

CATHERINE PAPPAS (*pro hac vice*, ECF No. 25)

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U.S. Securities and Exchange Commission

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LOCAL COUNSEL:

DOUGLAS M. MILLER (Cal. Bar No. 240398)

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U.S. Securities and Exchange Commission

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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
Southern Division**

SECURITIES AND EXCHANGE  
COMMISSION

Plaintiff,

v.

ENERGY & ENVIRONMENTAL  
INVESTMENTS, LLC, et al.

Defendants.

Case No. 23-cv-00338-FWS-JDE

**NOTICE OF MOTION AND  
MOTION FOR AN ORDER TO  
DISBURSE**

Date: April 3, 2025

Time: 10:00 am

Crtrm: 10D

Judge: Hon. Fred W. Slaughter

**TO ALL PARTIES AND THEIR COUNSEL OF RECORD:**

PLEASE TAKE NOTICE that, on March 27, 2025, at 10 a.m. or as soon thereafter as possible, in Courtroom 10D of the United States District Court for the Central District of California, Southern Division, located at 411 W. Fourth Street,

1 Santa Ana, CA 92701, the Plaintiff, the Securities and Exchange Commission (the  
2 “SEC”), will move this Court for an Order to Disburse: (1) authorizing the SEC to  
3 transfer \$537,299.87 to the escrow account established by the Third-Party<sup>1</sup> at The  
4 Huntington National Bank, N.A. pursuant to directions to be provided to the SEC  
5 by the Third-Party; and (2) directing the Third-Party to distribute those funds in  
6 accordance with the Plan.

7 The SEC’s motion for an Order to Disburse is based upon the accompanying  
8 memorandum and declaration; the filings and record in this action; and any other  
9 evidence or argument the SEC may present in support of the motion. To oppose the  
10 motion, you must file with the Court and serve on the SEC a written opposition no  
11 later than March 13, 2025.

12 This motion is made following the conference of counsel pursuant to Local  
13 Rule 7-3, which took place by electronic mail to counsel for Narysa Sardari Luddy  
14 and to defendant Amir A. Sardari sent on February 20, 2025, and re-sent to Mr.  
15 Sardari on February 27, 2025. Counsel for Narysa Sardari Luddy has informed the  
16 SEC that his client does not oppose the relief sought and waives oral argument.  
17 Defendant Amir A. Sardari has not responded to the SEC.

18  
19 Respectfully submitted,

20 /s/ Catherine E. Pappas  
21 CATHERINE E. PAPPAS (*pro hac*  
22 *vice*, ECF No. 25)  
23 Attorney for Plaintiff,  
24 **SECURITIES AND EXCHANGE**  
25 **COMMISSION**

26 Dated: March 3, 2025

27 <sup>1</sup> Capitalized terms used in this Notice of Motion and Motion for an Order to  
28 Disburse, but not defined, are used as defined in the Court-approved distribution  
plan, ECF No. 37, Exhibit A (the Plan”).

**SERVICE**

The undersigned hereby certifies that, on March 3, 2025, I caused the foregoing Notice of Motion and Motion for an Order to Disburse report to be electronically filed with the Clerk of the Court for the U.S. District Court of the Central District of California, using the electronic case filing system of the court. The electronic case filing system sends a “Notice of Electronic Filing” to all attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means. I further certify that I have caused copies of the filing to be sent by electronic mail to the following:

Robert Hartmann, Esq.  
650 Town Center Dr., Suite 1400  
Costa Mesa, CA 92626  
[bob@hartmannlawfirm.net](mailto:bob@hartmannlawfirm.net)  
*Counsel for Narysa Sardari Luddy*

Amir A. Sardari, *pro se*  
amireei@icloud.com

/s/ Catherine E. Pappas

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Catherine E. Pappas

1                                   **UNITED STATES DISTRICT COURT**  
2                                   **CENTRAL DISTRICT OF CALIFORNIA**  
3                                   **Southern Division**

4                   SECURITIES AND EXCHANGE  
5                   COMMISSION

6                                   Plaintiff,

7                                   v.

8                   ENERGY & ENVIRONMENTAL  
9                   INVESTMENTS, LLC, et al.

10                                  Defendants.  
11

Case No. 23-cv-00338-FWS-JDE

**[PROPOSED] ORDER TO  
DISBURSE**

12           The Court has reviewed the Securities and Exchange Commission's (the  
13 "SEC") Motion for an Order to Disburse, the accompanying Memorandum and  
14 Declaration in support, and any related filings;

15           **AND** the Court has considered all arguments presented;

16  
17 **THE COURT HEREBY** finds good cause and **ORDERS** that:

18           1.     The SEC is authorized to transfer \$537,299.87 to the escrow account  
19 established by the Third-Party<sup>1</sup> at The Huntington National Bank, N.A. in  
20 accordance with directions to be provided to the SEC staff by the Third-Party; and  
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26  
27 <sup>1</sup> Capitalized terms used in this Order but not defined are used as defined in the  
28 Court-approved distribution plan, ECF No. 37, Exhibit A (the Plan").

1           2.     In accordance with paragraph 46 of the Plan, the Third-Party shall  
2 distribute those funds in accordance with the Plan.

3  
4 **IT IS SO ORDERED.**

5  
6 Dated: \_\_\_\_\_, 2025

7 HON. FRED W. SLAUGHTER  
8 United States District Court Judge  
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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
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SECURITIES AND EXCHANGE  
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Plaintiff,

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ENERGY & ENVIRONMENTAL  
INVESTMENTS, LLC, et al.,

Defendants.

Case No. 23-cv-00338-FWS-JDE

**PLAINTIFF SECURITIES AND  
EXCHANGE COMMISSION'S  
MEMORANDUM IN SUPPORT  
OF ITS MOTION FOR AN  
ORDER DISBURSE**

1 **I. INTRODUCTION**

2 In accordance with paragraph 46 of the distribution plan approved by this  
3 Court (the “Plan”),<sup>1</sup> the Plaintiff, the Securities and Exchange Commission (the  
4 “SEC”), respectfully submits this memorandum in support of its Motion for an  
5 Order to Disburse: (1) authorizing the SEC to transfer \$537,299.87 to the Escrow  
6 Account<sup>2</sup> established by the Third-Party at The Huntington National Bank, N.A.  
7 (the “Bank”) pursuant to directions to be provided to the SEC by the Third-Party;  
8 and, in accordance with paragraph 46 of the Plan, (2) directing the Third-Party to  
9 distribute those funds in accordance with the Plan.

10 **II. BACKGROUND**

11 **A. The Civil Action**

12 On February 24, 2023, the SEC filed a complaint against Energy &  
13 Environmental Investments, LLC (“EEI”); Energy & Environment, Inc. (“EE  
14 Inc.”), Amir A. Sardari (“Sardari”), and Narysa Sardari Luddy (“Luddy”)  
15 (collectively, the “Defendants”), alleging that, from March 2011 through April  
16 2020, inclusive, the Defendants perpetrated an offering fraud, raising \$9.3 million  
17 from over 200 investors nationwide. ECF No. 1. The SEC alleged that EEI  
18 fraudulently offered and sold securities from a call center based in Orange County,  
19 California, claiming it would use the money to acquire and develop clean energy  
20 projects with an emphasis on the oil and gas sector. *Id.* at ¶ 5. The SEC alleged  
21 that, in fact, the Defendants spent investor funds on payroll for the call center,  
22 marketing, personal expenses, and to pay other investors in a Ponzi-like scheme.  
23 *Id.* at ¶ 6. The SEC charged the Defendants with violations of the antifraud

24 \_\_\_\_\_  
25 <sup>1</sup> ECF No. 37, Exhibit A, publicly available at <https://www.sec.gov/files/eei-order-approving-plan.pdf>.

26 <sup>2</sup> Capitalized terms not defined in this memorandum are used as defined in the  
27 Plan.  
28

provisions of the Securities Act of 1933, 15 U.S.C. § 77a *et seq.*, and the Securities Exchange Act of 1934, 15 U.S.C. § 78a *et seq.* *Id.* at ¶¶ 10, 11.

On May 19, 2023, the Court entered final judgments by consent against each of the Defendants (the “Final Judgments”), ordering, in relevant part:

1. EEI to disgorge \$3,414,836.23, plus prejudgment interest of \$977,948.76 and a civil penalty of \$1,035,909.00 within thirty (30) days of the entry of judgment, ECF No. 20;
2. EE Inc. to pay a civil penalty of \$200,000 within thirty (30) days of the entry of judgment, ECF No. 21; and
3. Luddy to disgorge \$1,009,191.86 plus prejudgment interest of \$289,014.72 within thirty (30) days of the entry of judgment, ECF No. 23.<sup>3</sup>

Each final judgment ordering monetary relief provides that the SEC shall hold the funds and may propose a plan to distribute funds pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002, 15 U.S.C. § 7246(a). ECF Nos. 20 § V., 21 § V, and 23 § V.

**B. The Fair Fund and the Tax Administrator**

On January 4, 2024, the Court established a Fair Fund pursuant to Section 308(a) of the Sarbanes Oxley Act of 2002, 15 U.S.C. §7246(a); appointed Heffler, Radetich & Saitta, LLP as tax administrator for the Fair Fund (“Tax Administrator”); and authorized the SEC to approve and arrange payment of tax obligations and tax administration costs without further Court order. ECF No. 22.

The Fair Fund is comprised of \$550,000 disgorged by the Defendants pursuant to the Final Judgments, plus accrued interest (the “Fair Fund”). The

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<sup>3</sup> The final judgment entered by consent against Sardari did not impose any monetary sanctions. ECF No. 22.

1 funds are being held in an SEC-designated account with the United States  
2 Department of the Treasury (“Treasury”). Additional payments and collections,  
3 any funds directed to the Fair Fund pursuant to Court or SEC order or  
4 otherwise, and interest accrued will be added to, and become a part of, the Fair  
5 Fund.

6 **C. The Plan and the Preliminary Claimants**

7 By Order entered July 8, 2024, the Court approved the Plan. The Plan is  
8 intended to compensate investors for their losses on the purchase of membership  
9 units in EEI from March 1, 2011, through April 1, 2020, inclusive. In the Plan, the  
10 undersigned was appointed as the Distribution Agent, to be assisted by a third-  
11 party in the performance of administrative tasks. ECF No. 37, ¶ 30. The SEC has  
12 engaged Rust Consulting, Inc. as the Third-Party referenced in paragraph 30 of the  
13 Plan.

14 **III. THE REQUESTED RELIEF**

15 As set forth below and in the Declaration of Patricia Ernste, Senior Project  
16 Manager for the Third-Party, in Support of the SEC’s Motion for an Order to  
17 Disburse (the “Declaration,” attached as Exhibit A), since the approval of the Plan,  
18 the Distribution Agent and the Third-Party have executed all steps in the Plan  
19 through the creation of a Payee List. In accordance with paragraph 46 of the Plan,  
20 the SEC now petitions the Court for authority to transfer \$537,299.87 from the Net  
21 Available Fair Fund to the Bank for distribution by the Third-Party in accordance  
22 with the Plan.<sup>4</sup>

23  
24  
25 <sup>4</sup> To the extent that this section refers to things done, and conclusions reached, by  
26 the Distribution Agent, the undersigned, acting as Distribution Agent, has direct  
27 knowledge of those facts. The remainder is evidenced by the attached declaration  
28 of the Third-Party.

**A. The Execution of the Plan**

In accordance with paragraph 34 of the Plan, by August 2, 2024, the Third-Party created a database of all Preliminary Claimants based on information provided by the Distribution Agent and the SEC staff; ran a National Change of Address search to retrieve updated addresses for all records in the database; and sent the Plan Notice to each Preliminary Claimant's last known email or mailing address. Declaration, ¶ 3. The Plan Notice, among other things, notified Preliminary Claimants of the Court's approval of the Plan; included the address of the Plan on the SEC's website and instructions for requesting a copy of the Plan; specified each Preliminary Claimant's preliminarily calculated Investment and Recovery and provided a mechanism by which Preliminary Claimants could dispute the same; specified any information needed from the Preliminary Claimant to prevent him, her, or it from being deemed an Unresponsive Preliminary Claimant; and provided contact information for questions regarding the distribution. *Id.* at ¶ 4.

Also, by August 2, 2024, the Third-Party established and monitored, and continues to monitor, the email address: info@secvEandEfairfund.com, as well as physical mail, for Preliminary Claimant communications. The Third-Party either responded to these communications or sent them to the Distribution Agent for response. *Id.* at ¶ 3.

The Third-Party sent the Plan Notice to 252 Preliminary Claimants. *Id.* at ¶ 5. Fifteen of the Notices were returned as undeliverable. *Id.* The Third-Party and the Distribution Agent conducted address searches and attempted to contact Preliminary Claimants using available phone numbers or email addresses to obtain updated contact information. *Id.* To the extent the Distribution Agent located a Preliminary Claimant, the Distribution Agent communicated that information to the Third-Party. *Id.* As a result of these efforts, the Third-Party and the

1 Distribution Agent were able to find updated or alternative addresses for all  
2 Preliminary Claimants whose Plan Notices were returned as undeliverable and re-  
3 sent the Plan Notice to those fifteen Preliminary Claimants or to someone on their  
4 behalf. *Id.*

5 The Third-Party reviewed all responses to the Plan Notice. *Id.* at ¶ 6.  
6 Twenty-six responses to the Plan Notice required action. *Id.* at ¶7. Of these  
7 responses, thirteen provided updates to contact information or asked questions  
8 unrelated to their specific Investment or Recovery, all of which were resolved by  
9 either the Third-Party or by the Distribution Agent. *Id.* The remaining thirteen  
10 inquiries were specific to the inquirer's Investment or Recovery and were resolved  
11 by an explanation from the Distribution Agent as to: (1) the difference between  
12 "Recovery," as defined in the Plan, and any anticipated Distribution Payment; or  
13 (2) the exclusion from "Investment" of purported interest that investors thought  
14 they rolled over. *Id.* The Distribution Agent either provided a copy of any written  
15 resolution to the Third-Party or provided a summary of any verbal resolution to the  
16 Third-Party. *Id.*

17 Six additional Preliminary Claimants, investor numbers 90, 214, 224, 225,  
18 244, and 245, submitted documentation to the Distribution Agent objecting to their  
19 respective, preliminarily calculated, Investment and/or Recovery and/or correcting  
20 the Payee. Upon review of the submitted documentation -- and in two cases,  
21 further review of records from the SEC investigation -- the Distribution Agent  
22 determined the requested changes were appropriate and made the requested  
23 revisions.

1 The Distribution Agent has determined one Preliminary Claimant, investor  
2 number 223, to be an Unresponsive Preliminary Claimant under paragraph 26 of  
3 the Plan after unsuccessful efforts to locate that Preliminary Claimant.<sup>5</sup>

4 **B. Calculations and Preparation of the Payee List**

5 Based on the Estimate of Funds Available provided by the Tax  
6 Administrator, as of December 6, 2024, the Fair Fund held \$579,063.15.  
7 Declaration, ¶ 8. After receipt of an anticipated tax refund of \$6,300, the Fair Fund  
8 will hold \$585,363.15. *Id.* After offsetting a Reserve of \$48,061.52 for  
9 Administrative Costs, the Net Available Fair Fund holds \$537,301.63. *Id.*

10 The Distribution Agent has provided to the Third-Party a calculation of each  
11 Preliminary Claimant's Recognized Loss in accordance with the Plan of  
12 Allocation, and of Distribution Payments to Payees based on the Net Available  
13 Fair Fund. *Id.* at ¶ 9. Because there are insufficient funds to make harmed  
14 investors whole, Payees will not receive Reasonable Interest. *Id.*

15 The Tax Administrator has informed the Distribution Agent and the Third-  
16 Party that tax withholding will be required with respect to one Payee, who is the  
17 beneficiary of an IRA account. *Id.* at ¶ 10. In accordance with paragraph 44 of the  
18 Plan, the Third-Party, working with the Distribution Agent, has compiled the  
19 Payee List. *Id.* at ¶ 11. The Payee List provides all information necessary to make  
20 a payment to each Payee and to send required tax withholding to the Tax  
21

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22 <sup>5</sup> Investor number 223 was identified in the records of the Defendant entity by  
23 name only, with no additional contact information. The Distribution Agent sent a  
24 letter to thirty-one individuals living in the United States with the same name as  
25 the investor, seeking further contact information and corroboration of an  
26 Investment. This effort was unsuccessful; only one person contacted the  
27 Distribution Agent, and that person was determined to not have invested in the  
28 Security. The Distribution Agent also requested information about the investor  
from the Defendants through a request sent to counsel for Narysa Sardari Luddy  
and directly to Defendant Amir Sardari but has not received any additional  
information regarding investor 223.

1 Administrator. It was compiled in accordance with the approved Plan and is  
2 accurate as to all information included therein, including Payees' names, last  
3 known addresses, Recognized Losses, and Distribution Payment amounts. *Id.*  
4 Pursuant to the Payee List, after application of the Minimum Distribution Amount  
5 of \$10.00,<sup>6</sup> 143 Payees will receive an aggregate payment of \$537,299.87,<sup>7</sup> which,  
6 when added to their (prior) Recovery, if any, will result in them being compensated  
7 for approximately 10.66% of their Recognized Losses. *Id.* at ¶12.

8 **C. The Distribution**

9 In accordance with paragraph 45 of the Plan, the Third-Party has established  
10 an Escrow Account and Deposit Account at The Huntington National Bank (the  
11 "Bank"). *Id.* at ¶ 13. Upon the transfer of the Net Available Fair Fund to the Bank,  
12 the Third-Party will distribute it in accordance with the Plan. *Id.* All Distribution  
13 Payments will be preceded or accompanied by a communication in accordance  
14 with paragraph 49 of the Plan. *Id.* at ¶ 14.

15 The Third-Party will use its best efforts to commence mailing Distribution  
16 Payment checks or effect electronic or other payments transfers within twenty (20)  
17 business days of the transfer of the funds to the Bank. *Id.* at ¶ 15. All funds shall  
18 remain in the Escrow Account, separate from Bank assets, until needed to satisfy a  
19 presented check or issue a wire. *Id.* at ¶ 16. All checks presented for payment will  
20 be subject to "positive pay with payee verification" controls before being honored  
21 by the Bank. *Id.* at ¶ 17. In accordance with the Plan, paragraphs 53 and 54, the  
22 Third-Party will monitor uncashed checks and take appropriate action to maximize  
23 check cashing and payment receipt. *Id.* at ¶ 18.

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25 <sup>6</sup> See Plan, Exhibit A.

26 <sup>7</sup> As indicated above, one Payee's payment will be reduced by tax withholding,  
27 which will be sent to Tax Administrator for submission to the IRS.

1 Upon completion of the distribution and any subsequent distribution(s) in  
2 accordance with the Plan, the SEC will move the Court for an Order, as  
3 appropriate, approving a final accounting, discharging the Distribution Agent, and  
4 Terminating the Distribution Fund.

5 **IV. CONCLUSION**

6 For all of the foregoing reasons, the SEC respectfully requests that the Court  
7 issue an Order substantially in the form accompanying the Motion and grant such  
8 other relief as the Court deems appropriate.

9  
10 **CERTIFICATE OF COMPLIANCE PURSUANT TO L.R. 11-6.2**

11 The undersigned, counsel of record for Plaintiff, Securities and Exchange  
12 Commission, certifies that this brief contains 2267 words, which complies with the  
13 word limit of L.R. 11-6.1.

14  
15 Respectfully submitted,

16 /s/ Catherine E. Pappas

17 Catherine E. Pappas (*pro hac vice*, ECF No. 25)

18 Attorney for Plaintiff,

19 SECURITIES AND EXCHANGE COMMISSION

20 Dated: March 3, 2025

21  
22 Exhibit A (Declaration)

CATHERINE PAPPAS (*pro hac vice*, ECF No. 25)

Email: pappasc@sec.gov

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Defendants.

Case No. 23-cv-00338-FWS-JDE

**DECLARATION OF PATRICIA  
ERNSTE, SENIOR PROJECT  
MANAGER FOR THE THIRD-  
PARTY, IN SUPPORT OF THE  
SEC'S MOTION FOR AN  
ORDER TO DISBURSE**

I, Patricia Ernste, pursuant to 28 U.S.C. § 1746, declare under penalty of perjury as follows:

1. I am a Senior Project Manager for Rust Consulting, Inc. ("Rust"), the Third-Party identified in ¶ 30 of the Court-approved distribution plan (ECF No. 37,

1 the "Plan"). I submit this Declaration in support of the Securities and Exchange  
2 Commission's (the "SEC") Motion for an Order to Disburse.

3 2. The following statements are based on my personal knowledge and  
4 information provided to me by other experienced Rust employees working under  
5 my supervision. If called to testify regarding the facts in this declaration, I could do  
6 so competently.

7 **EXECUTION OF PLAN PROCEDURES PRECEDING CALCULATIONS**

8 3. In accordance with ¶ 34 of the Plan, by August 2, 2024, Rust created a  
9 database of all Preliminary Claimants<sup>1</sup> based on information provided by the  
10 Distribution Agent and the SEC staff; ran a National Change of Address search to  
11 retrieve updated addresses for all records in the database; and sent the Plan Notice  
12 to each Preliminary Claimant's last known email or mailing address. Rust also  
13 established and monitored, and continues to monitor, the email address:  
14 info@secvEandEfairfund.com, as well as physical mail, for Preliminary Claimant  
15 communications; and respond to, or direct to the Distribution Agent for response,  
16 the same.

17 4. In accordance with ¶ 18 of the Plan, the Plan Notice, among other  
18 things, notified Preliminary Claimants of the Court's approval of the Plan;  
19 included the address of the Plan on the SEC's website and instructions for  
20 requesting a copy of the Plan; specified each Preliminary Claimant's preliminarily  
21 calculated Investment and Recovery and provided a mechanism by which  
22 Preliminary Claimants could dispute the same; specified any information needed  
23 from the Preliminary Claimant to prevent him, her, or it from being deemed an  
24

25  
26 \_\_\_\_\_  
27 <sup>1</sup> Capitalized terms used in this Declaration but not defined are used as defined in  
28 the Plan.

1 Unresponsive Preliminary Claimant; and provided contact information for  
2 questions regarding the distribution.

3 5. Rust sent the Plan Notice to 252 Preliminary Claimants. Fifteen of  
4 the Notices were returned as undeliverable. Rust and the Distribution Agent  
5 conducted address searches and attempted to contact Preliminary Claimants using  
6 available phone numbers or email addresses to obtain updated contact information.  
7 To the extent the Distribution Agent located a Preliminary Claimant, the  
8 Distribution Agent communicated that information to Rust. As a result of these  
9 efforts, Rust and the Distribution Agent were able to find updated or alternative  
10 addresses for all Preliminary Claimants whose Plan Notices were returned as  
11 undeliverable, and re-sent the Plan Notice to those fifteen Preliminary Claimants or  
12 to someone on their behalf.

13 6. Rust reviewed all responses to the Plan Notice and updated its  
14 database with information provided by the Preliminary Claimants in their  
15 responses to the Plan Notice.

16 7. Rust received 26 responses to the Plan Notice from Preliminary  
17 Claimants that required action. Of the inquiries, 13 provided updates to contact  
18 information or asked questions unrelated to their specific Investment or Recovery,  
19 all of which were resolved by either Rust or by the Distribution Agent. The  
20 remaining 13 inquiries were specific to the inquirer's Investment or Recovery and  
21 were resolved by an explanation from the Distribution Agent as to: (1) the  
22 difference between "Recovery," as defined in the Plan, and any anticipated  
23 Distribution Payment; or (2) the exclusion from "Investment" of purported interest  
24 that investors thought they rolled over. The Distribution Agent either provided a  
25 copy of any written resolution to Rust or provided a summary of any verbal  
26 resolution to Rust.

**CALCULATIONS AND PREPARATION OF THE PAYEE LIST**

8. Based on the Estimate of Funds Available provided by the Tax Administrator, as of December 6, 2024, the Fair Fund held \$579,063.15. The Tax Administrator expects a tax refund of \$6,300, increasing the balance to \$585,363.15. The Net Available Fair Fund holds \$537,301.63 after offsetting the Reserve of \$48,061.52 for Administrative Costs.

9. The Distribution Agent has provided to Rust each Preliminary Claimant's Recognized Loss, calculated in accordance with the Plan of Allocation. The Distribution Agent has further provided to Rust the Distribution Payments to Payees based on the Net Available Fair Fund. Because there are insufficient funds to make harmed investors whole, Payees will not receive Reasonable Interest.

10. The Tax Administrator has informed the Distribution Agent and Rust that tax withholding will be required with respect to one Payee, who is the beneficiary of an IRA account.

11. In accordance with ¶ 44 of the Plan, Rust, working with the Distribution Agent, has compiled the Payee List (the "Payee List"). The Payee List provides all information necessary to make a payment to each Payee and: (a) was compiled in accordance with the approved Plan; and (b) is accurate as to all information included therein, including Payees' names, last known addresses, Recognized Losses, and Distribution Payment amounts.

12. Pursuant to the Payee List, after application of the Minimum Distribution Amount of \$10.00, 143 Payees will receive an aggregate payment of \$537,299.87, which, when added to their Recovery (if any), will result in them being compensated for approximately 10.66% of their Recognized Losses.

**THE DISTRIBUTION**

13. In accordance with ¶ 45 of the Plan, Rust has established an Escrow Account and Deposit Account at The Huntington National Bank (the “Bank”). Upon the transfer of the Net Available Fair Fund to the Bank, Rust will distribute it in accordance with the Plan.

14. All Distribution Payments will be preceded or accompanied by a communication in accordance with ¶ 49 of the Plan.

15. Rust will use its best efforts to commence mailing Distribution Payment checks or effect electronic or other payments transfers within twenty (20) business days of the transfer of the funds to the Bank.

16. All funds shall remain in the Escrow Account, separate from Bank assets, until needed to satisfy a presented check or issue a wire.

17. All checks presented for payment will be subject to “positive pay with payee verification” controls before being honored by the Bank.

18. In accordance with the Plan, ¶¶ 53 and 54, Rust will monitor uncashed checks and take appropriate action to maximize check cashing and payment receipt.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 25, 2025

*Patricia Ernste*

---

Patricia Ernste  
Senior Project Manager  
Rust Consulting, Inc.