. Huber, J. Russell and T. Gossau re update on tax accounting work, Amex's position on charges, 754 filings, and customer issues.	0.60
11/27/24	KK	Emails with R. Weiss re [REDACTED]	0.10
12/02/24	KK	Emails with SDNY and with M. Mull re cover sheet and 754 filing (.2 NO CHARGE).	0.00
12/02/24	KK	Review materials from TD Bank re notices of transactions and returned funds. Emails to V. Huber and J. Rusell re same.	0.10
12/03/24	KK	Emails with A. Ansari and R. Weiss re CTA analysis [REDACTED]	0.10
12/03/24	KK	Review recent transactions in TD account.	0.10
12/06/24	KK	Emails with R. Weiss re Schwab account activity.	0.10
12/09/24	KK	Review from R. Weiss re discussion with Schwab's counsel re disputed Schwab funds.	0.10



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12/09/24	KK	Review Court Order (.1 NO CHARGE).	0.00
12/10/24	KK	Emails with J. Russell and R. Weiss re recent wires into Empire Holdings account.	0.10
12/10/24	KK	Emails and phone call with R. Weiss re defendant's personal tax returns. Review email from Empire Tax re same.	0.20
12/11/24	KK	Phone call with J. Russell and PayPal.	0.10
12/12/24	KK	Phone calls with R. Weiss re [REDACTED] and related action items.	0.50
12/13/24	KK	Review Court Order. Emails with V. Huber re same (.1 NO CHARGE).	0.00
12/13/24	KK	Review email from WAVE re transactions in account. Emails with R. Weiss and J. Russell re response to same.	0.10
12/13/24	KK	Discuss actions items for conference with R. Weiss and V. Huber.	0.10
12/14/24	KK	Emails with R. Weiss re review of individual defendant's updated financial disclosures.	0.10
12/16/24	KK	Review and approve draft letter to Wave re its continued violations of PI Order (.1 NO CHARGE).	0.00
12/17/24	KK	Prepare and appear for conference with the Court. [REDACTED] (0.9 - take off 0.2 for conference attendance).	0.70
12/18/24	KK	Emails with R. Weiss and V. Huber re Storefunnels operational issues.	0.10
12/18/24	KK	Review and approve email to defendants' counsel re assets.	0.10
12/18/24	KK	Review and approve draft letter to Storefunnels' customers. Email to R. Weiss re next steps re same.	0.10
12/19/24	KK	Meeting with R. Weiss and V. Huber re action items [REDACTED]	0.70



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12/19/24	KK	Review correspondences with Simvoly. Emails with R. Weiss and V. Huber re same.	0.20
12/20/24	KK	Review update from R. Weiss re [REDACTED]	0.10
12/20/24	KK	Review select portions of customer agreement in connection with potential transaition of customers to Simvoly. Email to V. Huber re same. Review updated letter to customers re technical input from Simvoly. Approve same.	0.30
12/20/24	KK	Review research [REDACTED]. Email to R. Weiss re same.	0.10
12/23/24	KK	Review email from Simvoly re transfer of certain customer accounts and process for same.	0.10
12/23/24	KK	Review updated correspondence to existing Storefunnels customers re transfer of accounts. Approve same.	0.10
12/23/24	KK	Emails with R. Weiss re letter to Court and [REDACTED]. Review defendants' comments re same. review Court order. Update from R. Weiss re conference with court and [REDACTED]	0.70
12/23/24	KK	Review notice of conference (.1 NO CHARGE).	0.00
12/23/24	KK	Phone call with R. Weiss re [REDACTED] (.2 NO CHARGE).	0.00
12/31/24	KK	Emails with R. Weiss re conference with Court [REDACTED]	0.10
Total			29.30

TASK SUMMARY

	Hours	Amount
L120 - Analysis/Strategy	29.3	21,169.25
A101 - Plan and prepare for	0.7	505.75
A104 - Review/analyze	9.9	7,152.75



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A105 - Communicate (in firm)	12.6	9,103.50
A107 - Communicate (outside counsel)	0.6	433.50
A108 - Communicate (other external)	3.0	2,167.50
A109 - Appear for/attend	2.5	1,806.25
	<hr/>	<hr/>
	29.3	\$21,169.25

Exhibit B



Kevin Dooley Kent
Two Commerce Square
2001 Market Street
Suite 2620
Philadelphia, PA 19103
kkent@clarkhill.com

Invoice: 1528604
Date: 01/17/2025
Client: L5848
Matter: 501765

Matter Name: Empire Holdings Group LLC, et al.

LEGAL SERVICES RENDERED AND COSTS ADVANCED THROUGH DECEMBER 31, 2024

Total Fees:	\$	93,674.00
Total Expenses:		5,094.72
Total Due This Invoice:	\$	98,768.72



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FOR LEGAL SERVICES RENDERED in connection with the above matter.

TIME AND FEE SUMMARY

Name	Initials	Rate	Hours	Amount
Adam M. Ansari	AMA	\$525.00	2.50	1,312.50
Robin Weiss	RW	\$562.50	51.80	29,137.50
Vanessa Huber	VH	\$436.50	79.00	34,483.50
Madison Mull	MM	\$265.00	35.30	9,354.50
Justin Russell	JR	\$270.00	71.80	19,386.00
			Total	240.40 \$ 93,674.00

DETAIL OF LEGAL SERVICES

Date	Initials	Description	Hours
11/01/24	MM	Correspondence and telephone conferences with 29 former Empire customers regarding shut down of business.	3.50
11/01/24	RW	Review and forward and/or respond to consumer emails, and communicate with V. Huber, K. Kent, and M. Mull regarding same.	0.30
11/01/24	RW	Review, forward and/or respond to back-office staff emails and communicate with K. Kent, V. Huber, J. Russell, and M. Mull regarding same.	0.40
11/01/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, M. Mull, and C. Chew regarding same.	0.90
11/01/24	VH	Review and revise draft response emails to Empire customers and send revised email responses to J. Russell.	0.80
11/01/24	VH	Finish reviewing and annotating P. Prusinowski deposition transcript.	0.60
11/01/24	VH	Draft K. Prusinowski deposition questions and send same to R. Weiss.	0.70
11/02/24	RW	Review and analyze invoice from contractor regarding October work and email V. Huber, J. Russell and K. Kent [REDACTED]	0.20



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11/03/24	MM	Correspondence with 1 former Empire customer regarding shutdown of business.	0.10
11/03/24	VH	Draft A. Gulshan deposition questions and send same to R. Weiss to review.	1.10
11/04/24	JR	Review WSFS account regarding 10/9 payment to A. Hussian and email to A. Maldonado regarding status of wire payment.	0.40
11/04/24	JR	Review receivership inbox regarding consumer questionnaires and update summary questionnaires and update box folder	1.50
11/04/24	JR	Generate wire payment and emails to/from V. Huber regarding Wire payment.	0.60
11/04/24	JR	Review WSFS account and update transaction ledger.	0.30
11/04/24	JR	Review WSFS account regarding wire payment and screenshot confirmation to V. Huber for review.	0.20
11/04/24	JR	Review Gemini Account and forward account balance to R. Weiss, K. Kent and V. Huber.	0.20
11/04/24	MM	Correspondence and telephone conference with 3 former Empire customer regarding shutdown of business.	0.40
11/04/24	RW	Review and revise deposition outline for K. Prusinowski.	0.30
11/04/24	RW	Appear for and take deposition of K. Prusinowski.	1.80
11/04/24	RW	Review order granting defendant's motion for attorney's fees.	0.10
11/04/24	RW	Review messages from PayPal and Gemini cryptocurrency regarding fund transfer issues and email V. Huber, K. Kent and J. Russell, and counsel for PayPal regarding same.	0.20
11/04/24	RW	Communicate with V. Huber regarding deposition testimony and order regarding motion for attorney's fees.	0.40
11/04/24	RW	Review order granting defense motion for attorney's fees.	0.10



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11/04/24	RW	Emails with V. Huber, J. Russell, and K. Kent regarding continued payment requests from back-office staff.	0.20
11/04/24	VH	Prepare for A. Gulshan deposition.	0.60
11/04/24	VH	Attend and conduct deposition of A. Gulshan.	4.00
11/04/24	VH	Confer with R. Weiss regarding overview of A. Gulshan and K. Prusinowski depositions and other actions items regarding Empire business operations.	0.30
11/04/24	VH	Confer with J. Russell and R. Weiss regarding Empire back office contractor wire transfer payments.	0.40
11/04/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, and C. Chew regarding same.	0.40
11/04/24	VH	Email correspondence with Empire back office contractors and WSFS regarding wire transfer payments.	0.40
11/05/24	JR	Review WSFS account regarding Skydo payment.	0.20
11/05/24	JR	Review WSFS account regarding statement and forward to K. Kent, R. Weiss, V. Huber, and M. Mull.	0.20
11/05/24	JR	Review receivership inbox regarding consumer questionnaires and update summary questionnaires and update box folder	2.70
11/05/24	JR	Emails to/from M. Mull regarding tiktok account.	0.20
11/05/24	MM	Correspondence and telephone conference with 5 former Empire customers regarding shutdown of business.	0.70
11/05/24	MM	Draft section for Declaration regarding update on social media.	1.00
11/05/24	RW	Communications with K. Kent, V. Huber, M. Mull and J. Russell regarding P. Prusinowski's cell phone records, K. Prusinowski deposition, [REDACTED] [REDACTED] [REDACTED]	0.60
11/05/24	RW	Communicate with V. Huber regarding continued issues with payments to certain back-office staff.	0.20



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11/05/24	RW	Meet with A. Grier and R. McAuliffe regarding status and upcoming hearing.	0.90
11/05/24	RW	Communications with K. Kent, V. Huber, J. Russell, and M. Mull regarding supplemental declaration for hearing [REDACTED]	0.30
11/05/24	RW	Meet with M. Shanahan and T. Gosau [REDACTED]	1.10
11/05/24	RW	Calls with V. Huber [REDACTED]	0.20
11/05/24	RW	Call with K. Kent regarding [REDACTED]	0.40
11/05/24	VH	Confer with R. Weiss regarding Receiver's declaration to be submitted in advance of preliminary injunction hearing.	0.10
11/05/24	VH	Review and analyze defendants' opposition arguments [REDACTED]	0.30
11/05/24	VH	Email correspondence with Skydo regarding wire transfer payment to Empire back office contractor.	0.30
11/05/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, and J. Russell regarding same.	0.70
11/05/24	VH	Draft summary of work performed following submission of Receiver's Report to the court [REDACTED]	0.50
11/06/24	JR	Phone call with M. Joyner regarding box folder access regarding questionnaires	0.10
11/06/24	JR	Phone call with V. Huber regarding G-Suite account.	0.30
11/06/24	JR	Initiate wire payment regarding simvolvy and emails to/from V. Huber regarding wire payment.	0.30
11/06/24	JR	Review receivership inbox regarding consumer questionnaires and update summary questionnaires and update box folder	0.20



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11/06/24	JR	Review WSFS account and update transaction ledger.	0.20
11/06/24	JR	Review GoDaddy account.	0.20
11/06/24	MM	Correspondence and telephone conference with 3 former Empire customers regarding shutdown of business.	0.40
11/06/24	RW	Begin to prepare K. Kent declaration for filing in preparation for PI hearing.	2.70
11/06/24	RW	Communicate with V. Huber and Skydo regarding payment and refund issues.	0.10
11/06/24	RW	Communicate with M. Boland and V. Huber regarding document sharing (0.1); Review emails from customers and email M. Mull, J. Russell and V. Huber regarding same (0.1); Communicate with counsel for Paypal regarding account issues and return of balance (0.1); Communications regarding issues with payment on StoreFunnels GoDaddy account (0.1); Call with Special Counsel for Celsius Network regarding notice of TRO Order and request for extension of time to respond (0.1).	0.50
11/06/24	RW	Call with A. Grier and R. McAuliffe regarding current status of case.	0.80
11/06/24	RW	Calls with V. Huber regarding plan [REDACTED]	0.70
11/06/24	RW	Review and comment on proposed stipulated preliminary injunction.	0.20
11/06/24	VH	Confer with J. Russell regarding access to Empire Google Workspace account and GoDaddy renewal payment for Storefunnels email.	0.30
11/06/24	VH	Revise and further draft Receiver's declaration and send updated draft to K. Kent and R. Weiss for review.	1.90
11/06/24	VH	Review and download documents from Empire Google Workspace and send same to A&M.	0.80
11/06/24	VH	Review and comment on draft stipulated preliminary injunction and send copy of same with comments to K. Kent and R. Weiss for review.	0.50



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11/06/24	VH	Confer with R. Weiss regarding revisions to Receiver's declaration to be submitted in advance of preliminary injunction hearing, overview of call with A. Grier regarding potential stipulated preliminary injunction, and strategy [REDACTED]	0.70
11/06/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, and J. Russell regarding same.	1.50
11/07/24	JR	Review Amex account regarding re-freeze of accounts.	0.30
11/07/24	JR	Review receivership inbox, and box folder regarding inquires and questionnaires.	2.40
11/07/24	JR	Review GoDaddy account and submit payment for email domain and update transaction ledger.	0.40
11/07/24	JR	Review receiver declaration.	0.20
11/07/24	MM	Telephone conference with former Empire customer regarding shutdown of business.	0.20
11/07/24	MM	Analyze Defendant's financial disclosures [REDACTED]	0.30
11/07/24	MM	Review records in Relativity database [REDACTED]	1.70
11/07/24	RW	Meet with K. Kent to discuss preparations for upcoming preliminary injunction hearing and declaration.	0.40
11/07/24	RW	Review and sign stipulated protective order; Call with V. Huber regarding protective order, declaration, and review of materials from Lodmell & Lodmell.	0.90
11/07/24	RW	Review and revise proposed Receiver's declaration.	0.30
11/07/24	VH	Attend Teams call with T. Gosau regarding Empire client information in Monday for accountant declaration.	0.40
11/07/24	VH	Review and revise draft stipulated preliminary injunction and send updated draft of same to A. Grier and R. McAuliffe.	0.30



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11/07/24	VH	Confer with T. Gosau regarding account balance in the Storefunnels Stripe account.	0.30
11/07/24	VH	Draft proposed language for stipulated preliminary injunction with K. Kent and send same to A. Grier and R. McAuliffe.	0.30
11/07/24	VH	Confer with A. Grier, R. McAuliffe, and K. Kent regarding the parties' proposed stipulated preliminary injunction to be filed with the court.	0.50
11/07/24	VH	Email correspondence with Empire back office contractors regarding wire transfer payments.	0.10
11/07/24	VH	Email correspondence with counsel from Lodmell regarding Lodmell's response to subpoena.	0.10
11/07/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, J. Russell, and C. Chew regarding same.	1.10
11/07/24	VH	Review and revise Receiver's declaration to be submitted in advance of the preliminary injunction hearing and send updated draft to R. Weiss and K. Kent for review.	1.40
11/07/24	VH	Review Storefunnels terms and conditions and send proposed revised language regarding Storefunnels refund policy to K. Kent and R. Weiss for review.	0.60
11/07/24	VH	Email correspondence with K. Kent regarding Storefunnels terms and conditions.	0.10
11/07/24	VH	Review finalized stipulated preliminary injunction and correspond with K. Kent and R. Weiss regarding same.	0.20
11/07/24	VH	Review and analyze documents received from Lodmell in response to subpoena and take notes of the contents therein.	0.50
11/07/24	VH	Confer with R. Weiss regarding overview of call with A. Grier and R. McAuliffe regarding revisions to stipulated preliminary injunction and preliminary findings from Lodmell subpoena document production.	0.70
11/08/24	JR	Review WSFS account regarding returned wire payment and email findings to V. Huber and R. Weiss.	0.20
11/08/24	JR	Review receivership inbox regarding inquires and draft responses to inquiries for review.	2.60



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11/08/24	JR	Initiate wire payment and emails to/from V. Huber regarding wire payment.	0.40
11/08/24	JR	Assemble list of current counsel for plaintiff's and defendants (.4 NO CHARGE).	0.00
11/08/24	JR	Review box folder and inbox and update costumer questionnaire summary	1.00
11/08/24	MM	Draft Notices to Entities and/or individuals to update them on the entry of the Stipulated Preliminary Injunction.	0.80
11/08/24	MM	Analyze documents within Relativity database [REDACTED]	0.30
11/08/24	RW	Review order granting stipulated preliminary injunction and scheduling show cause hearing and communications with all counsel regarding same; Review email from V. Huber regarding duration of same.	0.20
11/08/24	RW	Communicate with counsel for Celsius regarding extension to respond to document requests and stipulated preliminary injunction; Review letter response from American Express in response to document demands.	0.20
11/08/24	RW	Review M. Shanahan and K. Kent declarations for upcoming hearing; Calls with K. Kent and V. Huber regarding same; Calls with counsel for FTC and defendants regarding status of hearing.	1.80
11/08/24	RW	Review and revise template notice letters regarding stipulated Preliminary Injunction (0.1); Communicate with J. Russell regarding circulation of bank statements (0.1); Review, assess, and handle other operational issues relating to Receivership and communicate with K. Kent, V. Huber, J. Russell and M. Mull regarding same (0.2).	0.40
11/08/24	VH	Confer with K. Kent and R. Weiss regarding Receiver's Declaration and A&M's Declaration to be submitted in advance of show cause hearing.	0.50
11/08/24	VH	Conduct legal research [REDACTED] and send summary of research findings to K. Kent and R. Weiss.	0.80
11/08/24	VH	Confer with R. Weiss regarding overview of call with counsel for Stripe and reversal of withdrawal from Empire's TD Bank account.	0.20



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11/08/24	VH	Confer with K. Kent regarding overview of call with counsel for Stripe and reversal of withdrawal from Empire's TD Bank account.	0.20
11/08/24	VH	Confer with counsel for Stripe regarding reversal of withdrawal of funds from Empire's TD Bank account and notice of stipulated preliminary injunction.	0.10
11/08/24	VH	Review and revise draft Receiver Declaration and send updated draft to R. Weiss and K. Kent for review.	0.30
11/08/24	VH	Review and revise notice of 754 filing and cover letter for same and send updated copies to M. Mull.	0.70
11/08/24	VH	Draft template letter regarding notice of Stipulated Preliminary Injunction to send to banks, entities, and other third parties.	0.90
11/08/24	VH	Confer with K. Kent regarding duration of Stipulated Preliminary Injunction and sending out notices and 754 notices of same.	0.20
11/08/24	VH	Email correspondence with K. Kent, R. Weiss, M. Mull, and J. Russell regarding preparation of 754 notices and notices to banks and entities regarding the Stipulated Preliminary Injunction.	0.20
11/08/24	VH	Continue reviewing and analyzing documents received from Lodmell in response to subpoena and taking notes of the contents therein.	1.10
11/08/24	VH	Review and comment on draft M. Shanahan declaration and send copy with comments to K. Kent and R. Weiss for review.	1.50
11/08/24	VH	Email correspondence with Empire back office contractors regarding wire transfer payments.	0.10
11/08/24	VH	Email correspondence with K. Kent and A. Grier regarding court order scheduling show cause hearing for November 12.	0.20
11/08/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, and J. Russell regarding same.	0.30
11/08/24	VH	Facilitate wire transfer payments to Empire back office contractors with J. Russell.	0.20
11/08/24	VH	Prepare W-9 Form for Empire for Stripe reversal of withdrawal.	0.60



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11/10/24	RW	Further review and comment on declaration of M. Shanahan.	0.40
11/10/24	RW	Review 754 notice regarding preliminary injunction and email V. Huber and M. Mull regarding same.	0.10
11/10/24	RW	Call with K. Kent regarding plan [REDACTED]	0.20
11/10/24	VH	Review and revise template notice letter to banks, entities, and third parties regarding the Stipulated Preliminary Injunction and send updated template letter to R. Weiss for review.	0.10
11/10/24	VH	Incorporate K. Kent suggested revisions into M. Shanahan declaration and send updated draft of same to M. Shanahan and T. Gosau.	0.10
11/10/24	VH	Confer with J. Russell regarding responses to Empire customer emails and confer with K. Kent and R. Weiss regarding strategy [REDACTED]	0.80
11/10/24	VH	Review updated draft of M. Shanahan declaration and email R. Weiss and K. Kent regarding same.	0.50
11/11/24	JR	Emails to/from K. Kent, R. Weiss, V. Huber, M. Mull, A. Grier, R. McAuliffe, G. Christiansen, and S. McBrearty regarding Bank statement.	0.30
11/11/24	JR	Review receivership inbox.	0.20
11/11/24	JR	Attend zoom meeting with K. Kent, R. Weiss, V. Huber, and M. Mull regarding case strategy.	1.00
11/11/24	JR	Review empire tax invoice regarding payment.	0.30
11/11/24	MM	Strategize with K. Kent, V. Huber, R. Weiss, and J. Russell [REDACTED]	1.00
11/11/24	MM	Correspondence with 2 customers regarding shutdown of Empire's business.	0.20
11/11/24	MM	Update Receivership website with Stipulated Preliminary Injunction to notify consumers of ongoing litigation (.2 NO CHARGE).	0.00



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11/11/24	MM	Draft notices and cover letters for 9 District Courts to update them about the entry of the Stipulated Preliminary Injunction.	1.00
11/11/24	MM	Draft 754 Notices and Cover Letters to all District Courts within the country to notify them of the Stipulated Preliminary Injunction; Draft updated Notice and Cover Letters to District Courts whom have already received Notice to update them about Stipulated Preliminary Injunctions; Draft updated Notice letters to all banks/individuals/entities who had prior notice to update them about Stipulated Preliminary Injunction; correspondence with banks/individuals/entities about Stipulated Preliminary Injunction.	3.50
11/11/24	RW	Call with A. Grier and R. McAuliffe regarding upcoming hearing and plan for same.	0.70
11/11/24	RW	Review revised notice letter to banks and other third parties and communicate with V. Huber regarding same (0.1); Review invoice from Empire Tax for accounting services through entry of TRO Order and email M. Shanahan, T. Gosau, and internal team regarding same (0.1); Review proposed email to consumers regarding stipulated preliminary injunction and email A. Grier and R. McAuliffe regarding plan for directing consumer refund requests (0.1); Review notice letters sent out to third parties and communicate with V. Huber and M. Mull regarding same (0.2); Email and call with counsel for PayPal regarding compliance with order and transfer of balance (0.3).	0.80
11/11/24	RW	Meet with K. Kent, V. Huber, J. Russell (partial) and M. Mull (partial) regarding updated bank notices and 754 Notice, responding to consumer inquiries, plan for [REDACTED], and other action items.	1.80
11/11/24	RW	Review and revise K. Kent Declaration, Communicate with K. Kent and V. Huber regarding same, review additional revisions and exhibits and finalize same for filing.	0.90
11/11/24	VH	Attend Zoom call with K. Kent, R. Weiss, M. Mull, and J. Russell regarding strategy for various outstanding action items.	1.80
11/11/24	VH	Draft template email to Empire customers notifying of Stipulated Preliminary Injunction and send draft email to R. Weiss for review.	0.40
11/11/24	VH	Review and revise Receiver's declaration to be submitted in advance of court show cause hearing and send updated draft to R. Weiss and K. Kent.	0.30



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11/11/24	VH	Confer with R. Weiss regarding Receiver's declaration to be submitted in advance of court show cause hearing.	0.10
11/11/24	VH	Draft updated Tax Form 56s for Receivership Entities and cover letter enclosing same and send updated tax forms with cover letter to mailroom for mailing to the IRS.	0.40
11/11/24	VH	Manage Empire business operations and communicate with K. Kent, R. Weiss, M. Mull, and J. Russell regarding same.	0.30
11/12/24	JR	Review WSFS account regarding incoming wires, update transaction ledger, and email to A. Smith regarding issue with invoice link.	0.50
11/12/24	JR	Review box shared folder regarding questionnaires and update summary.	0.70
11/12/24	JR	Generate box link regarding statement and forward link to M. Joyner	0.10
11/12/24	JR	Download and forward WSFS statement to T. Gosau and M. Shanahan.	0.30
11/12/24	MM	Telephone conferences with two prior customers regarding shutdown of Empire Holdings Group Business.	0.30
11/12/24	MM	Draft Notices for Entities to inform them of Stipulated Preliminary Injunction and to locate assets.	0.90
11/12/24	RW	Review order cancelling show cause hearing; Email M. Shanahan and T. Gosau regarding plan for [REDACTED].	0.20
11/12/24	RW	Communicate with K. Kent, M. Shanahan and T. Gosau regarding plan for accounting.	0.20
11/12/24	RW	Communicate with K. Kent and V. Huber regarding closure of TD Bank accounts (0.1); Review emails with WSFS regarding attempts to recall transfers to contractor involving Skydo (0.1); Review response from Closer Secrets to notice letter and email team regarding same (0.2); Review P. Hoppenfeld response to notice letter (0.1); Communicate with V. Huber regarding response to Simvolvy regarding payment, customer refund requests, and entry of stipulated PI Order (0.1).	0.60
11/12/24	RW	Meet with M. Shanahan and T. Gosau regarding plan for accounting.	0.60
11/12/24	VH	Review, compile, and download A. Gulshan deposition transcript and exhibits.	0.20



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11/12/24	VH	Review and revise template letter regarding notice of Stipulated Preliminary Injunction and send updated draft of same to M. Mull.	0.40
11/12/24	VH	Review and revise template 754 Notice and cover letter enclosing same and send updated drafts to M. Mull.	0.30
11/12/24	VH	Email correspondence with Simvoly regarding invoice for payment for operation of Storefunnels, nonaction on refund requests, and notice of Stipulated Preliminary Injunction.	0.20
11/12/24	VH	Email correspondence with K. Kent regarding wire information for Receivership bank account.	0.10
11/12/24	VH	Email correspondence with R. Weiss regarding documents and information requested from Closer Secrets and R. Grizzle.	0.10
11/13/24	JR	Review box folder regarding questionnaires and update summary.	0.80
11/13/24	JR	Review WSFS account regarding Wire Transfer to O. Awan and forward information to V. Huber.	0.10
11/13/24	JR	Initiate simvoly wire payment and confer with V. Huber regarding payment.	0.20
11/13/24	RW	Review email and materials from Simvoly regarding customer transition and email team regarding same (0.2); Communicate with accountant and counsel for P. Prusinowski regarding Quickbooks access for completion of personal tax returns (0.1).	0.30
11/13/24	VH	Facilitate wire payment to Simvoly for Storefunnels with J. Russell.	0.20
11/13/24	VH	Confer with R. Weiss regarding notice to Empire customers of Stipulated Preliminary Injunction and potential ability to transfer services to Simvoly.	0.10
11/13/24	VH	Draft email response to Northern District of New York supervisor regarding 754 filing.	0.20
11/13/24	VH	Email correspondence with J. Russell regarding wire transfer payments to Empire back office contractors.	0.10
11/13/24	VH	Email correspondence with C. Chew regarding access to and preservation of Empire Inner Circle Mastermind calls.	0.20



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11/13/24	VH	Email correspondence with Empire back office contractor regarding wire transfer payment.	0.10
11/13/24	VH	Confer with K. Kent and R. Weiss regarding customer requests to transfer from Storefunnels to Simvoly platform and send response email to Simvoly regarding same.	0.50
11/13/24	VH	Review faxed documents received from Truist and prior correspondence between Truist and the FTC, and correspond with K. Kent, R. Weiss, M. Mull, and J. Russell [REDACTED]	0.40
11/14/24	JR	Review WSFS account regarding incoming wire regarding preliminary injunction and email findings to R. Weiss and update transaction ledger.	0.30
11/14/24	JR	Review inbox, and box shared folder regarding questionnaires, update questionnaire summary.	0.30
11/14/24	JR	Review Amex account regarding account freeze.	0.30
11/14/24	JR	Email to R. Weiss regarding Gemini account.	0.10
11/14/24	RW	Review response from Truist in response to stipulated PI Order, communicate with team, and email R. Tyndall regarding same (0.2); Communicate with R. Poteet and J. Russell regarding receipt of funds (0.1); Review response from DocuSign regarding stipulated preliminary injunction and respond to same (0.1); Review email from Wave regarding Customer chargeback attempts and email team regarding same (0.1); Review response from Fundrise regarding documents for production and email team regarding same (0.1).	0.60
11/14/24	VH	Review email correspondence from defense counsel regarding wire transfer to Receivership account and correspondence from district court clerks regarding 754 notices.	0.20
11/15/24	JR	Review receivership box shared folder regarding new questionnaires and update questionnaire summary	0.90
11/15/24	JR	Generate file upload link regarding Fundrise documents and forward to R. Weiss.	0.20
11/15/24	JR	Emails to/from V. Huber regarding Email communication to Customers and send email communication to Customers regarding stipulated preliminary injunction.	0.30



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11/15/24	JR	Download and save Stripe Documents to file.	0.40
11/15/24	JR	Continue to review and response regarding M. Schoeller inquiries (.2 NO CHARGE).	0.00
11/15/24	JR	Emails to/from R. Weiss, T. Gosau, and M. Shanahan regarding Gemini account balance.	0.40
11/15/24	MM	Draft letter to entity, Closer Secrets, to locate Assets of Defendants.	1.30
11/15/24	RW	Communicate with counsel for FundRise regarding document upload and sworn statement (0.1); Communicate with R. McAuliffe and A. Grier regarding handling of refund requests (0.1); Review and revise proposed email to consumers regarding status of refund requests and communicate with K. Kent and V. Huber regarding same (0.1); Review and revise letter to Closer Secrets regarding production (0.2); Review email from counsel for Celsius, email K. Kent, V. Huber and M. Mull regarding same, and respond to same (0.2).	0.70
11/15/24	RW	Review and comment on M. Shanahan declaration in support of accounting and email K. Kent and V. Huber regarding same.	0.30
11/15/24	RW	Prepare notice of accounting; Communicate with K. Kent and V. Huber regarding same.	0.50
11/15/24	RW	Finalize Receiver's Accounting packet and prepare for filing of same.	0.40
11/15/24	RW	Meet with M. Shanahan, T. Gosau, A. Mehta, K. Kent and V. Huber regarding plan [REDACTED]	0.20
11/15/24	RW	Email Corporate Transparency Act team regarding plan [REDACTED]	0.10
11/15/24	VH	Review and revise M. Shanahan declaration and send updated draft to R. Weiss and K. Kent.	0.30
11/15/24	VH	Review and revise draft Notice of Accounting and send updated draft to K. Kent and R. Weiss for review.	0.20
11/15/24	VH	Review and revise follow-up letter to Closer Secrets regarding deficient document production and send updated draft of same to K. Kent, R. Weiss, and M. Mull for review.	1.00



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11/15/24	VH	Review email correspondence from R. McAuliffe regarding consumer redress, revise draft mass email to Empire customers in light of same, and send updated draft email to R. Weiss and K. Kent for review.	0.10
11/15/24	VH	Email correspondence with C. Chew regarding adding recent court filings and pleadings to Receivership website.	0.40
11/15/24	VH	Revise and finalize mass email to Empire customers and correspond with J. Russell regarding sending mass email to customers from Receivership email address.	0.30
11/15/24	VH	Review, compile, and download Fundrise document production.	0.30
11/15/24	VH	Attend Teams call with K. Kent, R. Weiss, M. Shanahan, T. Gosau, and A. Mehta regarding Corporate Transparency Act [REDACTED]	0.30
11/18/24	JR	Emails to/from K. Kent and R. Weiss regarding paypal payment.	0.10
11/18/24	JR	Follow up email to A. Smith regarding tax invoice	0.10
11/18/24	JR	Review box folder and receivership inbox regarding questionnaires and update summary	1.50
11/18/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.30
11/18/24	JR	Download and upload to box shared folder Schwab records and forward link to R. Weiss, T. Gosau, A. Mehta, and M. Shanahan for review.	0.30
11/18/24	RW	Review additional American Express statements and email P. Prusinowski and counsel regarding same (0.1); Review communications with Angela at Empire Tax regarding invoice and additional services to be provided (0.1); Communications with K. Kent and J. Russell regarding status of PayPal return of funds (0.1); Communicate with counsel for Celsius Network bankruptcy regarding claim submission (0.1); Review receipts and time-stamped cover pages for various 754 filings (0.1); Review and analyze production from Charles Schwab and email K. Kent, V. Huber and J. Russell regarding same (0.3); Review certified statement from Stripe in response to stipulated PI (0.1).	0.90
11/19/24	JR	Emails to/from R. Weiss regarding Consumer Questionnaires.	0.20
11/19/24	JR	Review and update costumer response spreadsheet.	0.80



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11/19/24	JR	Review and update transaction ledger.	0.30
11/19/24	JR	Review receivership inbox regarding inquiries.	1.50
11/19/24	JR	Initiate wire payment for Simvoly.	0.10
11/19/24	JR	Emails to/from A. Smith from Empire Tax and R. Weiss regarding issues with invoice payment.	0.30
11/19/24	JR	Review Amex account, download and forward statements, and forward Fidelity balance to P. Prusinowski and G. Christiansen.	0.90
11/19/24	MM	Correspondence with R. Weiss about Wave's noncompliance with Stipulated Preliminary Injunction Order.	0.10
11/19/24	MM	Correspondence with V. Huber about notices to entities regarding Stipulated Preliminary Injunction.	0.10
11/19/24	MM	Draft letter and correspondence with Wave, Inc. regarding noncompliance with Stipulated Preliminary Injunction Order.	0.90
11/19/24	MM	Coordinate and correspond with C. Chew to notify consumers about Notice of the Stipulated Preliminary Injunction.	0.20
11/19/24	MM	Draft Letter to Venmo and Capital One regarding Defendant's assets.	0.80
11/19/24	RW	Review and respond to P. Prusinowski request for account statements and review and select Schwab statements to be shared (0.2); Review email from Wave regarding attempted customer chargeback and email M. Mull, V. Huber, K. Kent and J. Russell regarding same (0.1); Email M. Mull regarding updates to EEB website to reflect entry of Stipulated PI (0.1).	0.40
11/19/24	RW	Call with R. McAuliffe and A. Grier regarding financial disclosures [REDACTED]	0.30
11/19/24	VH	Facilitate wire transfer payment to Simvoly with J. Russell and notify Simvoly of same.	0.10
11/19/24	VH	Access and review current account balances in TD Bank accounts held by Empire Collection, Empire Realty, and Empire Partners.	0.10



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11/19/24	VH	Review and analyze documents produced by Charles Schwab regarding Atlas Fund account.	0.30
11/20/24	AMA	Review and analysis of Corporate Transparency Act questions and issues presented by R. Weiss and K. Kent [REDACTED]	1.00
11/20/24	JR	Email to A. Smith regarding invoice payment.	0.10
11/20/24	JR	Review amex account and forward latest statements to R. Weiss, G. Christiansen, and P. Pru.	0.30
11/20/24	JR	Emails to/from V. Huber and R. Weiss regarding Amex account.	0.30
11/20/24	JR	Update consumer questionnaire summary.	0.30
11/20/24	MM	Coordinate and correspond with C. Chew to notify consumers about Notice of the Stipulated Preliminary Injunction.	0.10
11/20/24	RW	Communicate with A. Ansari and K. Kent regarding plan [REDACTED]	0.20
11/20/24	RW	Communicate with special bankruptcy counsel for Celsius regarding claims history and plan (0.2); Call with V. Huber regarding letter to Wave addressing customer chargebacks (0.1); Review documents and filings regarding P. Prusinowski claim submission with Celsius (0.2); Email A. Grier and R. McAuliffe regarding Receivership Assets (0.1); Review proposed W-9 for release of funds from Stripe and email V. Huber regarding same (0.1); Review and revise letter to Wave regarding chargeback attempts (0.1).	0.80
11/20/24	RW	Call with V. Huber and K. Kent to discuss next steps and action items.	1.50
11/20/24	VH	Finish reviewing and analyzing documents produced by Lodmell in response to the subpoena and drafting notes regarding same.	2.40
11/20/24	VH	Email correspondence with K. Kent and C. Chew regarding adding Motion for Approval of First Interim Fee Application to the Receivership Website (.1 NO CHARGE).	0.00
11/20/24	VH	Confer with K. Kent and R. Weiss regarding various action items and related strategy [REDACTED]	1.50



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11/20/24	VH	Finish preparing W-9 for Empire holdings to send to Stripe to receive funds into Receivership Account and send W-9 to K. Kent for review and signature.	0.20
11/20/24	VH	Continue reviewing and analyzing documents produced by Charles Schwab regarding Atlas Fund account.	0.20
11/20/24	VH	Email correspondence with J. Russell regarding American Express notification of reactivated account via Apple Pay.	0.10
11/20/24	VH	Confer with R. Weiss regarding revisions to letter to Wave regarding notice of non-compliance with Stipulated PI.	0.10
11/20/24	VH	Review and revise draft letter to Wave regarding notice of non-compliance with Stipulated Preliminary Injunction and send updated draft to M. Mull, R. Weiss, and K. Kent for review.	1.20
11/21/24	JR	Emails to/from R. Weiss regarding Amex account emails.	0.20
11/21/24	JR	Emails to/from A. Smith regarding invoice; review paypal account regarding payment.	0.60
11/21/24	JR	Review amex account regarding card freezes.	0.30
11/21/24	MM	Correspondence with R. Weiss regarding financial disclosures.	0.10
11/21/24	MM	Draft letters to entities listed in financial disclosures to attempt to identify additional assts.	0.60
11/21/24	RW	Review letter from USAA in response to notice letter and email M. Mull, K. Kent, V. Huber, J. Russell and R. Tyndall regarding same (0.2); Review notices from American Express regarding re-activation of account and prepare email to P. Prusinowski regarding same (0.2); Communicate with M. Mull regarding status of notice letters and responses (0.1); Prepare and finalize letter to American Express regarding continued violations of TRO Order and Stipulated PI and communicate with K. Kent and V. Huber regarding same (1.6); Meet with V. Huber to discuss plan [REDACTED] (0.3); Review and revise letter to T. Bryan/Ads with Finesse (0.1); Review and revise letter to Schwab regarding margin loan and self-help (0.2).	2.70
11/21/24	RW	Meet with A. Grier and R. McAuliffe to discuss current status of collection efforts, potential assets, [REDACTED].	1.00



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11/21/24	VH	Confer with R. Weiss regarding documents produced by Charles Schwab regarding the Atlas Fund account and strategy [REDACTED]	0.30
11/21/24	VH	Review and revise draft email to P. Prusinowski regarding reactivation of American Express credit cards and confer with R. Weiss regarding same.	0.20
11/21/24	VH	Continue reviewing and analyzing documents produced by Charles Schwab regarding Atlas Fund account and related margin loan and review [REDACTED].	1.50
11/21/24	VH	Review correspondence received from USAA Federal Savings Bank regarding P. Prusinowski.	0.10
11/21/24	VH	Review and revise letter to American Express regarding final notice on noncompliance with court orders and send updated draft to K. Kent and R. Weiss for review.	0.30
11/21/24	VH	Draft letter to Charles Schwab regarding funds retained from the Atlas Fund brokerage account and related noncompliance with the Court Orders and send draft to R. Weiss and K. Kent for review.	1.20
11/21/24	VH	Draft letter to T. Bryan regarding notice of Stipulated Preliminary Injunction and document request and send draft letter to R. Weiss and K. Kent for review.	0.40
11/21/24	VH	Email correspondence with M. Mull regarding letter to Wave regarding notice of noncompliance with Stipulated Preliminary Injunction.	0.10
11/22/24	MM	Telephone conference with 1 customer regarding shutdown of Empire Holdings Group business.	0.10
11/22/24	RW	Review Empire Realty documents and prepare email to defense counsel regarding same, and communicate with K. Kent and V. Huber regarding same (0.4); Review additional updates to Schwab letter and email V. Huber regarding same (0.1); Call with Delaware Life Services Center regarding notice letter and P. Prusinowski 401k (0.1); Communicate with counsel for American Express regarding scheduling call to discuss compliance with Stipulated PI (0.1); Communicate with special counsel for Celsius regarding production and proposed non-disclosure agreement (0.1); Review message from and return call to United Bank regarding Stipulated PI notice and account search (0.1); Call with V. Huber regarding Skydo issues relating to attempts to pay Jijo and response to WSFS (0.2).	1.10



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11/22/24	VH	Confer with R. Weiss regarding court order on motion to seal exhibits to interim fee applications and redacting exhibits in light of same (0.1 - NO CHARGE).	0.00
11/22/24	VH	Revise and finalize letter to T. Bryan regarding notice of Stipulated Preliminary Injunction and document request and send same to T. Bryan.	0.20
11/22/24	VH	Confer with R. Weiss regarding [REDACTED] (.1 NO CHARGE).	0.00
11/22/24	VH	Confer with R. Weiss regarding correspondence with counsel for Celsius Network regarding request for documents pursuant to stipulated preliminary injunction.	0.10
11/22/24	VH	Telephone call with Judge Beetlestone's civil courtroom deputy regarding clarification on Court order granting in part motion to seal exhibits submitted in connection with first interim fee application (0.1 - NO CHARGE).	0.10
11/22/24	VH	Draft email to Judge Beetlestone's chambers regarding request for guidance on unredacted billing records pursuant to court order granting in part motion to seal billing records submitted in connection with first interim fee application, send draft email to R. Weiss for review, and correspond with R. Weiss regarding same (0.5 - NO CHARGE).	0.50
11/22/24	VH	Finalize and send email to Judge Beetlestone's chambers regarding request for guidance on unredacted billing records pursuant to court order granting in part motion to seal billing records submitted in connection with first interim fee application (0.1 - NO CHARGE).	0.10
11/22/24	VH	Review transcribed voicemail message from United Bank counsel regarding documents requested pursuant to stipulated preliminary injunction and email correspondence from R. Weiss regarding same.	0.10
11/22/24	VH	Review and revise draft email to defense counsel regarding P. Prusinowski financial disclosures and send updated draft email to R. Weiss and K. Kent.	0.20
11/22/24	VH	Revise and finalize letter to Charles Schwab regarding funds retained from the Atlas Fund brokerage account and related noncompliance with the Court Orders and send same to Charles Schwab.	0.60



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11/22/24	VH	Review email correspondence from WSFS regarding rejected wire recall request for failed payment to Empire back office contractor and confer with R. Weiss regarding same.	0.30
11/22/24	VH	Email correspondence with K. Kent and R. Weiss [REDACTED]	0.10
11/22/24	VH	Review [REDACTED]	2.10
11/24/24	RW	Review email from Jijo Nadar regarding additional communications with Skydo and next steps for payment.	0.10
11/25/24	JR	Review receivership inbox.	0.10
11/25/24	JR	Review box folder and update questionnaire summary.	0.20
11/25/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.30
11/25/24	JR	Review paypal account regarding update.	0.20
11/25/24	MM	Review Peter Prusinowski's Twitter account and re-deactivate it.	0.10
11/25/24	MM	Correspondence with R. Weiss regarding sending entities notice of Stipulated Preliminary Injunction to secure assets.	0.10
11/25/24	RW	Communicate with counsel for American Express regarding noncompliance and plan for follow-up call (0.1); Emails with V. Huber and Skydo regarding Jijo payment (0.1); Call with V. Huber regarding response to Jijo (0.2); Review additional notices from American Express (0.1); Review response email from T. Bryant from Ads with Finesse (0.1); Follow-up with counsel for PayPal regarding status of check (0.1); Review communications with S. Foster regarding account information for transfer of Stripe balance (0.1); Call with J. Shapiro regarding Celsius information and records requests (0.1); Email G. Christiansen regarding Empire Realty Holdings (0.1); Review email from P. Prusinowski regarding additional cryptocurrency log-ins and email team regarding same (0.1).	1.10
11/25/24	VH	Confer with R. Weiss regarding strategy [REDACTED]	0.20



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11/25/24	VH	Confer with R. Weiss regarding strategy [REDACTED] [REDACTED]	0.20
11/25/24	VH	Email correspondence with counsel for Stripe regarding W-9 needed to issue funds directly to Receivership bank account.	0.20
11/25/24	VH	Email correspondence with T. Bryan regarding Ads with Finesse invoice.	0.50
11/25/24	VH	Review email correspondence regarding status of PayPal check sent for Receivership Account, notification to defense counsel regarding Empire Realty, and mail received regarding 754 stamped notices and TD bank transfer receipt.	0.30
11/25/24	VH	Email correspondence with Skydo regarding rejected wire recall request.	0.10
11/25/24	VH	Email correspondence with R. Weiss regarding correspondence from Empire back office contractor and Skydo regarding status of wire transfer payment and strategy [REDACTED]	0.10
11/25/24	VH	Email correspondence with K. Kent and R. Weiss regarding draft Empire Holdings W-9 to send to Stripe for reversal of withdrawal and to send funds to Receivership Account.	0.20
11/26/24	JR	Initiate wire payment to Simvolvy	0.40
11/26/24	JR	Emails to/from A. Smith, A. Perez and R. Weiss regarding wire information regarding payment.	0.30
11/26/24	JR	Emails to/from R. Weiss regarding simvolvy payment.	0.10
11/26/24	JR	Various calls to paypal regarding account issues.	1.00
11/26/24	JR	Review MetaMask account regarding balance and forward findings to R. Weiss, M. Mull, K. Kent and V. Huber.	0.30
11/26/24	MM	Correspondence with Binance regarding potential assets.	0.10



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11/26/24	RW	Communicate with Skydo regarding possession of funds and next steps (0.1); Communicate with Simvoly regarding updates in customer numbers and prepare proposed response to inquiry regarding transition of customers to Simvoly (0.2); Emails with P. Prusinowski and team regarding Binance balance (0.1); Review Metamask balance and email A. Grier and R. McAuliffe regarding same (0.1); Review statement from Delaware Life Insurance Company and email same to K. Kent, V. Huber, M. Mull, J. Russell, A. Grier and R. McAuliffe (0.1); Call with counsel for American Express regarding noncompliance issues (0.2) and email J. Russell, K. Kent, M. Mull and V. Huber regarding same (0.1); Emails regarding payment to Empire Tax for accounting work for September 2024 (0.1).	1.00
11/26/24	VH	Email correspondence with K. Kent and R. Weiss regarding communications with Simvoly regarding transferring Empire customers from Storefunnels to the Simvoly platform.	0.10
11/26/24	VH	Review email correspondence regarding Simvoly weekly payment, Binance account balance, Skydo wire transfer payment refund issues, and document received from Delaware Life Insurance Co.	0.20
11/27/24	JR	Review WSFS account and update transaction ledger.	0.30
11/27/24	JR	Review receivership inbox and begin to draft responses to emails	1.60
11/27/24	JR	Emails to/from R. Weiss, V. Huber, K. Kent, and A. Perez regarding banking information for payment.	0.60
11/27/24	RW	Further communications with Skydo regarding refund attempts (0.1); Communicate with J. Russell regarding payments to Empire Tax for accounting services (0.1); Communicate with counsel for Schwab regarding notice letter (0.1); Communicate with P. Prusinowski and Empire Tax regarding Quickbooks access (0.1).	0.40
11/27/24	VH	Listen to voicemail from counsel from Penn Community Bank regarding identification of assets, leave message to counsel responding to same, and send overview of same to K. Kent and R. Weiss.	0.20
11/29/24	RW	Review payment processor applications regarding outstanding disputed transactions and email P. Prusinowski regarding same.	0.40
12/02/24	AMA	Analysis and multiple communications [REDACTED]	1.00



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12/02/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.20
12/02/24	JR	Review Amex account and re-initiate account freezes.	0.20
12/02/24	JR	Review box folder and receivership inbox regarding questionnaires and update questionnaire summary.	0.80
12/02/24	JR	Continue to begin to draft responses to consumer emails.	1.10
12/02/24	MM	Correspondence with K. Walsh regarding 754 Notices for District Courts.	0.30
12/02/24	MM	Correspondence with V. Huber regarding customer outreach.	0.10
12/02/24	MM	Correspondence with two customers regarding shutdown of Defendant's business.	0.30
12/02/24	MM	Draft Letter to USAA Federal Savings Bank with requested information to locate assets.	0.60
12/02/24	MM	Review draft cover sheet to file in United States District Court for the Southern District of New York.	0.10
12/02/24	RW	Follow-up with A. Ansari regarding plan [REDACTED]	0.10
12/02/24	VH	Email correspondence with M. Mull regarding responding to Empire customer inquiries.	0.20
12/02/24	VH	Review documents from TD Bank regarding returned funds.	0.10
12/03/24	AMA	Additional analysis based upon follow-up communications and provide written summary [REDACTED]	0.50
12/03/24	JR	Review Skydo receipt regarding transaction and forward findings to R. Weiss.	0.20
12/03/24	JR	Initiate wire transfer payment regarding Simvolvy invoice.	0.30
12/03/24	JR	Emails to/from R. Weiss regarding PayPal payment.	0.10



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12/03/24	JR	Review TD Bank account regarding transfers to accounts and forward findings to R. Weiss.	0.90
12/03/24	JR	Continue to begin to draft responses to emails.	0.70
12/03/24	JR	Review WSFS account and update transaction ledger.	0.10
12/03/24	JR	Emails to/from R. Weiss, V. Huber, K. Kent, and M. Mull regarding Schwab account.	0.10
12/03/24	MM	Correspondence with V. Huber regarding customer outreach and business operations.	0.10
12/03/24	MM	Correspondence with prior customer regarding shutdown of business operations.	0.10
12/03/24	RW	Further emails with A. Ansari regarding Corporate Transparency Act.	0.10
12/03/24	RW	Review letters from TD Bank regarding return of funds and email J. Russell regarding same (0.1); Review TD Bank snapshot and email from J. Russell regarding review of account information (0.1); Review notice from TD Bank regarding available statements and email J. Russell regarding same (0.1); Review email from Skydo regarding refund attempt and communicate with J. Russell, V. Huber, and Skydo regarding same (0.2); Review letter from PayPal enclosing check (0.1).	0.60
12/03/24	RW	Call with V. Huber regarding preparation of information for Corporate Transparency Act submission (0.1); Review entity listing for CTA submission and communicate with V. Huber regarding same (0.1).	0.10
12/03/24	VH	Prepare organizational chart for Receivership Entities for corporate transparency act filing and send same to R. Weiss and K. Kent.	1.30
12/03/24	VH	Confer with R. Weiss regarding correspondence with Skydo regarding information for returned wire transfer payment.	0.10
12/03/24	VH	Review and revise organizational chart for Receivership Entities for corporate transparency act filing and send updated chart to R. Weiss and K. Kent.	0.30
12/03/24	VH	Email correspondence with M. Mull regarding responding to Empire customer inquiries.	0.10



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12/03/24	VH	Review email correspondence between K. Kent, R. Weiss, and A. Ansari regarding corporate transparency act reporting inquiry for receiverships.	0.20
12/03/24	VH	Confer with R. Weiss regarding information regarding Receivership Entities for corporate transparency act filings.	0.20
12/03/24	VH	Email correspondence with J. Russell regarding facilitating wire payment to Simvolvy for Storefunnels.	0.10
12/04/24	JR	Emails to/from R. Weiss and K. Kent regarding GoDaddy renewal and review and submit renewal payment.	0.50
12/04/24	JR	Review WSFS account regarding statement.	0.50
12/04/24	JR	Review box folder and receivership inbox and update costumer questionnaire summary.	0.50
12/04/24	JR	Assist with WSFS PayPal check deposit.	0.20
12/04/24	JR	Continue to draft responses to consumer email inquiries.	0.70
12/04/24	JR	Review WSFS account and emails to/from R. Weiss and V. Huber regarding Skydo refund.	0.60
12/04/24	JR	Review fidelity account and forward statement to P. Prusinowski, and G. Christiansen.	0.30
12/04/24	MM	Telephone conference with former customer regarding shutdown of business.	0.20
12/04/24	MM	Correspondence with former customer regarding shutdown of business.	0.10
12/04/24	RW	Review email from Skydo regarding refund receipt and email J. Russell and V. Huber regarding same (0.1); Review messages from American Express and email AMEX counsel regarding same (0.1); Review notice from GoDaddy regarding failed renewal and email J. Russell regarding same (0.1); Review emails between P. Prusinowski and accountant regarding tax issues (0.1); Communicate with team regarding depositing check from PayPal (0.1); Communicate with V. Huber and J. Russell regarding potential payment to Jijo now that Skydo has returned funds (0.1).	0.60
12/04/24	VH	Review and revise email responses to Empire customers and send revise email responses to J. Russell to send out from the Empire email address.	1.40



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12/04/24	VH	Email correspondence with R. Weiss and Skydo regarding returned wire transfer payment.	0.30
12/05/24	JR	Review updated responses from V. Huber and issue responses to costumers.	1.90
12/05/24	RW	Email A. Grier and R. McAuliffe regarding status of negotiations and need for additional information.	0.10
12/05/24	RW	Review update email from counsel for American Express (0.1); Review trade confirmation from Schwab and email J. Russell regarding same (0.1); Review email from Skydo regarding refund and email V. Huber and J. Russell regarding same (0.1); Follow-up with counsel for Charles Schwab regarding issue with hold-back of funds (0.1).	0.40
12/06/24	JR	Review box shared folder and receivership inbox regarding update consumer questionnaire summary	0.30
12/06/24	JR	Emails to/from V. Huber regarding wire payments and PayPal account.	0.30
12/06/24	JR	Emails to/from R. Weiss regarding Amex account.	0.10
12/06/24	JR	Phone calls with and emails to/from V. Huber regarding wire payment regarding J. Nadar payment and initiate wire payment regarding J. Nadar.	1.00
12/06/24	JR	Emails to/from R. Weiss and V. Huber regarding schwab statement.	0.20
12/06/24	RW	Communicate with J. Russell, K. Kent and V. Huber regarding recent transaction on Schwab account (0.1); Call with V. Huber regarding payment to Jijo (0.1); Communicate with counsel for Celsius regarding additional extension request (0.1); Communicate with counsel for Schwab regarding trading activity in account (0.1); Email P. Prusinowski regarding personal American Express account (0.1).	0.50
12/06/24	VH	Review wire transfer bank details for former Empire contractor, compare details to original wire transfer bank details with J. Russell, determine plan for reinitiated wire transfer payment and facilitate same with J. Russell and R. Weiss, and send email confirmation of reinitiated wire to former Empire contractor.	1.60
12/06/24	VH	Email correspondence with R. Weiss and J. Russell regarding outreach to former Empire contractor regarding wire transfer payment.	0.20



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12/09/24	JR	Review and draft answers regarding receivership inbox.	0.70
12/09/24	JR	Review box folder and update costumer questionnaire summary.	0.30
12/09/24	JR	Emails to/from A. Perez regarding empire holdings payment.	0.20
12/09/24	JR	Review WSFS account and update transaction ledger.	0.30
12/09/24	MM	Correspondence with R. Weiss regarding research [REDACTED]	0.10
12/09/24	RW	Communicate with J. Russell and Empire Tax regarding continued issues with payment for September 2024 accounting (0.1); Review notice of telephone status conference and email K. Kent, A. Grier and R. McAulife regarding same (0.1); Review follow-up email from P. Prusinowski to Angela at Empire Tax regarding tax filings (0.1).	0.30
12/09/24	RW	Call with counsel for Charles Schwab regarding acts of self-help and status of account (0.3); Email K. Kent and V. Huber regarding same (0.2); Email M. Mull regarding research [REDACTED] (0.2).	0.70
12/09/24	VH	Email correspondence with J. Russell regarding responding to Empire customer inquiries.	0.20
12/10/24	JR	Various phone calls with paypal regarding account issues.	0.90
12/10/24	RW	Review wire transfer confirmations from Schwab and communicate with K. Kent and J. Russell regarding same.	0.10
12/11/24	JR	Initiate wire payment regarding simvoly invoice.	0.20
12/11/24	JR	Review receivership inbox and draft answers to inquiries.	1.90
12/11/24	JR	Review and reinitiate Amex freezes	0.20
12/11/24	JR	Phone call with PayPal and K. Kent regarding account issues.	0.50
12/11/24	MM	Correspondence with 1 former customer regarding shutdown of business and potential refund.	0.10
12/11/24	MM	Correspondence with V. Huber regarding customer outreach.	0.10



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12/11/24	RW	Follow-up with G. Christiansen regarding requested information relating to Empire Realty (0.1); Review email from Angela at Empire Tax regarding P. Prusinowski personal taxes (0.1); Follow-up with Empire Tax regarding payment for September 2024 accounting (0.1); Review emails regarding payment to Simvoly (0.1).	0.40
12/11/24	VH	Email correspondence with Simvoly and J. Russell regarding weekly wire transfer payment to Simvoly.	0.20
12/11/24	VH	Email correspondence with M. Mull regarding Empire customer correspondence.	0.20
12/12/24	JR	Review WSFS account and update account ledger.	0.30
12/12/24	JR	Emails to/from R. Weiss and Wave regarding outstanding dispute balance.	0.20
12/12/24	MM	Correspondence with R. Weiss regarding research [REDACTED]	0.10
12/12/24	MM	Correspondence with V. Huber regarding customer outreach pertaining Consumer Questionnaires.	0.20
12/12/24	RW	Call with K. Kent regarding [REDACTED] (0.3); Communicate with counsel for Celsius regarding records search for claim (0.1); Review notice from Wave regarding customer chargebacks and email team regarding same (0.1).	0.50
12/13/24	JR	Emails to/from Waves and R. weiss regarding Waves Account.	0.10
12/13/24	JR	Review box shared folder and receivership inbox and draft answers to inquiries.	0.70
12/13/24	JR	Review Amex account and forward statements to P. Prusinowski and G. Christiansen	0.30
12/13/24	MM	Correspondence with V. Huber regarding customer outreach and consumer questionnaires.	0.10
12/13/24	MM	Correspondence with former customer regarding their experience with Empire.	0.20



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12/13/24	MM	Research [REDACTED] [REDACTED] (4.1 NO CHARGE).	0.00
12/13/24	RW	Communicate with A. Grier and R. McAuliffe regarding tax returns for Atlas and upcoming status conference (0.1); Communicate with in-house legal department for Penn Community Bank regarding notice (0.1); Communicate with G. Christiansen regarding financial disclosures and Empire Realty (0.1); Review V. Huber email to Stripe regarding payout of account balance (0.1).	0.40
12/13/24	RW	Review order rescheduling status conference.	0.10
12/13/24	VH	Attend Zoom call with K. Kent and R. Weiss regarding forthcoming court status conference.	0.20
12/13/24	VH	Review and revise draft email to Empire customer and send same to M. Mull to send off to customer.	0.10
12/13/24	VH	Email correspondence with counsel for Stripe regarding status of transfer of funds to the Receivership bank account.	0.10
12/14/24	MM	Research [REDACTED] [REDACTED] (2.2 - NO CHARGE)	0.00
12/15/24	MM	Research [REDACTED] [REDACTED] (0.6 NO CHARGE).	0.00
12/16/24	JR	Emails to/from K. Kent, R. Weiss and V. Huber regarding WSFS Account.	0.30
12/16/24	JR	Review PayPal Account regarding issue resolution.	0.20
12/16/24	JR	Review stripe and PayPal accounts regarding extracted data and email to C. Chew regarding data.	1.10
12/16/24	MM	Correspondence with R. Weiss regarding notice of Stipulated Preliminary Injunction to authorize.net (.1 NO CHARGE).	0.00
12/16/24	MM	Correspondence with Authorize.net regarding Notice of Stipulated Preliminary Injunction	0.20
12/16/24	MM	Correspondence with R. Weiss regarding customer outreach.	0.10



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12/16/24	MM	Correspondence with former customer regarding potential refunds.	0.10
12/16/24	RW	Review email from Authorize.net regarding outstanding balance and communicate with K. Kent, V. Huber, M. Mull and J. Russell regarding same (0.1); Review customer inquiry and email M. Mull regarding same (0.1); Call with counsel from Penn Community Bank regarding mortgage and documents to be produced in response to notice letter (0.1); Prepare letter to Wave regarding continued noncompliance with TRO Order and Stipulated PI (0.6).	0.90
12/16/24	RW	Meet with A. Grier and R. McAuliffe to discuss current status of discussions, information still needed, status of tax and accounting issues, and upcoming status conference.	0.80
12/16/24	VH	Email correspondence with J. Russell and R. Weiss regarding extracting data from Stripe and PayPal.	0.10
12/16/24	VH	Review and revise letter to Wave regarding second notice of noncompliance with court orders and send updated draft to K. Kent and R. Weiss for review.	0.30
12/17/24	JR	Email to K. Kent regarding WSFS Account Balance.	0.10
12/17/24	JR	Review WSFS and PayPal accounts regarding funds and phone call to PayPal regarding fund issue.	1.20
12/17/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.30
12/17/24	JR	Review receivership inbox and send draft responses to V. Huber for review.	0.90
12/17/24	MM	Research [REDACTED]	3.70
12/17/24	MM	Review and analyze [REDACTED]	2.10
12/17/24	RW	Communicate with J. Russell regarding PayPal account.	0.10
12/17/24	RW	Confer with K. Kent regarding preparations for teleconference.	0.30



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12/17/24	RW	Review prior filings in preparation for teleconference with Court.	0.20
12/17/24	RW	Attend status conference for case (0.2 NO CHARGE).	0.00
12/17/24	VH	Debrief court status conference with R. Weiss.	0.10
12/17/24	VH	Appear for and attend court status conference (.2 NO CHARGE).	0.00
12/17/24	VH	Revise and finalize letter to wave regarding second notice of noncompliance with court orders and send same to Wave's legal department.	0.30
12/17/24	VH	Email correspondence with J. Russell regarding wire payment to Simvoly.	0.10
12/17/24	VH	Review and revise proposed email responses to Empire customers and send updated email responses to J. Russell.	0.40
12/18/24	JR	Initiate wire payment regarding Simvoly	0.40
12/18/24	JR	Emails to/from V. Huber and R. Weiss, and Wave regarding Outstanding Dispute Balance	0.30
12/18/24	JR	Review paypal account regarding update.	0.30
12/18/24	JR	Update transaction ledger	0.30
12/18/24	JR	Emails to/from R. Weiss, and C. Chew regarding PayPal and Stripe accounts. Teams call with C. Chew	0.50
12/18/24	JR	Send response to consumer emails regarding receivership inquires.	0.60
12/18/24	MM	Correspondence with R. Weiss regarding [REDACTED]	0.10



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12/18/24	RW	Review emails with Wave regarding failure to comply with Stipulated PI (0.1); Review invoice from Simvoly and respond to same (0.1); Email K. Kent, V. Huber and J. Russell regarding potential shut down of Storefunnels (0.1); Prepare letter to Storefunnels customers regarding anticipated shutdown and communicate with K. Kent and V. Huber regarding same (0.3); Email FTC regarding anticipated shutdown of Storefunnels (0.1); Prepare letter to counsel regarding Storefunnels shutdown and communicate with K. Kent and V. Huber regarding same (0.2); Review and analyze records of P. Prusinowski's cryptocurrency holdings with Celsius and send same to counsel for FTC (0.2); Review mortgage documents from Penn Community Bank (0.2).	1.30
12/18/24	RW	Review orders on pending motions.	0.10
12/18/24	RW	Review P. Prusinowski financial disclosures, evaluate information regarding Empire Realty and prepare proposed follow-up email to G. Christiansen regarding same.	0.50
12/18/24	VH	Confer with J. Russell regarding wire payment to Simvoly (.1 NO CHARGE).	0.00
12/18/24	VH	Email correspondence with R. Weiss, J. Russell, and K. Kent regarding customer information within Storefunnels.	0.20
12/18/24	VH	Review draft letter to counsel regarding notice of intended shutdown of Storefunnels and email R. Weiss and K. Kent regarding same.	0.10
12/18/24	VH	Review draft letter to Storefunnels active customers regarding notice of intended shutdown of Storefunnels and email R. Weiss and K. Kent regarding same.	0.10
12/19/24	JR	Review box shared folder and update questionnaire summary.	0.40
12/19/24	JR	Respond to inquiries and draft response to new emails	1.40
12/19/24	JR	Review checks and update ledger.	0.60
12/19/24	JR	Reinitiate freezes regarding Amex cards.	0.20
12/19/24	JR	Assemble extracted data regarding PayPal and Stripe and forward to R. McAuliffe and A. Grier.	0.40
12/19/24	JR	Review PayPal account regarding fund issue.	0.60



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12/19/24	MM	Correspondence with R. Weiss [REDACTED]	0.20
12/19/24	MM	Research [REDACTED]	4.20
12/19/24	RW	Review email from I. Nikolchov regarding options for transition to Simvoly and communicate with K. Kent and V. Huber regarding same (0.2); Communicate by email with K. Kent and V. Huber regarding [REDACTED] (0.1); Email G. Christiansen regarding Empire Realty issues (0.1).	0.40
12/19/24	RW	Meet with V. Huber and K. Kent to discuss pressing issues and next steps.	0.70
12/19/24	RW	Meet with A. Grier and R. McAuliffe to discuss open issues relating to assets, financial disclosures, and shutdown procedures (0.7); Email K. Kent and V. Huber regarding same (0.2).	0.90
12/19/24	RW	Communicate with V. Huber regarding safe deposit box inventory, review and email A. Grier and R. McAuliffe regarding same.	0.20
12/19/24	VH	Zoom call with K. Kent and R. Weiss regarding strategy [REDACTED]	0.80
12/19/24	VH	Email correspondence with R. Weiss and K. Kent regarding [REDACTED]	0.20
12/19/24	VH	Confer with R. Weiss regarding contents of safe deposit box.	0.20
12/19/24	VH	Review M. Mull research findings [REDACTED]	0.30
12/19/24	VH	Review Storefunnels terms and conditions and email K. Kent and R. Weiss regarding same.	0.30
12/20/24	JR	Review inbox and draft responses and send responses to V. Huber for review	1.30
12/20/24	JR	Update customer response spreadsheet.	0.80
12/20/24	RW	Call with V. Huber regarding plan [REDACTED]	0.30



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12/20/24	RW	Review letter regarding Simvoly transition and email V. Huber and K. Kent regarding same.	0.30
12/20/24	VH	Confer with R. Weiss regarding letter to customers regarding Storefunnels and additional legal research [REDACTED]	0.30
12/20/24	VH	Review and revise draft letter to customers regarding intended Storefunnels shutdown and send updated draft to K. Kent and R. Weiss for review.	0.90
12/20/24	VH	Email correspondence with Simvoly regarding plan for Storefunnels shutdown and review of information to be sent to Storefunnels customers regarding same.	0.40
12/20/24	VH	Conduct legal research [REDACTED] and draft notes regarding research findings.	4.90
12/23/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.20
12/23/24	MM	Correspondence with V. Huber regarding customer outreach and continuous charges.	0.30
12/23/24	MM	Correspondence with former customer regarding cancellation of Storefunnels.	0.10
12/23/24	MM	Draft letter to Mr. Cooper regarding noncompliance with Stipulated PI Order.	0.50
12/23/24	RW	Communicate with Ivan from Simvoly regarding proposed shutdown of Storefunnels (0.1); Review and revise proposed letter to Storefunnels customers and email K. Kent, V. Huber and J. Russell regarding same (0.2); Communicate with J. Russell regarding payment to Empire tax (0.1); Communicate with J. Russell regarding notice to Storefunnels customers regarding transition to Simvoly (0.1); Communicate with v. Huber and M. Mull regarding response to current Storefunnels customer regarding account cancellation (0.1); Review Rule 16 conference order and call with K. Kent regarding same (0.1).	0.70
12/23/24	VH	Review and revise proposed email responses to Empire customers and send updated email responses to J. Russell.	0.50



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12/23/24	VH	Email correspondence with M. Mull and R. Weiss regarding responding to Empire customer email.	0.50
12/23/24	VH	Review and revise letter to Mr. Cooper regarding providing information requested pursuant to Stipulated Preliminary Injunction and send updated letter to M. Mull for finalization and service.	0.40
12/24/24	JR	Emails to/from R. Weiss regarding letter regarding Storefunnels and draft email to Storefunnels consumers and send email to Storefunnels consumers.	0.50
12/24/24	JR	Review WSFS account regarding positive pay and update transaction ledger	0.20
12/24/24	JR	Update customer response spreadsheet.	0.20
12/24/24	JR	Review receivership inbox and response to inquiries.	0.60
12/24/24	JR	Initiate wire regarding simvolvy invoice.	0.40
12/24/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.20
12/24/24	RW	Finalize letter to consumers regarding Storefunnels and Simvolvy transition and email J. Russell regarding distribution of same.	0.10
12/26/24	JR	Review WSFS account and update transaction ledger.	0.20
12/26/24	JR	Review Amex account, download and forward statements to P. Prusinowski and G. Christiansen.	0.20
12/26/24	JR	Update customer response spreadsheet.	0.40
12/26/24	JR	Review box shared folder regarding consumer questionnaire and update consumer questionnaire summary.	0.30
12/26/24	JR	Initiate re-freeze of Amex cards.	0.30
12/26/24	JR	Emails to/from R. Weiss regarding email domain renewal and submit payment regarding email domain renewal.	0.40



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12/26/24	RW	Communicate with J. Russell regarding domain renewal (0.1); Communicate with A. Grier and R. McAuliffe regarding Rule 26 report (0.1); Email Ivan from Simvolj regarding payment of invoice and customer notice of shutdown (0.1); Communicate with A. Grier and R. McAuliffe regarding mediation options (0.1).	0.40
12/31/24	RW	Review Rule 26 Report in preparation for Rule 16 conference.	0.10
12/31/24	RW	Review letter from Fidelity Investments confirming zero balance.	0.10
Total			240.40

TASK SUMMARY

	Hours	Amount
L110 - Fact Investigation/Development	96.1	40,932.65
A101 - Plan and prepare for	0.0	0.00
A102 - Research	4.9	2,138.85
A103 - Draft/revise	27.1	9,994.10
A104 - Review/analyze	24.4	10,768.20
A105 - Communicate (in firm)	13.2	5,838.80
A107 - Communicate (outside counsel)	8.8	4,887.00
A108 - Communicate (other external)	17.7	7,305.70
L120 - Analysis/Strategy	109.9	36,632.35
A102 - Research	8.5	2,255.50
A103 - Draft/revise	0.6	279.00
A104 - Review/analyze	76.0	21,429.45
A105 - Communicate (in firm)	17.1	8,667.45
A107 - Communicate (outside counsel)	3.4	1,912.50
A108 - Communicate (other external)	3.3	1,818.45
A109 - Appear for/attend	1.0	270.00
L130 - Experts/Consultants	2.2	1,237.50
A103 - Draft/revise	0.4	225.00
A104 - Review/analyze	0.7	393.75
A108 - Communicate (other external)	1.1	618.75
L160 - Settlement/Non-Binding ADR	2.0	898.20



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A103 - Draft/revise	0.8	374.40
A104 - Review/analyze	0.7	305.55
A107 - Communicate (outside counsel)	0.5	218.25
L190 - Other Case Assess, Develop, Adm	0.6	159.00
A103 - Draft/revise	0.5	132.50
A108 - Communicate (other external)	0.1	26.50
L210 - Pleadings	8.4	4,283.30
A103 - Draft/revise	6.9	3,583.75
A104 - Review/analyze	1.3	612.25
A105 - Communicate (in firm)	0.0	0.00
A107 - Communicate (outside counsel)	0.2	87.30
L220 - Prelim Injunctions/Prov Remedies	0.8	349.20
A102 - Research	0.8	349.20
L230 - Court Mandated Conferences	0.3	130.95
A105 - Communicate (in firm)	0.3	130.95
A109 - Appear for/attend	0.0	0.00
L250 - Other Written Motions/Submission	10.7	4,670.55
A103 - Draft/revise	6.5	2,837.25
A104 - Review/analyze	2.6	1,134.90
A105 - Communicate (in firm)	0.9	392.85
A108 - Communicate (other external)	0.7	305.55
L330 - Depositions	9.3	4,324.05
A101 - Plan and prepare for	0.6	261.90
A103 - Draft/revise	2.1	954.45
A104 - Review/analyze	0.8	349.20
A109 - Appear for/attend	5.8	2,758.50
L390 - Other Discovery	0.1	56.25
A104 - Review/analyze	0.1	56.25
	240.4	\$93,674.00

EXPENSE SUMMARY

Description	Amount
Federal Express	2,661.55
Court Reporting/Transcript Fee	2,036.87
Filing Fees	168.00



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EDiscovery Hosting Services - per GB

228.30

Total**\$ 5,094.72****EXPENSE DETAIL**

Date	Description	Amount
09/30/24	Reversal from Void Check Number: 10000778 Bank ID: OFF Voucher ID: 888410 Vendor: U.S. District Court Clerk's Office	(52.00)
10/25/24	Filing Fees \$168.00 - 10.25.2024 - EXPEDITED SERVE - PROOF - MATTER # 501765 - Filing Fees - Court	168.00
10/29/24	Court Reporting/Transcript Fee \$973.85 - 10.29.2024 - TRANSCRIPTS - FOR THE RECORD, INC. - 501765 - Transcript Fees	973.85
11/11/24	Federal Express Tracking # 281666654532 Ship Dt: 11/11/24 Ship To: Clerk of Court	21.68
11/11/24	Federal Express Tracking # 281666999102 Ship Dt: 11/11/24 Ship To: Clerk of Court	25.67
11/11/24	Federal Express Tracking # 281667543756 Ship Dt: 11/11/24 Ship To: Clerk of Court	25.67
11/11/24	Federal Express Tracking # 281667867464 Ship Dt: 11/11/24 Ship To: Clerk of Court	13.22
11/11/24	Federal Express Tracking # 281668210318 Ship Dt: 11/11/24 Ship To: Clerk of Court	30.25
11/11/24	Federal Express Tracking # 281668483499 Ship Dt: 11/11/24 Ship To: Clerk of Court	24.77
11/11/24	Federal Express Tracking # 281668931094 Ship Dt: 11/11/24 Ship To: Clerk of Court	21.68
11/11/24	Federal Express Tracking # 281669192697 Ship Dt: 11/11/24 Ship To: Clerk of Court	13.22
11/11/24	Federal Express Tracking # 281669544722 Ship Dt: 11/11/24 Ship To: Clerk of Court	13.22
11/12/24	Federal Express Tracking # 779908624366 Ship Dt: 11/12/24 Ship To: CLERK OF COURT	45.04
11/12/24	Federal Express Tracking # 779908185261 Ship Dt: 11/12/24 Ship To: CLERK OF COURT	50.75
11/12/24	Federal Express Tracking # 779908417185 Ship Dt: 11/12/24 Ship To: CLERK OF COURT	55.82
11/12/24	Federal Express Tracking # 281714592834 Ship Dt: 11/12/24 Ship To:	19.27
11/12/24	Federal Express Tracking # 281700326783 Ship Dt: 11/12/24 Ship To:	26.66
11/12/24	Federal Express Tracking # 281700599810 Ship Dt: 11/12/24 Ship To:	28.78
11/12/24	Federal Express Tracking # 281700671155 Ship Dt: 11/12/24 Ship To:	23.06
11/12/24	Federal Express Tracking # 281700749307 Ship Dt: 11/12/24 Ship To:	28.78



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11/12/24	Federal Express Tracking # 279691120531 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.84
11/12/24	Federal Express Tracking # 279691120840 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.84
11/12/24	Federal Express Tracking # 279691122464 Ship Dt: 11/12/24 Ship To: Clerk of Court	13.89
11/12/24	Federal Express Tracking # 279691124250 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.65
11/12/24	Federal Express Tracking # 279691127076 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279691348460 Ship Dt: 11/12/24 Ship To: Clerk of Court	43.68
11/12/24	Federal Express Tracking # 279691352175 Ship Dt: 11/12/24 Ship To: Clerk of Court	15.90
11/12/24	Federal Express Tracking # 279691352749 Ship Dt: 11/12/24 Ship To: Clerk of Court	20.48
11/12/24	Federal Express Tracking # 279692711698 Ship Dt: 11/12/24 Ship To: Clerk of Court	52.08
11/12/24	Federal Express Tracking # 279692712650 Ship Dt: 11/12/24 Ship To: Clerk of Court	27.11
11/12/24	Federal Express Tracking # 279692713315 Ship Dt: 11/12/24 Ship To: Clerk of Court	28.78
11/12/24	Federal Express Tracking # 279692717983 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55
11/12/24	Federal Express Tracking # 279692718306 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279692719909 Ship Dt: 11/12/24 Ship To: Clerk of Court	28.78
11/12/24	Federal Express Tracking # 279692874813 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.39
11/12/24	Federal Express Tracking # 279693165746 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.65
11/12/24	Federal Express Tracking # 279693168826 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.84
11/12/24	Federal Express Tracking # 279693169097 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279693171877 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279693173777 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279693174280 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.65
11/12/24	Federal Express Tracking # 279693175130 Ship Dt: 11/12/24 Ship To: Clerk of Court	13.89
11/12/24	Federal Express Tracking # 279693176857 Ship Dt: 11/12/24 Ship To: Clerk of Court	45.32
11/12/24	Federal Express Tracking # 279693177599 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.82
11/12/24	Federal Express Tracking # 279693180654 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27



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11/12/24	Federal Express Tracking # 279693321444 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279693547645 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693548620 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693551990 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279693552118 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693554280 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55
11/12/24	Federal Express Tracking # 279693558918 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693559719 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279693562027 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.39
11/12/24	Federal Express Tracking # 279693563090 Ship Dt: 11/12/24 Ship To: Clerk of Court	28.78
11/12/24	Federal Express Tracking # 279693915206 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693917297 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693919050 Ship Dt: 11/12/24 Ship To: Clerk of Court	28.78
11/12/24	Federal Express Tracking # 279693919484 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693921440 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693923487 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693924222 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55
11/12/24	Federal Express Tracking # 279693924314 Ship Dt: 11/12/24 Ship To: Clerk of Court	29.70
11/12/24	Federal Express Tracking # 279693927997 Ship Dt: 11/12/24 Ship To: Clerk of Court	29.70
11/12/24	Federal Express Tracking # 279693928651 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55
11/12/24	Federal Express Tracking # 279693930732 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55
11/12/24	Federal Express Tracking # 279693933227 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13
11/12/24	Federal Express Tracking # 279693934360 Ship Dt: 11/12/24 Ship To: Clerk of Court	29.70
11/12/24	Federal Express Tracking # 279693934576 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.39
11/12/24	Federal Express Tracking # 279693935480 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.55



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11/12/24	Federal Express Tracking # 279693936730 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279693937965 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279693938950 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.96
11/12/24	Federal Express Tracking # 279694353435 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279694358014 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279694359330 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279694359801 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279694361400 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.65
11/12/24	Federal Express Tracking # 279694363355 Ship Dt: 11/12/24 Ship To: Clerk of Court	18.46
11/12/24	Federal Express Tracking # 279694363929 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279694366126 Ship Dt: 11/12/24 Ship To: Clerk of Court	15.90
11/12/24	Federal Express Tracking # 279694368060 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279694369309 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279694370828 Ship Dt: 11/12/24 Ship To: Clerk of Court	22.25
11/12/24	Federal Express Tracking # 279694373323 Ship Dt: 11/12/24 Ship To: Clerk of Court	24.77
11/12/24	Federal Express Tracking # 279694373460 Ship Dt: 11/12/24 Ship To: Clerk of Court	21.65
11/12/24	Federal Express Tracking # 279694373746 Ship Dt: 11/12/24 Ship To: Clerk of Court	48.29
11/12/24	Federal Express Tracking # 279694375705 Ship Dt: 11/12/24 Ship To: Clerk of Court	15.90
11/12/24	Federal Express Tracking # 279694377432 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.84
11/12/24	Federal Express Tracking # 279694379435 Ship Dt: 11/12/24 Ship To: Clerk of Court	19.27
11/12/24	Federal Express Tracking # 279695528057 Ship Dt: 11/12/24 Ship To: Clerk of Court	44.08
11/12/24	Federal Express Tracking # 279695535600 Ship Dt: 11/12/24 Ship To: Clerk of Court	28.78
11/12/24	Federal Express Tracking # 279695536490 Ship Dt: 11/12/24 Ship To: Clerk of Court	27.11
11/12/24	Federal Express Tracking # 279695538746 Ship Dt: 11/12/24 Ship To: Clerk of Court	18.89
11/12/24	Federal Express Tracking # 279695541797 Ship Dt: 11/12/24 Ship To: Clerk of Court	25.13



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11/12/24	Federal Express Tracking # 279695542094 Ship Dt: 11/12/24 Ship To: Clerk of Court	26.03
11/12/24	Federal Express Tracking # 279695638061 Ship Dt: 11/12/24 Ship To: Clerk of Court	13.89
11/12/24	Federal Express Tracking # 281700476633 Ship Dt: 11/12/24 Ship To:	59.39
11/12/24	Court Reporting/Transcript Fee \$522.87 - 11.12.2024 - TRANSCRIPT FEE - FOR THE RECORD, INC INTUIT QUICKBOOKS - 501765 - Transcript Fees	522.87
11/20/24	Court Reporting/Transcript Fee	540.15
11/21/24	Federal Express Tracking # 282108503057 Ship Dt: 11/21/24 Ship To:	24.82
11/22/24	Federal Express Tracking # 282132660407 Ship Dt: 11/22/24 Ship To:	31.08
11/22/24	Federal Express Tracking # 282133134549 Ship Dt: 11/22/24 Ship To:	18.59
11/22/24	Federal Express Tracking # 282133222125 Ship Dt: 11/22/24 Ship To:	43.93
11/22/24	Federal Express Tracking # 282133266525 Ship Dt: 11/22/24 Ship To:	17.83
11/22/24	Federal Express Tracking # 282133360725 Ship Dt: 11/22/24 Ship To:	13.25
11/26/24	Filing Fees \$52.00 - 11.26.2024 - FILING FEE ANYSDC - 30240248 - PAY.GOV NEW YORK SOUTHERN DISTRICT COURT - MATTER # 501765 - Filing Fees - Court	52.00
11/30/24	EDiscovery Hosting Services - per GB EDiscovery Hosting Services - per GB	114.15
12/02/24	Federal Express Tracking # 282591746120 Ship Dt: 12/02/24 Ship To: Bill Andryusky	25.98
12/06/24	Federal Express Tracking # 282873632884 Ship Dt: 12/06/24 Ship To:	28.20
12/23/24	Federal Express Tracking # 283663097495 Ship Dt: 12/23/24 Ship To: Mr. Cooper	22.90
12/30/24	EDiscovery Hosting Services - per GB EDiscovery Hosting Services - per GB	114.15

Total**\$ 5,094.72**

Exhibit C



Alvarez & Marsal
Disputes and Investigations, LLC

December 20, 2024

Kevin Dooley Kent, Receiver
Clark Hill PLC
Two Commerce Square
2001 Market Street, Suite 2640
Philadelphia, PA 19103

INVOICE FOR SERVICES RENDERED
through November 30, 2024 not previously invoiced

Empire Holdings: 859382-2412201

Name	Title	Hours	Rate	Total
Forensic Analysis Team:				
Michael Shanahan	Managing Director	16.10	\$750	\$12,075.00
Tracy Gosau	Director	34.20	\$575	\$19,665.00
Ameeta Mehta	Senior Associate	34.80	\$450	\$15,660.00
Madeline Alderfer	Senior Associate	15.30	\$450	\$6,885.00
Total Hours & Fees:		100.40		\$54,285.00
Out-of-pocket Expenses:				\$31.76
Payment Amount Due:				\$ 54,316.76

Wire Instructions:

Bank: Wells Fargo
ABA: 121000248
Account Name: Alvarez & Marsal Disputes and Investigations, LLC
Account Number: [REDACTED]
Reference #: 859382-2412201

Mail Instructions:

Alvarez & Marsal
Attn: Liz Carrington
600 Madison Avenue, 8th Floor
New York, NY 10022
Reference #: 859382-2412201

December 20, 2024

859382-2412201

Kevin Dooley Kent, Receiver
 Clark Hill PLC
 Two Commerce Square
 2001 Market Street, Suite 2640
 Philadelphia, PA 19103

Re: Federal Trade Commission v. Empire Holdings Group, LLC, also d/b/a Ecommerce Empire Builders and Storefunnels.net, et al (the "Action")

SERVICES RENDERED

By Alvarez & Marsal Disputes and Investigations, LLC
 through November 30, 2024 not previously invoiced

Name	Date	Description	Hours
Shanahan, Michael	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) and Counsel to discuss Shanahan Declaration deliverable.	0.50
Shanahan, Michael	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) and Empire Tax to discuss future accounting and tax return filings.	0.50
Shanahan, Michael	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss future accounting and tax return filings.	0.20
Shanahan, Michael	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss Shanahan Declaration deliverable.	0.20
Shanahan, Michael	11/5/2024	Communications to/from team regarding accounting records.	0.20
Shanahan, Michael	11/5/2024	Communications to/from team regarding declaration.	0.30
Shanahan, Michael	11/5/2024	Review accounting records in preparation for call with Empire Tax.	0.10
Shanahan, Michael	11/6/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss outline of Declaration.	0.30
Shanahan, Michael	11/6/2024	Communications to/from team regarding declaration.	0.30
Shanahan, Michael	11/6/2024	Preliminary review of declaration.	1.10
Shanahan, Michael	11/7/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss comments on Declaration.	0.80
Shanahan, Michael	11/7/2024	Communications to/from team regarding declaration.	0.20
Shanahan, Michael	11/7/2024	Review and revise declaration.	3.20
Shanahan, Michael	11/7/2024	Review deposition transcript for Peter Prusinowski.	1.00
Shanahan, Michael	11/8/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss edits to Declaration.	0.30
Shanahan, Michael	11/8/2024	Review and revise declaration and exhibits.	2.50
Shanahan, Michael	11/8/2024	Review counsel comments and edits for declaration.	0.30
Shanahan, Michael	11/11/2024	Review final version of declaration.	0.60
Shanahan, Michael	11/12/2024	Call with M. Shanahan and T. Gosau (A&M) and Counsel to discuss submission of Accounting.	0.70
Shanahan, Michael	11/12/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss submission of Accounting.	0.20
Shanahan, Michael	11/12/2024	Communications to/from team regarding accounting.	0.30
Shanahan, Michael	11/14/2024	Review accounting schedules for declaration.	0.70
Shanahan, Michael	11/14/2024	Review and revise updated declaration.	1.40
Shanahan, Michael	11/15/2024	Teleconference with Counsel and A&M team (Shanahan/Gosau/Mehta)	0.20
Shanahan, Michael Total			16.10
Gosau, Tracy	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) and Counsel to discuss Shanahan Declaration deliverable.	0.50
Gosau, Tracy	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) and Empire Tax to discuss future accounting and tax return filings.	0.50

Name	Date	Description	Hours
Gosau, Tracy	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss future accounting and tax return filings.	0.20
Gosau, Tracy	11/5/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss Shanahan Declaration deliverable.	0.20
Gosau, Tracy	11/5/2024	Call with T. Gosau and A. Mehta (A&M) to discuss preparation of Empire Declaration memo.	0.30
Gosau, Tracy	11/6/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss outline of Declaration.	0.30
Gosau, Tracy	11/6/2024	Call with T. Gosau and A. Mehta (A&M) to discuss extracting defendant testimony, revisions to exhibits, and review of defendant's production re: Empire Declaration memo.	0.60
Gosau, Tracy	11/6/2024	Continue draft of Shanahan Declaration re: Scope/procedures performed.	0.90
Gosau, Tracy	11/6/2024	Preparation of Shanahan Declaration re: Scope/procedures performed.	1.60
Gosau, Tracy	11/6/2024	Prepare Shanahan Declaration.	2.30
Gosau, Tracy	11/6/2024	Review deposition of Peter Prusinowski.	2.40
Gosau, Tracy	11/7/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss comments on Declaration.	0.80
Gosau, Tracy	11/7/2024	Call with T. Gosau (A&M) and Counsel to discuss edits to Declaration.	0.30
Gosau, Tracy	11/7/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and sources documents re: Empire Declaration memo.	0.10
Gosau, Tracy	11/7/2024	Call with T. Gosau and A. Mehta (A&M) to discuss review, addressing team comments, and revisions to the Post-TRO exhibit re: Empire Declaration memo.	0.70
Gosau, Tracy	11/7/2024	Conference call with A&M team (TG/MA) to discuss quality control review of Declaration re: Balance sheet exhibit and footnotes.	0.30
Gosau, Tracy	11/7/2024	Review additional Peter Prusinowski deposition testimony to add to Declaration.	2.10
Gosau, Tracy	11/7/2024	Review Empire GoogleDrive documents.	1.60
Gosau, Tracy	11/7/2024	Update declaration for internal edits/comments.	2.40
Gosau, Tracy	11/8/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss edits to Declaration.	0.30
Gosau, Tracy	11/8/2024	Call with T. Gosau and A. Mehta (A&M) to discuss memo sources, addressing team comments, and revisions to tables and exhibits re: Empire Declaration memo.	0.60
Gosau, Tracy	11/8/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and source binder for the Empire Declaration memo and footnotes.	0.40
Gosau, Tracy	11/8/2024	Conference call with A&M team (TG/MA) to discuss quality control review of Declaration.	0.60
Gosau, Tracy	11/8/2024	Continue review of supporting documents/exhibits for Declaration.	2.10
Gosau, Tracy	11/8/2024	Review Declaration re: updated analyses for Post TRO revenue.	1.90
Gosau, Tracy	11/8/2024	Review supporting documents/exhibits for Declaration.	2.90
Gosau, Tracy	11/8/2024	Review/incorporate [REDACTED]	1.10
Gosau, Tracy	11/9/2024	Review underlying support of Declaration.	0.90
Gosau, Tracy	11/10/2024	Review [REDACTED]	0.20
Gosau, Tracy	11/11/2024	Review [REDACTED]	0.20
Gosau, Tracy	11/12/2024	Call with M. Shanahan and T. Gosau (A&M) and Counsel to discuss submission of Accounting.	0.70
Gosau, Tracy	11/12/2024	Call with M. Shanahan and T. Gosau (A&M) to discuss submission of Accounting.	0.20
Gosau, Tracy	11/12/2024	Update Declaration balances to 10/31/2024.	1.60
Gosau, Tracy	11/13/2024	Review Declaration and Exhibits for revised balances and amounts.	1.20

Name	Date	Description	Hours
Gosau, Tracy	11/15/2024	Finalize Declaration to send to Counsel.	0.30
Gosau, Tracy	11/15/2024	Incorporate edits ██████████ to Declaration.	0.70
Gosau, Tracy	11/15/2024	Teleconference with Counsel and A&M team (Shanahan/Gosau/Mehta) ██████████	0.20
Gosau, Tracy Total			34.20
Mehta, Ameer	11/5/2024	Call with T. Gosau and A. Mehta (A&M) to discuss preparation of Empire Declaration memo.	0.30
Mehta, Ameer	11/5/2024	Extract American Express transaction detail re: Empire.	0.90
Mehta, Ameer	11/5/2024	Prepare Empire Declaration memo.	1.10
Mehta, Ameer	11/6/2024	Call with T. Gosau and A. Mehta (A&M) to discuss extracting defendant testimony, revisions to exhibits, and review of defendant's production re: Empire Declaration memo.	0.60
Mehta, Ameer	11/6/2024	Extract defendant testimony re: Empire declaration memo.	1.20
Mehta, Ameer	11/6/2024	Prepare Empire Declaration consolidated Profit and Loss exhibit.	0.40
Mehta, Ameer	11/6/2024	Review and revise Empire Declaration memo and tables based on discussion with team.	2.30
Mehta, Ameer	11/6/2024	Review and revise Empire Declaration memo.	2.10
Mehta, Ameer	11/6/2024	Review defendant testimony re: Empire.	1.40
Mehta, Ameer	11/6/2024	Review defendant's production re: Empire google drive.	0.60
Mehta, Ameer	11/7/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and sources documents re: Empire Declaration memo.	0.10
Mehta, Ameer	11/7/2024	Call with T. Gosau and A. Mehta (A&M) to discuss review, addressing team comments, and revisions to the Post-TRO exhibit re: Empire Declaration memo.	0.70
Mehta, Ameer	11/7/2024	Quality control review re: Empire declaration memo and footnotes.	2.30
Mehta, Ameer	11/7/2024	Review and revise Empire Declaration memo based on discussion with team.	1.10
Mehta, Ameer	11/7/2024	Review and revise Empire Declaration memo footnotes for defendant's testimony.	1.80
Mehta, Ameer	11/7/2024	Review and summarize post-TRO transaction data re: Empire.	0.80
Mehta, Ameer	11/7/2024	Review contract term data available in Monday.com re: Empire.	0.80
Mehta, Ameer	11/7/2024	Revise Empire declaration memo tables.	0.40
Mehta, Ameer	11/8/2024	Call with A. Mehta and M. Alderfer (A&M) to discuss contract tables included in the Empire Declaration memo.	0.20
Mehta, Ameer	11/8/2024	Call with T. Gosau and A. Mehta (A&M) to discuss memo sources, addressing team comments, and revisions to tables and exhibits re: Empire Declaration memo.	0.60
Mehta, Ameer	11/8/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and source binder for the Empire Declaration memo and footnotes.	0.40
Mehta, Ameer	11/8/2024	Compile source binder re: Empire Declaration memo and footnotes.	2.20
Mehta, Ameer	11/8/2024	Quality control review re: Empire declaration memo and footnotes.	1.20
Mehta, Ameer	11/8/2024	Quality control review re: Empire declaration memo balance sheet exhibit.	0.30
Mehta, Ameer	11/8/2024	Quality control review re: Empire declaration memo profit and loss exhibit.	0.50
Mehta, Ameer	11/8/2024	Revise Empire Declaration memo based on discussion with team.	1.60
Mehta, Ameer	11/8/2024	Revise Empire Declaration memo exhibits.	0.60
Mehta, Ameer	11/8/2024	Revise Empire Declaration memo tables.	0.40
Mehta, Ameer	11/9/2024	Compile source binder re: Empire Declaration memo and footnotes.	2.80
Mehta, Ameer	11/11/2024	Finalize Empire Declaration memo and supporting schedules.	0.60

Name	Date	Description	Hours
Mehta, Ameer	11/12/2024	Review and summarize Empire Holdings PayPal and American Express transaction activity post TRO.	1.10
Mehta, Ameer	11/13/2024	Review and revise Empire Declaration memo based on the revised balance sheet.	1.20
Mehta, Ameer	11/13/2024	Review and summarize Empire Holdings American Express, TD Bank, Stripe, and PayPal total balances.	0.80
Mehta, Ameer	11/13/2024	Working session with team to discuss review comments in Empire Declaration memo.	0.40
Mehta, Ameer	11/15/2024	Revise and finalize Empire Declaration memo and supporting schedules.	0.20
Mehta, Ameer	11/15/2024	Revise source binder re: Empire Declaration memo based on revisions to footnotes.	0.50
Mehta, Ameer	11/15/2024	Teleconference with Counsel and A&M team (Shanahan/Gosau/Mehta)	0.20
Mehta, Ameer	11/18/2024	Call with T. Gosau and A. Mehta (A&M) to discuss Empire Holdings files to provide to Empire tax team.	0.10
Mehta, Ameer Total			34.80
Alderfer, Madeline	11/7/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and sources documents re: Empire Declaration memo.	0.10
Alderfer, Madeline	11/7/2024	Compile supporting documents for Declaration re: deposition footnotes.	1.60
Alderfer, Madeline	11/7/2024	Conference call with A&M team (TG/MA) to discuss quality control review of Declaration re: Balance sheet exhibit and footnotes.	0.30
Alderfer, Madeline	11/7/2024	Perform quality control review of Receivership entity balance sheet as of October 20, 2024.	1.60
Alderfer, Madeline	11/7/2024	Perform quality control review of Shanahan Declaration.	2.00
Alderfer, Madeline	11/8/2024	Call with A. Mehta and M. Alderfer (A&M) to discuss contract tables included in the Empire Declaration memo.	0.20
Alderfer, Madeline	11/8/2024	Call with T. Gosau, A. Mehta, and M. Alderfer (A&M) to discuss quality control review and source binder for the Empire Declaration memo and footnotes.	0.40
Alderfer, Madeline	11/8/2024	Conference call with A&M team (TG/MA) to discuss quality control review of Declaration.	0.60
Alderfer, Madeline	11/8/2024	Perform quality control review of Shanahan Declaration footnotes.	2.50
Alderfer, Madeline	11/8/2024	Prepare supporting schedules for Declaration figures re: Table 1-4.	1.30
Alderfer, Madeline	11/8/2024	Review and edit Shanahan Declaration with grammatical updates.	0.50
Alderfer, Madeline	11/8/2024	Review and update Shanahan Declaration footnotes re: Closer Secrets.	0.50
Alderfer, Madeline	11/8/2024	Review and updated Shanahan Declaration footnotes re: Counsel comments.	1.90
Alderfer, Madeline	11/9/2024	Compile supporting documents for figures mentioned in the body of the Declaration.	1.40
Alderfer, Madeline	11/11/2024	Review and update Declaration supporting Exhibits 2, 3, and 3.1.	0.40
Alderfer, Madeline Total			15.30
Grand Total			100.40

Expenses

Date	Employee	Category	Amount
11/30/2024	CourtLink	CourtLink Fees	31.76
Total Expenses			\$31.76

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**EMPIRE HOLDING GROUP LLC d/b/a
ECOMMERCE EMPIRE BUILDERS d/b/a
STOREFUNNELS.NET and PETER
PRUSINOWSKI,**

Defendants.

Civil Action

No. 2:24-cv-04949-WB

CERTIFICATE OF SERVICE

I hereby certify that on the date set forth below, a true and correct copy of the Receiver Kevin Dooley Kent's Second Written Report and Motion for Approval of Second Interim Fee Application for the Period November 1, 2024 through December 31, 2024 was filed and served on all counsel of record via the Court's Electronic Filing System pursuant to Fed. R. Civ. P. 5(b).

Dated: February 4, 2025

s/ Robin S. Weiss

Robin S. Weiss, Esq.

Attorney for Receiver, Kevin Dooley Kent