

**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 SIXTH WRITTEN STATUS REPORT

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Date: January 26, 2026

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I. INTRODUCTION

Pursuant to the Court's May 9, 2025 Order (ECF No. 79), Kevin Dooley Kent, in his capacity as Receiver for Empire Holdings Group LLC d/b/a Ecommerce Empire Builders d/b/a Storefunnels.net ("EEB"), 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"), hereby submits this Sixth Status Report setting forth the status of actions taken to wind down and conclude the receivership since the filing of this Fifth/Final Written Status Report (ECF No. 87).

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.

On November 12, 2025, the Court (1) approved the Receiver's Fourth Interim Fee Application, authorizing the Receiver to make payments to Clark Hill PLC and Alvarez & Marsal Disputes and Investigations, LLC ("A&M") for fees and expenses incurred by the Receiver, his counsel, and accountants between March 1, 2025 and October 31, 2025; (2) authorized the Receiver "to hold back \$200,000.00 in funds . . . to serve as a reserve to cover additional fees and costs related to future actions of the Receiver and his agents to conclude the Receivership, as contemplated in Section VIII, Paragraph E of the Permanent Injunction Order"; and (3) directed the Receiver to "transfer the remaining balance of funds in the Receivership Account to the Federal Trade Commission or its designated agent to reduce the monetary judgment entered in this matter,

pursuant to Section VIII, Paragraph D of the Permanent Injunction Order[.]” ECF No. 89 ¶¶ 1-8. Accordingly, after the Receiver paid the fees and expenses incurred by himself, his counsel, and A&M (*see* ECF No. 89 ¶¶ 1-6) which collectively totaled \$197,447.25, the Receiver held back \$200,000.00 in reserve funds and transferred the remaining balance, \$495,695.60, to the FTC on December 9, 2025. As of January 23, 2026, the balance in the Receivership Account was \$199,707.90. The wire and transfer activity for the Receivership Account is set forth in greater detail in Section IV, *infra*.

B. Empire Partner – PayPal Account

As reported in the Fifth Status Report, the balance in Empire Partner’s PayPal account was \$216.74. Receiver’s counsel had not yet received the check for the account balance that was purportedly mailed to the Receiver on October 9, 2025. Receiver’s counsel followed up with PayPal’s counsel regarding the check as it had not yet been received in early January and, on January 14, 2026, PayPal’s counsel indicated that a new check was being re-sent to the Receiver. The Receiver and his agents are presently awaiting receipt of the check.

C. Empire Realty – Constitution Ave Property

As reported in the Receiver’s Fifth Status Report (ECF No. 87) and Motion for Approval of Fourth Interim Fee Application (ECF No. 88), Empire Realty owned a townhome located at 6 Constitution Avenue, Doylestown, PA 18901 (the “Constitution Ave Property”), which the Receiver listed for sale on September 28, 2025. Of the two offers received, the Receiver accepted the more competitive cash offer of \$356,000.00. On November 5, 2025, the sale closed at Keller Williams in Doylestown, PA. After reductions for the payment of state and local transfer taxes payoff of the mortgage, payment of commissions, payment of other closing-related costs and fees, payment of a closing cost credit to the buyer, and a credit for taxes and HOA payments made, the

net sale proceeds of \$224,606.49 were wired to the Receivership Account in connection with the sale on the date of closing.

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

As reported in the Receiver's Fifth Status Report, the Receiver's counsel notified the FTC and defense counsel on October 6, 2025 of the Receiver's plan to permanently shut down and/or delete EEB's social media accounts as part of the Receiver's duties to "wind down the affairs of the Receivership Entities" pursuant to Section VII, Paragraph A of the Permanent Injunction. In the Fifth Status Report, the Receiver reported that the Instagram, YouTube, X/Twitter, and Spreaker accounts had been successfully deleted, the Facebook page had been deactivated and not accessible to the public since October 2024, and that the Receiver's agents required the assistance of TikTok Customer Support in order to delete the TikTok account. Following the submission of the Fifth Status Report, the Receiver's agents contacted TikTok Support through various channels requesting assistance with the deletion of the account and never received any responses from TikTok. The Receiver's agents have determined that it is not appropriate to spend further time attempting to obtain TikTok Support's assistance to shut down the account as efforts thus far have not been successful, and further attempts would not be cost effective to the Receivership Estate.

As for Empire's website domains, the Receiver's agents are exploring options for selling the domains ecommerceempirebuilders.com and storefunnels.net in order to bring additional funds

into the Receivership Estate. The Receiver will provide further updates regarding these efforts in future status reports.

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

As reported in the Receiver's Fifth Status Report, A&M is continuing to provide tax-related services for the Receivership Entities on a going-forward basis. A&M will be preparing 2025 tax returns for the Receivership Entities, where applicable,¹ and the Receiver and his agents have continued to work with and provide all information and documentation to A&M upon request in order for it to prepare the tax returns. Meanwhile, the Receiver's counsel and accountants are conducting research and making necessary preparations to ultimately wind down the Receivership Entities and file final state and federal tax returns at the appropriate time.

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

A. Assets

As of January 23, 2026, the balance in the Receivership Account was \$199,707.90. This balance is the result of the wire and transfer activity set forth below.

¹ 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.

Between the close of the Fifth Reporting Period (October 24, 2025) and January 23, 2026 (the “Sixth Reporting Period”), the Receivership Account received: (a) a \$224,606.49 wire on 11/5/25 for the sale of the Constitution Ave Property; and (b) a total of \$202.13 in accrued interest. Additional expected assets include the balance in Empire Partner’s PayPal account (\$216.74) (*see* Section II.B, *supra*).

B. Expenses

The Receiver paid the following in professional fees and expense reimbursements on November 13, 2025, in connection with the Court’s approval of the Receiver’s Fourth Interim Fee Application: (a) \$23,987.00 to Clark Hill PLC for professional fees incurred by the Receiver; (b) \$122,584.35 to Clark Hill PLC for professional fees incurred by the Receiver’s counsel; (c) \$1,783.10 to Clark Hill PLC for expenses incurred by the Receiver’s counsel; (d) \$49,092.50 to A&M for professional fees incurred by them in their role as the Receiver’s accountants; and (e) \$0.30 to A&M for expenses incurred by the Receiver’s accountants.

Additional administrative expenses for the Sixth Reporting Period include the following: (a) a \$16.00 wire fee on 11/5/25 in connection with the sale of the Constitution Ave Property; (b) \$192.41 to Nickett Landscaping for mowing and general lawn maintenance services for the Constitution Ave Property up through the sale date; (c) \$268.30 in total payments to WSFS for miscellaneous bank fees; and (d) the \$495,695.60 transfer of funds to the FTC in accordance with the Court’s November 12, 2025 Order (ECF No. 89 ¶ 8).

V. REMAINING ACTIONS TO WIND DOWN RECEIVERSHIP

Additional anticipated wind-down actions are limited and include the following:

- Filing future tax returns for the Receivership Entities for 2025 and potentially 2026, if applicable;
- Selling Empire website domains;

- Collecting the balance of the Empire Partner PayPal account (\$216.74); and
- Winding down the Receivership Entities and filing final state and federal tax returns for same.

VI. CONCLUSION

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: January 26, 2026

s/ Robin S. Weiss

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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 Sixth 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: January 26, 2026

s/ Robin S. Weiss _____
Robin S. Weiss, Esq.
Attorney for Receiver, Kevin Dooley Kent