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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, and thereafter assumed control of/began exercising his duties with respect to nonparty entities Star Active Sports LLC (“Star Active”), Empire Partner Network LLC (“Empire Partner”), Atlas Fund Limited Partnership (“Atlas Fund”), Atlas Fund Trust (“Atlas Trust”), and Atlas Fund Land Trust (“Atlas Land”) (collectively, the “Atlas Entities”) after identifying the nonparty entities as Receivership Entities in October 2024. The TRO Order was subsequently extended by the Stipulated Preliminary Injunction entered on November 8, 2024 (the “Preliminary Injunction”) (ECF No. 49), which extended the Receiver’s duties set forth in the TRO Order.

On May 8, 2025, this Court entered the Stipulated Order for Permanent Injunction, Monetary Judgment, and Other Relief (the “Permanent Injunction”) (ECF No. 78), in which the Federal Trade Commission and Defendants stipulated “to resolve all matters in dispute in this action between them.” Permanent Injunction at 1. Among other things, the Permanent Injunction formally names Empire Realty Holdings LLC (“Empire Realty”) as an additional Receivership Entity, and orders the Receiver to “take the necessary steps to wind down the businesses of the Receivership Entities, liquidate assets, and pay any net proceeds to the Commission to satisfy the monetary judgment[.]” *Id.* at 15 § VII. “In carrying out these duties,” the Permanent Injunction authorizes and directs the Receiver to, *inter alia*, “[t]ake any and all steps that the Receiver concludes are appropriate to wind down the affairs of the Receivership Entities. . . . continue to

collect, marshal, and take custody, control, and possession of all the funds, property, premises, accounts, documents, mail, and other assets of, or in the possession or under the control of the Receivership Entities, wherever situated, . . . [s]ell the nonliquidated assets of the Receivership Estate using commercially reasonable procedure without further order of the Court[.]" and "[p]erform all acts necessary or advisable to complete an accurate accounting of assets of the Receivership Estate, and prevent unauthorized transfer, withdrawal, or misapplication of said assets." *Id.* § VII ¶¶ A-B, F, L.<sup>1</sup>

Pursuant to Section VIII of the Permanent Injunction,<sup>2</sup> the Receiver now submits this Fifth and Final Status Report (the "Final Report"), setting forth (1) "the steps taken to dissolve the Receivership Estate"; (2) "an accounting of the Receivership Estate's finances and total assets"; and (3) "a description of what other actions, if any, must be taken to wind down the Receivership." *Id.* § VIII ¶ A. The Receiver additionally anticipates requesting a hold back of funds with his upcoming Fourth Interim Fee Application as a reserve to cover additional fees and costs related to future actions of the Receiver and his agents to conclude the Receivership. Regarding historical events that have taken place prior to the filing of the Receiver's Fourth Status Report (ECF No. 86), the Receiver incorporates herein by reference all former status reports and fee applications.

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<sup>1</sup> It is the Receiver's understanding that the terms of the Preliminary Injunction—specifically with regard to the Receiver's rights and obligations—remain in full effect, as the Permanent Injunction only states that it has modified "[t]he asset freeze authorized by the Stipulated Preliminary Injunction." ECF No. 78 § V ¶ F. Indeed, the Permanent Injunction provides that while winding down the affairs of the Receivership Entities, the Receiver shall "[c]ontinue to exercise full control over the Receivership Entities[,] continue to collect, marshal, and take custody, control and possession" of assets of the Receivership Entities, and "continue to have full control over the management and personnel of the Receivership Entities." *Id.* § VII ¶¶ A-C.

<sup>2</sup> Following the entry of the Permanent Injunction, the Court subsequently entered a separate Order directing the Receiver to file "status reports on the docket beginning on July 30, 2025, and continuing every ninety (90) days thereafter, until the final resolution of this matter." ECF No. 79. The terms of the Permanent Injunction require the Receiver to set forth "a description of what other actions, if any, must be taken to wind down the Receivership" within this Final Report. The Receiver thus anticipates filing future status reports addressing only these additional wind-up matters. In accordance with Section VIII, Paragraph C of the Permanent Injunction, the Receiver will be filing a Fourth Interim Fee Application within 14 days from the submission of this Final Report, and also plans to file a supplemental fee application with the Court's approval (*see* Permanent Injunction § VIII ¶ E).

## **II. CONTROL, MANAGEMENT, AND SALE OF RECEIVERSHIP ASSETS**

### **A. Receivership Bank Account**

Pursuant to Section XII, Paragraph O of the TRO Order and Section XIII, Paragraph O of the Permanent Injunction, 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 October 24, 2025, the balance in the Receivership Account was \$668,653.10. The wire and transfer activity for the Receivership Account is set forth in greater detail in Section V, *infra*.

### **B. Empire Partner Assets**

#### **1. TD Bank Account**

The Empire Partner TD Bank Account (x8811) continued to receive nominal funds since the transfer of the balance of that account to the Receivership Account. As of September 22, 2025, the balance in the account was \$4,227.19. In early September, the Receiver requested that TD Bank close the account and transfer the balance of the account to the Receivership Account. On September 25, 2025, TD Bank closed the account and, on October 17, 2025, TD Bank mailed a check to the Receiver in the amount of \$4,227.19 (the account balance upon closure). The check was deposited into the Receivership Account on October 22, 2025.

#### **2. PayPal Account**

As reported in the Fourth Status Report, the balance in Empire Partner’s PayPal account was \$216.45. Receiver’s counsel contacted PayPal’s counsel requesting that PayPal transfer the account balance to the Receivership Account. On October 28, 2025, PayPal’s counsel advised that a check for the account balance (now \$216.74) was mailed to the Receiver on October 9. As of the date of this filing, the check has not yet been received. In the event the check is not received,

Receiver's counsel will continue with limited efforts to work with PayPal's counsel to collect the Empire Partner PayPal account balance.

**C. Empire Realty Assets**

**1. Constitution Ave Property**

Empire Realty owns a townhome located at 6 Constitution Avenue, Doylestown, PA 18901 (the "Constitution Ave Property"). Peter Prusinowski turned over the keys to the Constitution Ave Property to the Receiver as directed by the Permanent Injunction.

As reported in the Receiver's Fourth Status Report, the Receiver secured an insurance policy for the Constitution Ave Property through Foremost Insurance, following the July 15, 2025 expiration of the prior insurance policy that was in Peter Prusinowski's name. The Receiver's insurance policy has a total one-year premium of \$7,069.00 that is to be paid out of the mortgage escrow account. The Receiver also requested and obtained the 2025 Real Estate Tax Bill from the Doylestown Township Tax Collector totaling \$3,054.10, which he likewise submitted to the mortgage company for payment out of escrow. Additionally, after receiving complaints from the HOA regarding lawn maintenance, and to ensure the Constitution Ave Property remains in presentable condition, the Receiver entered into a maintenance agreement with Nickett Landscaping to provide mowing and general lawn maintenance services for the Constitution Ave Property at a cost of \$29.50 per week (plus tax). Nickett has invoiced the Receiver a total of \$284.84 for its services to date.

As of October 24, 2025, the mortgage balance for the Constitution Ave Property, held by Mr. Cooper, is \$107,319.28. The Receiver continues to pay the monthly mortgage on the Constitution Ave Property, which recently increased from \$1,186.08 per month to \$2,222.34 to account for additional insurance and tax costs and replenishing the escrow account. The Receiver also continues to pay HOA fees (\$144.95 per month) and water and sewer bills for the Constitution

Ave Property. *See* Section V.B, *infra*. On October 27, 2025, Mr. Cooper advised that the mortgage payoff amount (including escrow advances of \$2,412.12) is \$110,303.81, which is good through November 12, 2025.

Meanwhile, the sale process is underway for the Constitution Ave. Property. On July 25, 2025, the Receiver filed a Motion for Approval of Stipulated Order Regarding the Receiver's Sale of Real Property (ECF No. 84), which the Court approved and entered on July 28, 2025 (ECF No. 85). The Receiver thereafter engaged Julie Short of Berkshire Hathaway HomeServices Fox & Roach as his agent ("Seller's Agent") to list and sell the Constitution Ave Property via private sale, at five percent (5%) commission, to be split equally between the Seller's Agent and Buyer's Agent.

The Seller's Agent toured the Constitution Ave Property and provided recommendations regarding minor improvements to be made to optimize resale value and salability. The Receiver promptly proceeded with certain minor cosmetic improvements per the Seller's Agent's recommendations, including replacing the upstairs carpets, repairing broken kitchen cabinets, repairing and re-painting upstairs doors and trim, replacing a broken light fixture, power washing the back yard patio and siding, replacing rotted trim around the back sliding door, and having the property deep cleaned. The carpet removal and installation was performed by Olden Carpet & Flooring at a cost of \$1,995.00, and the remainder of the work was performed by DConstruct DiSigns LLC, both of whom provided competitive quotes for performance of the requested work. The Receiver and his counsel handled the initial decision-making regarding repairs, and the repairs were then coordinated and overseen by non-billing support staff from the Receiver's Law Firm.

After home repairs were completed, the Seller's Agent arranged for listing photographs to be taken. The Seller's Agent recommended a listing price of \$365,000.00 based upon comparable recently sold homes in the neighborhood. The listing went live on September 28, 2025. Seven (7)

showings took place within the first week of listing, and two offers were received. Ultimately, the Receiver proceeded with the more competitive cash offer of \$356,000.00. The buyer waived inspections. The sale is scheduled to close on November 5, 2025, at Keller Williams in Doylestown, PA.

## **2. TD Bank Account**

In addition to the Constitution Ave Property, Empire Realty held a bank account with TD Bank (x8762). As of September 25, 2025, the balance in the account was \$5,937.79. On September 25, 2025, at the Receiver's request, TD Bank closed the account and mailed a check to the Receiver in the amount of \$5,937.79 (the account balance upon closure). The check was deposited into the Receivership Account on October 7, 2025.

## **III. MANAGEMENT, ANALYSIS, AND SHUTDOWN OF EEB BUSINESS OPERATIONS**

The Receiver provided significant detail about his management, analysis, and shutdown of EEB Business Operations in his prior written reports and fee applications. To the extent certain wind-down actions were already reported and completed, they will not be repeated here. Instead, the Receiver incorporates his prior written reports and fee applications in this regard.

### **A. EEB Social Media Accounts and Website Domains**

In his First Written Report and previous interim fee applications submitted to the Court, the Receiver detailed the efforts he and his agents had taken to gain control over, preserve, and deactivate EEB's social media accounts (Instagram, YouTube, Facebook, TikTok, and Spreaker). *See* ECF No. 38 at 18-20; ECF No. 54 at 25-26, 47-48. The Receiver has also previously reported the steps he and his agents have taken to post a notice on EEB website domains about the instant action and the receivership, as well as renewing website domain subscriptions. *See* ECF No. 54 at 35-36; ECF No. 72 at 20-21. Those discussions are incorporated herein by reference.

On October 6, 2025, the Receiver notified the FTC and defense counsel that he and his agents planned to permanently shut down and/or delete EEB's social media accounts as part of his duties to "wind down the affairs of the Receivership Entities" pursuant to Section VII, Paragraph A of the Permanent Injunction, and to let the Receiver know no later than October 8 of any questions or concerns regarding the shutdown plan. After receiving no such questions or concerns from the parties, the Receiver's agents proceeded with the shutdown plan. The details of the Receiver's agents' efforts to shut down each social media account are as follows:

- Instagram (@ecommerce.empire.builders): The Receiver's agents permanently deleted this account on October 14, 2025. Deletion of this account required Peter Prusinowski's assistance, as login authentication codes were sent to Mr. Prusinowski's cellphone.
- YouTube (@ecommerce.empire.builders): The Receiver's agents permanently deleted this account on October 27, 2025. Deletion of this account required Mr. Prusinowski's assistance, as login authentication codes were sent to Mr. Prusinowski's cellphone.
- Facebook (@Ecommerce Empire Builders): The Receiver's agents have not yet been able to delete this Facebook page. As reported in prior status reports, this is not a standalone "account" but rather a Facebook page run and operated by EEB personnel through their own individual Facebook accounts, therefore the Receiver's agents oversaw James Zeller, the individual who had full administrative control over the page, deactivate the page in October 2024. *See* ECF No. 54 at 26 n.17, 28-29, 48. The Receiver's agents reached out to Mr. Zeller on October 13, 2025, requesting his assistance with permanently deleting the Facebook page, and followed up again on October 22 after not having received any response. To date, Mr. Zeller has not responded. The Receiver's agents will continue to reach out to Mr. Zeller; if Mr. Zeller does not respond, the Receiver notes that the Facebook page has been deactivated since October 2024 and has not been accessible to the public since then.
- X/Twitter (@OffPetterPru): The Receiver's agents permanently deleted this account on October 27, 2025. Deletion of this account required Peter Prusinowski's assistance, as login authentication codes were sent to Mr. Prusinowski's cellphone.
- TikTok (@ecomm.empire.builders): The Receiver's agents have not been able to log into the TikTok account because login authentication codes only are sent to [peter@ecommerceempirebuilders.com](mailto:peter@ecommerceempirebuilders.com), which the Receiver no longer has access to. While the Receiver's agents temporarily renewed the subscriptions for [peter@ecommerceempirebuilders.com](mailto:peter@ecommerceempirebuilders.com) and its associated website domain, [ecommerceempirebuilders.com](http://ecommerceempirebuilders.com), in an attempt to re-access the email to obtain the TikTok login authentication code, the email address does not appear to receive any

emails and thus such attempts have not been successful. The Receiver's agents are now attempting to troubleshoot these issues directly with TikTok support.

- Spreaker (Ecommerce Empire Builders Podcast): The Receiver's agents permanently deleted this account on October 13, 2025.

As for Empire's website domains, the domain <https://ecommerceempirebuilders.com/> was temporarily renewed as part of the Receiver's agent's efforts to shut down the social media accounts, as noted above; however, the website is not publicly accessible because a pop-up from the website operator (Clickfunnels) was put in place in response to notification of the TRO and Stipulated PI, which prevents access to the website altogether. As for the domain <https://empireplr.com>, the domain has expired and thus the former, alternative EEB website no longer exists; the domain now only displays a miscellaneous landing page. Accordingly, the Receiver does not plan to take any further action with regard to the website domains.

#### **B. Receivership Website**

The Receiver continues to update the Receivership Website to provide updates regarding important developments to consumers and members of the public. The Receiver plans to maintain and continue to post updates to the Receivership Website through the date of the final payment of all Receivership Assets to the FTC.

#### **C. Accounting and Tax-Related Matters**

A&M is continuing to provide tax-related services for the Receivership Entities on a going-forward basis. On September 15, 2025, the Receiver signed, and A&M subsequently submitted, the 2024 tax returns for EEB and Atlas Fund.<sup>3</sup> A&M will be preparing 2025 tax returns for the

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<sup>3</sup> A&M has confirmed that tax returns only need to be filed for EEB and Atlas Fund. Empire Partner has been, and will continue to be, filed with Peter Prusinowski's personal tax returns. Empire Realty is encompassed within Atlas Fund's tax returns because Atlas Fund is Empire Realty's sole member and Empire Realty is considered a disregarded entity under Atlas Fund; therefore, Atlas Fund is viewed as directly owning Empire Realty's assets. A&M has advised that the remaining Receivership Entities (Atlas Trust, Atlas Land, and Star Active) need not file tax returns.

Receivership Entities, where applicable, and will ultimately assist the Receiver with the ultimate wind-down of these entities.

**D. EEB's 401K Plan**

Brad Barlow of Barlow Consulting, Inc. has historically served as the Third-Party Administrator for EEB's 401K Plan ("the Plan") and prepared the annual 5500 EZ's for the Plan at a rate of \$450.00 per year. Mr. Barlow was never paid for his services for 2022 or 2023 and was owed \$900.00 by EEB. As reported in the Fourth Status Report, the Receiver engaged Mr. Barlow to both prepare the 2024 and 2025 5500 EZ's and shut down the Plan and, in accordance therewith, paid Mr. Barlow a total of \$1,900.00 for his services (\$450.00 per year of 401K Plan Administration (2022 through 2025), and \$100.00 for termination of the Plan).

Mr. Barlow subsequently prepared all necessary documentation, which the Receiver signed on July 20, 2025. On July 31, 2025, Mr. Barlow forwarded to the Receiver confirmation that the 2025 5500 EZ had been electronically filed. Receiver's counsel subsequently forwarded all executed documentation to Peter Prusinowski and his counsel for their records.

**IV. NON-CONSUMER CREDITOR CLAIMS**

As noted in the Receiver's Third Status Report (ECF No. 72), the Receiver identified potential liabilities related to potential claims of creditors in connection with losses incurred by, *inter alia*, payment processors through the processing of customer chargebacks, AMEX through the non-payment of credit card bills, former service providers with outstanding balances, and former EEB contractors seeking payment for work performed prior to the entry of the TRO Order and appointment of the Receiver. In this regard—and because several of these creditors had inquired into whether there would be a claims process through which they could submit claims, the Receiver and his counsel conferred with counsel for the FTC, and established a non-consumer

creditor claims process in which entities and individuals who claim they are owed payments by the Receivership Entities were given the opportunity to submit a claim for repayment.<sup>4</sup>

As reported in the Fourth Status Report, on May 16, 2025, the Receiver and his agents issued a Non-Consumer Creditor Notice of Claims Procedure and Claims Bar Date, with a claim form, to every non-consumer creditor known to the Receiver that may have a potential claim against the Receivership Estate.<sup>5</sup> The Receiver also posted a copy of the Notice and claim form on the Receivership Website. The Notice advised claimants to complete and return the claim form with any supporting documentation to the Receiver by the Claims Bar Date of June 16, 2025, if they believed they are owed money from the Receivership Entities.

The Receiver received timely submitted claims from American Express (“AMEX”) and two former EEB contractors, Paul Morana/Morana Enterprises LLC and Jijo William Nadar. Details regarding each of the three claimants, their claim submissions, and the Receiver’s determination as to their claims, are set forth below.<sup>6</sup>

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<sup>4</sup> Because the Receiver understands that the FTC historically handles consumer redress, the claims process that the Receiver and his counsel established is exclusively for any entity/individual that was *not* an EEB customer and that claims it is owed payment by any of the Receivership Entities.

<sup>5</sup> Specifically, notice was sent out to the following entities/individuals: American Express, PayPal, Stripe Inc., Wave, Morana Enterprises LLC/Paul Morana, Ads with Finesse/Travis Bryant, Closer Secrets, Swiat LLC/Steve Swiat, Empire Tax Advisors/Angela Smith, Network Merchants LLC (NMI), Cedars Business Services LLC, Ecommerce 4 Team, Authorize.net, Landry and Jacobs LLC, American Coriadus International LLC, Creditors Adjustment Bureau, Khalid Angelo Manalundong, Rubeena Kousar, Sheldon Garwood, Ali Akbar Hussain Gulsan, Tareq Alrefae, Ruben Hernandez, Arianne Franco, Ruby Gull, Laraib Ahmed Siddiqui, Muhannad Adeel Iqbal, Kasib Kamil, Abdul Ghaffar, Muhammad Arsalan, Jijo William Nadar, Haya Kamil, Owais Ali Awan, Nadine Chu, and Nicole Thea Ferraren.

<sup>6</sup> In accordance with the terms of the Permanent Injunction, the Receiver is sending the filed copy of this Final Report to the three non-consumer creditors, with a notice informing them that “any objections to paying any assets of the Receivership Entities to satisfy the Receiver’s costs and expenses and the monetary judgment set forth in th[e Permanent Injunction] must be submitted to the Court and served by mail upon the Receiver and the parties within 28 days of the mailing of the Final Report.” Permanent Injunction § VIII ¶ B.

**A. American Express**

American Express (“AMEX”) was the credit card company through which EEB had seven active business credit cards that it used in connection with its business operations. *See* ECF No. 72 at 14. On May 21, 2025, AMEX submitted seven separate claims for each of the seven business credit cards, collectively totaling \$153,255.80, for charges incurred up to the date of the entry of the TRO and Asset Freeze. The seven claims are broken down as follows: (1) \$51,205.34 claim submitted for Business Platinum Card x2007; (2) \$14,477.84 claim submitted for Business Gold Card x2002; (3) \$900.00 claim submitted for Business Gold Card x2005; (4) \$12,723.69 claim submitted for Business Gold Card x2008; (5) \$24,753.66 claim submitted for Business Gold Card x2003; (6) \$24,555.08 claim submitted for Business Gold Card x2000; and (7) \$24,640.19 claim submitted for Business Gold Card x4001. AMEX attached credit card statements for each business credit card in support of its stated amounts for each claim.

Upon review of the claim submissions and credit card statements submitted therewith, Receiver’s counsel observed that the \$51,205.34 claim submitted for Business Platinum Card x2007 included \$7,679.90 in charges that were incurred *after* the entry of the September 20, 2024 TRO and Asset Freeze. Because the Receiver placed AMEX on notice of the TRO and Asset Freeze the day the Order was entered, advised that no further charges should be permitted after that date, and explained in multiple follow-up communications with AMEX that any additional purchases, interest charges, late fees, or card renewal fees after the entry of the TRO and Asset Freeze were prohibited by the TRO and Asset Freeze (and later the Stipulated PI), Receiver’s counsel determined that the \$7,679.90 in charges incurred after the entry of the TRO and Asset Freeze were improperly included in AMEX’s claim submission for Business Platinum Card x2007. Therefore, on July 1, 2025, Receiver’s counsel sent a letter to AMEX’s counsel explaining the foregoing, advising that the Receiver calculated \$41,114.54 to be the appropriate claim amount for

Business Platinum Card x2007, and requesting that AMEX's counsel respond with whether AMEX agrees or disagrees with the Receiver's adjusted claim calculation. The letter further advised that the Receiver acknowledged and accepted the submitted claims for all six other business credit cards, and that acceptance of the claims only serves as an acknowledgement of the existence and amount of the claims and is *not* a guarantee that any payments will in fact be made.

On July 3, 2025, AMEX's counsel sent a response letter advising that AMEX agreed with the Receiver's adjusted claim calculation of \$41,114.54 for Business Platinum Card x2007. Accordingly, the Receiver has acknowledged and accepted a total of **\$143,165.00** in submitted claims from AMEX.

**B. Paul Morana/Morana Enterprises LLC**

Paul Morana was one of four former EEB 1099 contractors, and he specifically handled automation. *See* ECF No. 38 at 21 n.20. On June 4, 2025, Mr. Morana submitted a claim on behalf of himself and his entity Morana Enterprises LLC (as his compensation was paid directly to his entity), in the total amount of \$1,100.00 for an outstanding payment for services performed prior to the entry of the TRO and Asset Freeze. In support of his claim, Mr. Morana attached (1) the January 1, 2024 Consulting Agreement he entered into with Mr. Prusinowski (on behalf of EEB), which terms provide for EEB to pay Mr. Morana a flat monthly rate of \$1,100.00, and (2) an October 1, 2024 invoice for \$1,100.00 for Mr. Morana's work performed in September 2024.

On July 1, 2025, Receiver's counsel sent a letter to Mr. Morana informing him that the Receiver acknowledged and accepted his claim, and further advising that acceptance of his claim only serves as an acknowledgement of the existence and amount of the claim and is *not* a guarantee that any payments will in fact be made. Accordingly, the Receiver has acknowledged and accepted Mr. Morana/Morana Enterprises LLC's submitted claim for **\$1,100.00**.

**C. Jijo William Nadar**

Jijo William Nadar was one of EEB's back-office personnel and, specifically, was one of two people that were in charge of assisting EEB customers with placing the customers' advertisements, primarily on Facebook and Instagram, with the goal of bringing in orders for the customers. *See* ECF No. 38 at 22. On May 27, 2025, in response to the Notice of Claims Procedure and Claims Bar Date, Mr. Nadar sent Receiver's counsel a PDF containing compiled screenshots of conversations with prior EEB personnel regarding issues with past compensation payments to Mr. Nadar, followed by Mr. Nadar's own notes regarding the payment issues. On May 28, 2025, Receiver's counsel requested that Mr. Nadar complete and submit the Non-Consumer Creditor Claim Form, as well as provide information as to: (1) each invoice he sent to EEB, (2) the date and amount of each invoice, (3) whether each invoice was paid, (4) the date(s) the invoices were paid, (5) the amount paid per each invoice, and (6) confirmation pages showing the invoice payments, so that the Receiver could better understand the nature of Mr. Nadar's purported claim. On May 29, 2025, Mr. Nadar sent Receiver's counsel a completed Claim Form with additional, miscellaneous documentation in support of his claim. The submitted Claim Form specified that Mr. Nadar's total claim was \$7,947.12, representing outstanding payment for services performed.<sup>7</sup>

Based upon a review of Mr. Nadar's claim submission and all supporting documentation submitted therewith, and back-and-forth communications with Mr. Nadar regarding the supporting documentation, Receiver's counsel determined that Mr. Nadar's claim appeared to have merit. Therefore, on July 1, 2025, Receiver's counsel sent a letter to Mr. Nadar informing him that the

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<sup>7</sup> Mr. Nadar was one of the EEB back-office personnel that the Receiver continued making payments to in October 2024, pursuant to an agreed-upon reduced payment schedule, in order to continue business operations for then-existing EEB customers up and until the Receiver's formal shutdown of EEB business operations on October 31, 2024. *See* ECF No. 38 at 26-27. Mr. Nadar was also one of the several back-office personnel that the Receiver's agents experienced significant difficulty successfully wiring payment to, *see id.* at 27-28, due to Mr. Nadar residing abroad and the security measures imposed by both the Receiver's bank and Mr. Nadar's bank.

Receiver acknowledged and accepted his claim for \$7,947.12, but made clear that the Receiver's acceptance of his claim only serves as an acknowledgement of the existence and amount of the claim and is *not* a guarantee that any payments will in fact be made to him.<sup>8</sup>

## **V. ASSETS, EXPENSES, AND LIABILITIES OF THE RECEIVERSHIP ESTATE**

### **A. Assets**

As of October 24, 2025, the balance in the Receivership Account was \$668,653.10. This balance is the result of the wire and transfer activity set forth below.

Between the close of the Fourth Reporting Period (July 25, 2025) and October 24, 2025 (the "Fifth Reporting Period"), the Receivership Account has received: (a) a \$5,937.79 check from TD Bank for the balance of the Empire Realty account upon account closure, which was deposited on 10/7/25; and (b) a \$4,227.19 check from TD Bank for the balance of the Empire Partner account upon account closure, which was deposited on 10/22/25. Additional assets/potential assets include the balance in Empire Partner's PayPal account (\$216.45 as of 7/25/25), and the Constitution Ave Property, less what is owed on the mortgage.<sup>9</sup>

### **B. Expenses**

Administrative expenses for the Fifth Reporting Period total \$12,763.08. The Receiver paid the following administrative expenses during the Fifth Reporting Period: (a) \$157.35 paid to Nickett Landscaping on 8/20/25, for lawn maintenance services for the Constitution Ave Property; (b) \$4,632.00 in total payments to DConstruct DiSigns LLC, for home improvement services for

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<sup>8</sup> Considering the significant difficulty the Receiver's agents experienced with wiring payment to Mr. Nadar in late 2024, in the event the Court directs the Receiver to make payment to Mr. Nadar for his submitted claim amount, it may be a costly effort for the Receiver's agents to expend time attempting to make another likely difficult payment to Mr. Nadar.

<sup>9</sup> While the Receiver previously identified a potential \$95,000 shareholder loan as an asset in the Receiver's Accounting (ECF No. 53), the Receiver's Accountant was unable to locate any support for this loan balance outside of Quickbooks. Accordingly, the loan was reclassified as an equity distribution on the 2024 tax return for Empire Holdings.

the Constitution Ave Property (via three checks payments made on 9/2/25, 9/14/25, and 9/18/25); (c) \$997.50 paid to Olden Carpet and Flooring on 9/16/25, for carpet replacement for the Constitution Ave Property;<sup>10</sup> (d) \$359.73 paid to SafeCo Insurance, the prior Constitution Ave Property insurance policy, on 10/13/25 to resolve an unaddressed, outstanding remaining balance for coverage during the Receivership period; (e) \$42.18 paid to GoDaddy on 10/16/25 for domain/email address renewals;<sup>11</sup> (f) \$268.90 in total payments to WSFS for miscellaneous bank fees; (g) \$5,630.76 in total mortgage payments for the Constitution Ave Property (including principal, interest, and escrow); (h) \$46.66 in water bills paid to North Wales Water Authority for the Constitution Ave Property; (i) \$78.15 in total sewer bills paid to Bucks County Water and Sewer Authority for the Constitution Ave Property; and (j) \$549.85 in total HOA payments for the Constitution Ave Property, which includes \$434.85 in monthly HOA fees and \$125.50 for past lawn mowing services before after the previous tenant moved out and before Nickett Landscaping was engaged.

### **C. Potential Liabilities (Non-Consumer Creditor Claims)**

The Receivership Estate's potential liabilities are with respect to non-consumer creditor claim submissions that have been acknowledged and accepted by the Receiver, which total \$152,212.12 and consist of: (1) \$143,165.00 in total claims submitted by AMEX; (2) a \$1,100.00 claim submitted by Paul Morana/Morana Enterprises; and (3) a \$7,947.12 claim submitted by Jijo William Nadar. *See* Section IV, *supra*. Pursuant to Section VIII of the Permanent Injunction and the notice that the Receiver will send to the claimants following submission of this Report to the

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<sup>10</sup> The total cost of carpet replacement was \$1,995.00. The Receiver had to pay an initial deposit of \$997.50 to Olden Carpet & Flooring via credit card. That expense will appear as an expense on a future fee application.

<sup>11</sup> The Receiver has also subsequently paid for temporary domain/email address renewals, via credit card, as part of his agent's efforts to shut down the social media accounts as reported in Section III.A, *supra*. These credit card expenses will also appear as expenses on a future fee application.

Court, these claimants will have 28 days to file objections to the Receiver's distribution of funds to (1) pay the costs and expenses of administering the Receivership Estate (including compensation and expense reimbursement for the Receiver and his personnel), and then (2) pay all remaining funds to the FTC to reduce the monetary judgment award entered against Defendants in this action, subject to any necessary reserves set forth in the Receiver's upcoming Fifth Interim Fee Application. The Receiver will only pay these claims on behalf of the Receivership Estate if the Court, after reviewing this Final Report and any timely submitted objections, orders the Receiver to do so. *See* Permanent Injunction § VIII ¶ D.

## **VI. REMAINING ACTIONS TO WIND DOWN RECEIVERSHIP**

Finally, additional anticipated wind-down actions are limited and include the following:

- Completing the sale of the Constitution Ave Property and notifying all service providers and insurers of the sale;
- Filing future tax returns for the Receivership Entities for 2025 and potentially 2026, if applicable;
- Taking further action to attempt to shut down EEB's TikTok account and Facebook page;
- Collecting any remaining assets of the Receivership Entities, including the funds from the Empire Partner PayPal account; and
- Winding down the Receivership Entities and filing final state and federal tax returns for same.

## **VII. CONCLUSION**

In summary, the Receiver will continue to take steps to wind down and dissolve the Receivership Estate pursuant to his duties set forth in Section VII of the Permanent Injunction.

Respectfully Submitted,

Dated: October 28, 2025

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*Attorneys for Receiver,  
Kevin Dooley Kent*

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

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**FEDERAL TRADE COMMISSION,**

**Plaintiff,**

**v.**

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

**Defendants.**

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**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 Fifth/Final Written Status Report 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: October 28, 2025

*s/ Robin S. Weiss* \_\_\_\_\_  
Robin S. Weiss, Esq.  
*Attorney for Receiver, Kevin Dooley Kent*