

**UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

CASE NO. 8:20-CV-325-T-35AEP

BRIAN DAVISON,  
BARRY M. RYBICKI,  
EQUIALT LLC,  
EQUIALT FUND, LLC,  
EQUIALT FUND II, LLC,  
EQUIALT FUND III, LLC,  
EA SIP, LLC,

Defendants, and

128 E. DAVIS BLVD, LLC,  
et al.,

Relief Defendants.

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**THE RECEIVER'S EIGHTH QUARTERLY STATUS REPORT**

Receivership Information and Activity from

October 1, 2021 through December 31, 2021

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## **INTRODUCTION**

Burton W. Wiand, the Court-appointed receiver over the assets of the above-captioned corporate defendants and relief defendants (the “**Receiver**” and the “**Receivership**” or “**Receivership Estate**”), files this Sixth Quarterly Status Report to inform the Court, investors, creditors, and others interested in this Receivership of activities this quarter as well as the Receiver’s proposed course of action. For a complete report of the Receiver’s activities to date, the Receiver refers the reader to his previous reports. [Docs. 84, 179, 217, 265, 319, 352, 441] These reports can also be found on the Receiver’s informational website, [EquiAltreceivership.com](http://EquiAltreceivership.com). The Receiver will continue to update the website regarding the Receiver’s most significant actions, important Court filings, and other items that might be of interest to the public. This Eighth Quarterly Status Report, as well as all subsequent reports, will be posted on the Receiver’s website.

## **OVERVIEW OF SIGNIFICANT ACTIVITIES DURING THIS REPORTING PERIOD**

During the time covered by this Eighth Quarterly Status Report, the Receiver and his professionals engaged in the following significant activities:

- Participated in negotiations with counsel for Barry Rybicki regarding turnover of assets as part of his settlement with SEC;

- Closed on private sale of five of the six properties that did not sell during the Receiver's first online auction, resulting in net proceeds of \$950,630;
- Sought and received the Court's approval for a second online auction for the sale of 20 real estate properties owned by the Receivership Estate (Doc. 457). Auction resulted in the sale of fifteen properties for \$4,888,012 in gross proceeds. Results to date from the first two online auctions indicate that this process will result in rapid liquidation of these properties at excellent prices and return to the Receivership;
- Sold luxury watches and jewelry through Sotheby's at auctions in Hong Kong, Geneva, Las Vegas and New York resulting in proceeds to the Receivership Estate of almost \$13 million;
- Closed on sales of Davison's New York apartment (Doc. 429), Davison's Davis Island house and property (Doc. 443), and the office location for EquiAlt at 2112 W. Kennedy Blvd., Tampa (Doc. 444) for net proceeds of \$7,181,684;
- Closed on sale of Blue Waters, 13 unit multiplex in Treasure Island, for net proceeds of \$4,144,700;
- Obtained Clerk's Defaults against one additional defendant in the *Adamek* case, representing \$9,690.00 in false profits;

- Received Court approval for the settlement of certain investor clawback claims, resulting in settlements in the amount of \$176,968.86 (Docs. 427, 433, and 464);
- Continue to negotiate with sales agent defendants in *Wiand v. Family Tree Financial Planning* case. This quarter, the Receiver reached settlements with two sales agents and their related entities;
- Worked with Omni Agent Solutions during 90-day period between mailing of over 3,370 proof of claim packets and the claim bar date of December 22, 2021;
- Continued efforts in conjunction with class action counsel in the *Gleinn, et al. v. Wassgren, et al.* case toward resolution of the lawsuits against Paul Wassgren, Fox Rothschild and DLA Piper;
- Negotiated contracts for the following transactions that are still pending inspections and Court's approval:
  - Bungalows, 10 unit multiplex in Treasure Island - \$2,800,000;
  - Five multiplex properties on Davis Island - \$7,300,000; and
  - Mobile home park at 5123 E. Broadway - \$3,520,000;
- Paused renovation of Jasmine Way property in Clearwater as the Receiver entered into a sales contract on the home and the buyer wants to complete the renovation. The Receiver believes the price on this contract, \$1,200,000, is advantageous to the Receivership;

- Continued working with partners on the operations of Commerce Brewing and related entities. The company has made substantial strides toward completing its production facilities and a tasting room. The Receiver believes this project is progressing well and the financial commitments of the Receiver are almost fully met. Anticipated increased production will lead to the receipt of substantial rents from the project in the near future;
- Regarding the Bolero Snort brewery, the Receiver completed the environmental remediation work that was required by New Jersey and the brewery project is progressing well;
- Continued work to streamline Receivership administration and manage EquiAlt operations, including maintenance and leasing of over 250 real estate properties;

The above activities are discussed in more detail in the pertinent sections of this Eighth Quarterly Status Report.

#### **ACTIONS TAKEN BY THE RECEIVER**

Since his appointment, the Receiver has taken a number of steps to fulfill his mandates under the Order Appointing Receiver. These efforts are reported in the previous Quarterly Status Reports. This section describes actions taken in this Quarter.

**I. The Financial Status of the Receivership Estate**

**A. Fund Accounting**

Attached as Exhibit 1 is a cash accounting report showing the amount of money on hand from October 1, 2021, less operating expenses plus revenue, through December 31, 2021. This cash accounting report does not reflect non-cash or cash-equivalent assets. Thus, the value of all property discussed below is not included in the accounting report. From October 1, 2021 through December 31, 2021, the Receiver collected \$1,403,635.89 in business income with \$1,919,821.23 in business asset expenses.<sup>1</sup> The ending fund balance is \$30,195,121.70. Between the end of 2021 and the date of this report, the Receiver received \$4,930,2357.19 from the Hong Kong watch auction. Additionally, the Receiver has four properties under contract for a gross total of \$14,820,000 as well as receivables from the watch and jewelry auctions of approximately \$7.5 million. The cash balance as of January 22, 2022 was \$35,486,557.58.

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<sup>1</sup> The expense figure is much higher in the fourth quarter is due to the payment of annual real estate taxes.

## B. Bank Accounts

### 1. Receivership Bank Account

The Receiver has opened a money market account for the Receivership at ServisFirst Bank.<sup>2</sup> Monies collected this quarter are as follows:<sup>3</sup>

- Ongoing receipt of settlement payments for investor clawback settlements: \$867,159.74;
- Ongoing receipt of settlement payments for claims against Sales Agents: \$42,000;
- Part of the proceeds from Sotheby's Geneva watch auction - \$498,828.85; and
- Proceeds from the sale of the following properties:

<b>Property</b>	<b>Net Sales Proceeds</b>
5001 8th Avenue	\$306,672.99
7503 S Morton Street	\$285,825.17
6332 Newtown Circle	\$126,358.51
4619 Belfast Drive	\$150,594.46
3742 Carioca Rd	\$165,343.95
3310 38th St N	\$209,919.03
East Cedar Lot 45	\$59,087.09
East Cedar Lot 44	\$58,969.09
604 W Azeele	\$656,422.30
2917 E Columbus	\$63,792.57
134 W Northside Dr	\$8,892.68
312 E Merrill Ave	\$22,094.79
308 N 13th	\$26,017.17
8625 Fancy Finch Dr	\$112,572.47
10530 77th Terrac	\$87,701.73
2500 Harn Blvd	\$65,281.17

<sup>2</sup> The Receiver also opened a checking/operating account for making disbursements.

<sup>3</sup> For information regarding earlier deposits, see Seventh Quarterly Status Report.



4803 35th Circle	\$25,077.43
6915 Delano Avenue	\$188,382.45
4801 35th Circle	\$26,733.90
357 S McMullen Booth	\$105,370.36
418 N Stella Avenue	\$18,048.72
647 N Keene Rd	\$139,576.87
12100 Seminole Blvd	\$52,686.25
2302 Maki Rd	\$116,784.41
7600 13th Avenue North	\$377,023.88
9503 Century	\$129,375.32
2569 Queensboro	\$156,991.78
6050 Ashland Drive	\$143,255.53
1911 Poinsettia	\$143,983.84
305 Bosphorous	\$1,389,352.59
2112 W Kennedy	\$1,634,350.05
128 Biscayne	\$1,981,351.12
21 W 20th Street, NYC	\$2,176,630.58
8105 West Gulf Blvd.	\$4,144,700.25
<b>Total</b>	<b>\$15,355,220.50</b>

## 2. Accounts at ServisFirst

Since the Court approved the pooling of assets and liabilities, the Receiver and his team are working to consolidate and close certain of the bank accounts he currently has at ServisFirst to allow for the more efficient use of resources for the Receivership Estate. In the last quarter, the Receiver closed the following accounts and transferred their balances to the EquiAlt account ending in 7718:

<b>Account No.</b>	<b>Account Title</b>
XXXXXXXXX7668	EquiAlt Fund, LLC
XXXXXXXXX7650	EquiAlt Fund II, LLC
XXXXXXXXX7643	EA SIP, LLC
XXXXXXXXX7635	Blue Waters TI LLC
XXXXXXXXX7627	TB Oldest House Est. 1842, LLC
XXXXXXXXX7601	Silver Sands TI LLC
XXXXXXXXX7619	Bungalows TI LLC
XXXXXXXXX8013	5123 E. Broadway Ave. LLC
XXXXXXXXX2049	Qualified Opportunity Zone LP
XXXXXXXXX1967	EquiAlt Secured Income Portfolio REIT, Inc. (money market)

The Receiver continues to hold the following bank accounts at ServisFirst on behalf of the Receivership Entities. The total balance for these accounts as of December 31, 2021 is \$30,195,121.70.

<b>Account No.</b>	<b>Account Title</b>	<b>12/31/21 Balance</b>
XXXXXXXXXX7593	EquiAlt, LLC	\$75,007.35
XXXXXXXXXX7718	EquiAlt, LLC (Escrow)	\$4,101,801.09
XXXXXXXXXX6843	EquiAlt, LLC Operating	\$7,654.97
XXXXXXXXXX8500	BR Support Services	\$15,096.40
XXXXXXXXXX6850	Receivership Account	\$24,181,956.86
XXXXXXXXXX6191	Rybicki Segregated Funds	\$158,508.71
XXXXXXXXXX1975	EquiAlt Property Management	\$889,002.43
XXXXXXXXXX1983	EquiAlt Property Management (money market)	\$462,679.37
XXXXXXXXXX1959	EquiAlt Secured Income Portfolio REIT, Inc.	\$303,414.52
<b>Total</b>		<b>\$30,195,121.70</b>

### **3. Accounts at Bank of America, N.A.**

After the transfer of the above-referenced REIT and QOZ accounts, there are only four accounts still held at Bank of America. The disposition of these accounts is referenced in the settlement with Brian Davison. As the Receiver and Mr. Davison have still not completed the turnover of all Mr. Davison's assets, these accounts are still frozen.

<b>Account No.</b>	<b>Account Title</b>	<b>Original Frozen Balance</b>	<b>Notes</b>
XXXXXXXX8041	The Brian D. Davison Revocable Trust	\$322,480.86	Remains Frozen
XXXXXXXX4008	EquiAlt Secured Income Portfolio Limited Partnership	\$380.20	Remains Frozen
XXXXXXXX5126	EquiAlt Property Management, LLC	\$0.00	Remains Frozen
XXXXXXXX4011	EquiAlt Secured Income Portfolio	\$380.20	Remains Frozen

#### 4. Accounts at JPMorgan Chase, N.A.

The Receiver had identified 16 accounts at JPMorgan Chase, N.A. (“Chase”) that are or were associated with the Defendants and Relief Defendants. At this time, only 6 accounts have an active balance. As with the Bank of America accounts, once the turnover associated with the Davison and Rybicki settlements are completed, it is anticipated that these accounts will be closed.

<b>Account No.</b>	<b>Account Title</b>	<b>Original Frozen Balance</b>	<b>Court Ordered Withdrawals from Account</b>
XXXXX3995	Brian Davison / Nicole Davison	\$417,762.15	*\$75,000 (Doc.54) *\$105,420 (Doc. 124) *\$67,700 (Doc. 201)
XXXXX2758	Brian Davison	\$114.23	Frozen
XXXXX8993	Barry Rybicki	\$2,469.64	Frozen
XXXXX5756	Davison Capital LLC	\$24,639.50	Frozen

XXXXX5807	Rosenbarry Holdings LLC	\$220,021.06	*\$85,000 (Doc. 31) *\$23,400 (Doc. 65) *\$19,865 (Doc. 83) *\$25,300 (Doc 124) \$16,576 (Doc. 171) *\$30,000 (Doc. 157)
XXXXX9319	Brian Davison	\$194.15	Frozen

### 5. Accounts at Comerica Bank, N.A.

The Receiver has identified six accounts at Comerica Bank, N.A. (“Comerica”) that were associated with the Defendant, Barry Rybicki. It is anticipated that once the settlement with Mr. Rybicki is approved and the turnover is complete, these accounts will be closed.

Account No.	Account Title	Frozen Balance	Status
XXXXXXX7306	Barry M. Rybicki	\$36,824.98	Frozen
XXXXXXX7314	Barry M. Rybicki	\$30,577.31	Frozen
XXXXXXX7261	Rosenbarry Properties, LLC	\$10,000.00	Frozen
XXXXXXX7721	Rosenbarry Properties, LLC	\$500.00	Frozen
XXXXXXX6792	Undetermined (possibly Rybicki-related)	\$36,824.98	Frozen
XXXXXX2102	Barry M. Rybicki and Rosemarie Rybicki JT TEN	\$224.57	Frozen

### 6. Investments and Investment Accounts

The Receiver has identified and frozen three investment accounts associated with the individual defendants: Coinbase (Rybicki), E\*Trade (\$225,744) (Rybicki), and Merrill Lynch (Davison). As of February 29, 2020,

the balance in Davison's Merrill Lynch accounts was \$1,350,771.36. Since then, approximately \$122,500 has been moved from Davison's personal bank account to pay capital calls in the Merrill Lynch account. Going forward, the Court has ordered that the Merrill Lynch investment advisor "shall be authorized to liquidate equities in those accounts for the sole and exclusive purpose of meeting future capital calls as they might arise." (Doc. 201 at 4) The value of the accounts as of July 30, 2021 was \$1,717,210.29. It is anticipated that the Receiver will receive approximately \$1.1 million in alternative investments from these accounts as a result of the Davison settlement.

## **II. Disposition of Receivership Real Property**

### **A. Receiver's Auction of Real Property**

On August 23, 2021, Receiver Burton W. Wiand held an auction for the purpose of selling 30 real estate properties related to the EquiAlt Receivership. In the 10-day window that the auction was held, the Receiver was able to sell 24 of the 30 properties directly in the auction. Five of the six properties that did not meet the reserve during the course of the auction closed during this past quarter. This first auction and the subsequent private sales of these five properties netted the Receivership \$4,028,835.91. Using the auction format, the Receiver was able to avoid paying commissions that are typically paid to the buyer and seller agents. He was able to do this by adding a buyer's

premium of 5% of the winning bid amount. The Receiver then used that 5% to cover the costs of agents and title expenses.

Given the results of this first real estate auction, the Receiver moved the Court to hold a second auction which included twenty properties. The Court granted that motion on December 14, 2021 (Doc. 457). The second auction ran from January 6-12, 2022. The reserve was met on fifteen of the twenty properties resulting in proceeds to the Receivership of \$4,888,812.50. The Receiver is continuing negotiations with bidders from the other five properties.

In addition to these sales, the Receiver sold the first of the “resort” properties owned by the Receivership, Blue Waters in Treasure Island, a 13-unit multiplex. This sale resulted in proceeds to the Receivership Estate of \$4,144,700.

#### **B. Sale of Davison-Related Property**

During this last quarter, the Receiver closed transactions on the following properties associated with Brian Davison:

- New York Condo, 21 W. 20<sup>th</sup> St., #5, New York, NY – net proceeds \$2,176,630.58;
- EquiAlt Office, 2112 W. Kennedy Blvd., Tampa, FL – net proceeds of \$1,634,350.05; and

- Davison Home, 128 Biscayne Ave., Tampa, FL (residence) and 305 Bosphorous Ave., Tampa, FL (adjoining vacant lot) - net proceeds \$3,370,708.71.

As part of the Davison settlement, the Receiver now holds two timeshare properties. The Receiver's team is making efforts to market and sell these interests.

### **C. Pending Property Transactions**

In addition to the transactions discussed above, the Receiver has signed contracts on the following properties. The amounts shown below are the contract prices (not net proceeds).

- Bungalows, 10-unit multiplex in Treasure Island - \$2,800,000;
- Five multiplex properties on Davis Island - \$7,300,000;
- Mobile home park at 5123 E. Broadway - \$3,520,000;
- 403 Jasmine Way - \$1,200,000.

These sales are pending inspections, court approvals, and/or closing at the time of this report.

### **D. Efforts to Sell and Develop EquiAlt Properties**

In addition to continuing the successful auction of the Receivership properties, the Receiver has listed and is actively marketing his properties in Tennessee. This includes a multi-family property in Johnson City and nine



single family homes in Murfreesboro and Franklin. Also, the Receiver's team is continuing the rehabilitation of certain Receivership properties. Finally, the Receiver is continuing to pursue the development or structured sale of commercial land in downtown St. Petersburg on Third Avenue South. Currently, the Receivership owns nine vacant lots (36,000 sq. ft.) in downtown St. Petersburg on the north side of 3<sup>rd</sup> Avenue South ("Vacant Properties").<sup>4</sup> These parcels are located on a block that is bisected by an alley. There are 10 lots in the southern half of the block. The Vacant Properties are six lots on one end of the block and three lots on the other end. The holding comprises all of the southern half of the block except for one lot (Parcel No. 19-31-17-74466-052-0170), mid-block, which is currently owned by MLF 2, Ltd. ("Non-Owned Lot"). As a contiguous parcel, all 10 lots comprise a prime development property that is currently in high demand. As the Court may be aware, redevelopment in the downtown St. Petersburg area is thriving. Since his appointment, the Receiver has investigated various options with the Vacant Properties, including selling them, purchasing the Non-Owned Lot and developing the entire property or purchasing the Non-Owned Lot and sell the entire contiguous parcel to a developer. After his investigation and analysis,

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<sup>4</sup> Three of these properties are owned by EquiAlt Fund LLC, two owned by EquiAlt 519 3<sup>rd</sup> Ave S. LLC and one owned by EA SIP LLC.

the Receiver has determined that it is in the best interest of the Receivership to purchase the Non-Owned Lot and then sell all of the parcels as a package. The Receiver will be seeking the Court's approval of this plan as soon as he finalizes the contract for the Non-Owned Lot.

### **III. Disposition of Receivership Personal Property**

#### **A. Davison Watches, Jewelry, and Coins**

Pursuant to the Court's approval of the Receiver's choice of Sotheby's as his auction house for the sale of Mr. Davison's watches and jewelry (Doc. 419), Sotheby's recommended certain watches for sale in four different auctions – Hong Kong (October), Las Vegas (October), Geneva (November), and New York (December). Additionally, the jewelry that was turned over by Davison was also sold through Sotheby's in December.

The Hong Kong auction was held on October 10, 2021. Of the 13 items auctioned for the Receiver, 12 of the lots exceeded the reserve price. The total reserve on the twelve lots sold was \$22,880,000 HKD. The proceeds to the Receiver on these items was \$48,261,360 HKD (approximately \$6.1 million). Sotheby's will recommend how best to market the one item that did not meet the reserve. The Receiver received \$4,930,357.19 of these proceeds in January. The remainder of the proceeds are expected in March 2022.

At Sotheby's recommendation, the Receiver offered five watches in an auction in Las Vegas in late October. The total reserve on these five timepieces

was \$248,000. All told, the Receiver will receive \$412,110 in proceeds from this auction.

The Receiver had two lots in Sotheby's Geneva auction which was held on November 10, 2021. The reserve on these two watches was CHF 700,000.00. These two watches garnered CHF 976,050.00 (or approximately \$1,060,000) for the Receivership estate. The Receiver received \$498,828.85 of these proceeds in December. The balance is expected shortly.

The Receiver placed thirty-two watches in Sotheby's watch auction in New York in December. The reserve for these timepieces was \$2,863,000. These items sold for \$5,154,450. The Receiver expects these proceeds in the first quarter of 2022.

The Receiver has twenty-five watches still to sell. Sotheby's will provide a recommendation as to the most effective way to market and sell these timepieces.

In addition to the watches turned over by Mr. Davison, certain items of jewelry were turned over by the Davisons. Sotheby's sold seven of these items in December for \$114,028.50. One item did not meet its reserve. Sotheby's will recommend to the Receiver how best to market this item.

Additionally, as part of the settlement, Mr. Davison was to turn over 61 gold American Eagle coins, 480 platinum American Eagle coins, 2 Elizabeth II coins, and 13 U.S. Liberty coins. At the time of the turnover, the Receiver's

consultant inspected the coins and determined that the “platinum” coins were in fact silver. Counsel for the Receiver and Mr. Davison are continuing to discuss this discrepancy which equates to a diminution in value of over \$480,000 for the assets turned over.

## **B. Vehicles**

### **1. Davison Vehicles**

As previously reported, Brian Davison had purchased a custom built 1995 Land Rover Defender (D110 ECD). The purchase price on this vehicle was approximately \$212,000. The Receiver has found a buyer for the vehicle at a purchase price of \$205,000 and has sought the Court’s approval for that transaction. Additionally, the Receiver is still marketing the 1977 Ferrari 208 GTB for sale.

### **2. Rybicki Vehicles**

As part of his settlement with the SEC, Mr. Rybicki will be turning over to the Receiver a 2019 Porsche Turbo S Cabriolet and a 1981 Land Rover Defender. Once turned over, the Receiver will seek to market and sell these vehicles.

## **IV. Operating Businesses**

Initially, from the Tampa office, under the supervision of the Receiver, eight full-time employees and one part-time employee of EquiAlt oversee the rental real estate activities for the properties owned by the Receivership

Funds including the REIT and QOZ. Due to COVID 19 issues, most of the employees have been working remotely. Tony Kelly is the General Manager and oversees the operations and reports directly to the Receiver. EquiAlt employees continue to oversee certain development and construction projects that were begun prior to the Receiver being appointed as well as renovation projects that are necessary as rental properties turn over. EquiAlt has employees dedicated to leasing and tenant matters as well as maintenance issues related to the rental real estate properties. EquiAlt's staff also includes several employees dedicated to accounting activities. EquiAlt has a part-time staff member who assists with auction sales and asset liquidation. The Receiver believes that the current staffing is sufficient to support the real estate activities of the Receivership Entities as they continue to sell off properties. In addition to the Tampa employees, the Receivership also has one part-time employee in central Tennessee to manage the EquiAlt properties there. It is anticipated that the Tennessee properties will be sold during this upcoming quarter and the Receiver will no longer need this employee.

At the end of December 2021, the Receivership has approximately \$30 million on hand in cash. Four million has been segregated to an operational account specifically for ongoing operation needs. These funds are sufficient for current operation including taxes, repairs, necessary renovations, personnel expense, insurance and general maintenance. Currently, the Receivership

Entities are operating in a cash flow positive situation with the rental income of the properties covering EquiAlt's operational costs.

In addition to the real property operations of the Receivership Entities, the Receiver continues to manage the Receivership's interests in Commerce Brewing and another brewery Bolero Snort. More information regarding these businesses is included in earlier status reports.

## V. Pending and Contemplated Litigation

### A. Pending Litigation

#### 1. Clawback Litigation

Based upon the forensic accountants' cash-in/cash-out analysis of the Receivership Entities, the Receiver has identified more than 270 investments where an investor received more money from a Receivership Entity than he or she contributed to the Receivership Entity. In Ponzi schemes, such amounts are generally referred to as "**false profits**" because the money transferred to the pertinent investor was not derived from legitimate activities but from other defrauded investors. Receivers in the Eleventh Circuit (and nationwide) have a clear right to recover false profits through fraudulent transfer or "**clawback**" litigation. *See, e.g., Wiand v. Lee, et al.*, 753 F.3d 1194 (11th Cir. 2014). Prior to filing any lawsuit, the Receiver sought to settle these claims to the extent possible.

On February 13, 2021, the Receiver filed a consolidated clawback action against 124 investors who received false profits. *See Wiand v. Adamek, et al.*, Case No. 8:21-cv-360-TPB-CPT. All told, the Receiver has settled his claims against 106 investors for a settlement recovery of \$1,917,350.22 (\$1,116,401.99 from *Adamek* defendants and \$840,948.23 from other net winner investors). Upon settling with various investors, the Receiver has sought and received approval by the Receivership court of those settlements.

In the *Adamek* case, the Receiver had defended against motions to dismiss filed by several defendants. The court denied those motions and the Receiver is continuing to pursue these claims. The parties have agreed to use Judge Greg Holder as the mediator for the remaining claims. Currently, Clerk's Defaults have been entered against 51 Investor Defendants in the amount of \$741,507.76. The Receiver's legal team will proceed with filing for default judgments against these defendants.

Also on February 13, 2021, the Receiver filed a clawback case asserting tort claims against sales agents who aided and abetted the scheme or otherwise knew or should have known of fraudulent activity. The Receiver's claims in this case exceed \$18 million. Many of these sales agent defendants are also the subject of regulatory actions brought by the SEC and the Arizona Corporations Commission. The Receiver has received approval from the Receivership Court for a \$130,000 settlement with two of the Sales Agent Defendants.

Additionally, the Receiver has settled claims with two other defendants and will be seeking the Court's approval for this settlement in the near future. Also, pursuant to the Court's order in the *Family Tree* case, the parties have participated in and are scheduling mediations before the March 10, 2022 deadline. The Receiver has settled claims against two sales agent defendants through mediation. The Receiver is pursuing the claims as set forth in this action but is also working toward meeting the Court's deadline to conduct mediation with the defendants.

## **2. Class Action and Receiver's Action Against Law Firm Defendants**

As discussed in more detail in the Receiver's Sixth Quarterly Status Report, both Class Action Investors (the *Gleinn* case) and the Receiver have asserted claims against attorney Paul Wassgren and his former law firms, DLA Piper, and Fox Rothschild, who provided legal services to certain Receivership Entities. The *Gleinn* case is pending in the Middle District of Florida and the Receiver's action is pending in state court in California. The parties in these two cases participated jointly in a mediation in mid-August. Although a final settlement was not reached, the parties did not impasse. Rather, the parties are continuing to work through issues in hopes of achieving a favorable settlement for the Receivership Estate. The courts in both cases have issued a stay while the parties continue these efforts.



**VI. Claims Process and Communications with EquiAlt Investors.**

The Receiver, through Omni Agent Solutions, mailed out 3,370 proof of claim packets to EquiAlt investors, creditors and other related recipients on September 23, 2021. This date is important as it establishes the timeline for submission of proof of claim forms. To be eligible for review by the Receiver, all proof of claim forms must be received by Omni by the Claims Bar Date of **December 22, 2021**. Submission of a proof of claim does not necessarily mean that the Receiver will accept or approve the claim. In addition to mailing out the proof of claim forms, pursuant to the Court's Order, the Receiver published a notice regarding the claims process in the *USA Today*, *Arizona Republic*, *Tampa Bay Times*, *San Francisco Chronicle* and the *Los Angeles Times*. As of December 31, 1889 claims had been submitted through Omni, totaling more than \$150 million in claims.

The Receiver's team will begin reviewing the submitted claim forms in order to submit a Claims Determination motion, hopefully in the second quarter of 2022. Once that motion is approved by the Court, it is anticipated that the Receiver would make his first distribution to the defrauded investors. As stated previously, the assets in this Receivership are of substantial value but it is not possible or appropriate to estimate what the total distributions will be. Continued Quarterly Status Reports will keep investors and creditors

advised of the Receiver's progress and the liquidation of assets. Investors and creditors are encouraged to review these reports and the Receiver's website.

**VII. The Next Ninety Days.**

The Order Appointing Receiver requires each Quarterly Status Report to contain “[t]he Receiver’s recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.” Doc. 11 ¶ 29.G. At this stage, the Receiver recommends continuation of the Receivership because he still has (1) the ongoing need to manage and in part develop, the real property business of the Receivership; (2) hundreds of properties to liquidate; (3) substantial personal property to liquidate, including watches and jewelry; (4) continuation of the claims process to determine eligible claimants and direct the distribution of funds to defrauded investors; and (5) evaluate, liquidate or otherwise consolidate the business operations of the various business entities that the Receiver currently controls and/or operates.

Respectfully submitted,

**/s/ Burton W. Wiand**

Burton W. Wiand, Receiver

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that on January 31, 2022, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

**/s/ Katherine C. Donlon**

Katherine C. Donlon, FBN 0066941

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Attorneys for Receiver Burton W. Wiand

# **EXHIBIT 1**



Oldsmar / Tampa / St. Petersburg

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## ***REPORT OF STANDARDIZED FUND ACCOUNTING REPORT***

EquiAlt, LLC et al. Receivership  
Tampa, FL

We have compiled the standardized fund accounting report for Burton W. Wiand as Receiver for EquiAlt, LLC et al., cash basis, from the period of October 1, 2021 to December 31, 2021, included in the accompanying prescribed form (Civil Court Docket No 8:20-cv-325-T-35AEP). We have not audited or reviewed the accompanying standardized fund accounting report and accordingly, do not express an opinion or any assurance about whether the standardized fund accounting report is in accordance with the form prescribed by the Civil Court Docket No. 8:20-cv-325-T-35AEP)

EquiAlt LLC Receivership is responsible for the preparation and fair presentation of the standardized fund account report in accordance with requirements prescribed by the Civil Court Docket No 8:20-cv-325-T-35AEP and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the standardized fund accounting report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist EquiAlt LLC Receivership in presenting financial information in the form of a standardized fund accounting report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the standardized fund accounting report.

This standardized fund accounting report is presented in accordance with the requirements of the Civil Court Docket No. 8:20-cv-325-T-35AEP, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Civil Court Docket No 8:20-cv-325-T-35AEP and is not intended and should not be used by anyone other than this specified party.

Oldsmar, Florida  
January 18, 2022

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**Standardized Fund Accounting Report for  
Burton W. Wiand as Receiver for EquiAlt, LLC et al. - Cash Basis  
Receivership; Civil Court Docket No. 8:20-cv-325-T-35AEP  
Reporting Period 10/01/2021 to 12/31/2021**

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 10/01/2021):			\$ 14,447,777.35
	<b>Increases in Fund Balance:</b>			
Line 2	Business Income	1,403,635.89		
Line 3	Cash and Securities*	5,856.47		
Line 4	Interest/Dividend Income	11,070.99		
Line 5	Business Asset Liquidation	15,747,281.25		
Line 6	Personal Asset Liquidation	-		
Line 7	Third-Party Litigation Income	870,511.31		
Line 8	Miscellaneous - Other	(19,859.18)		
	<b>Total Funds Available (Line 1 - 8):</b>		18,018,496.73	32,466,274.08
	<b>Decreases in Fund Balance:</b>			
Line 9	<b>Disbursements to Investors</b>			
Line 10	<b>Disbursements for Receivership Operations</b>			
Line 10a	Disbursements to Receiver or Other Professionals	351,331.15		
Line 10b	Business Asset Expenses	1,919,821.23		
Line 10c	Personal Asset Expenses	-		
Line 10d	Investment Expenses	-		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses	-		
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments	-		
	<b>Total Disbursements for Receivership Operations</b>		2,271,152.38	2,271,152.38
Line 11	<b>Disbursements for Distribution Expenses Paid by the Fund</b>			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses			
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	<b>Total Disbursements for Distribution Expenses Paid by the Fund</b>			
Line 12	<b>Disbursements to Court/Other:</b>			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees			
Line 12b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other:</b>			
	<b>Total Funds Disbursed (Lines 9 - 11)</b>			2,271,152.38
Line 13	<b>Ending Balance (As of 12/31/2021)</b>			30,195,121.70

**Standardized Fund Accounting Report for  
 Burton W. Wiand as Receiver for EquiAlt, LLC et al. - Cash Basis  
 Receivership; Civil Court Docket No. 8:20-cv-00394-WFJ-SPF  
 Reporting Period 10/01/2021 to 12/31/2021**

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
<b>Line 14</b>	<b>Ending Balance of Fund - Net Assets:</b>			
Line 14a	Cash & Cash Equivalents			30,195,121.70
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			-
	<b>Total Ending Balance of Fund - Net Assets</b>			<b>30,195,121.70</b>
OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
<b>Line 15</b>	<b>Report of Items Not To Be Paid by the Fund</b>			
	<b>Disbursements for Plan Administration Expenses Not Paid by the Fund:</b>			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	<b>Total Plan Development Expenses Not Paid by the Fund</b>		-	
Line 15b	Plan Implementation Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	<b>Total Plan Implementation Expenses Not Paid by the Fund</b>		-	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund:			
	<b>Total Disbursements for Plan Administration Expenses Not Paid by the Fund</b>			-
<b>Line 16</b>	<b>Disbursements to Court/Other Not Paid by the Fund:</b>			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other Not Paid by the Fund</b>		-	
<b>Line 17</b>	<b>DC &amp; State Tax Payments</b>			
<b>Line 18</b>	<b>No of Claims</b>			
	# of Claims Received This Reporting Period _____			
	# of Claims Received Since Inception of Fund _____			
<b>Line 19</b>	<b>No of Claimants/Investors:</b>			
Line 19a	# of Claimants/Investors Paid This Reporting Period _____			
	# of Claimants/Investors Paid Since Inception of Fund _____			

Receiver: \_\_\_\_\_  
 By: \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

**Standardized Fund Accounting Report for  
Burton W. Wiand as Receiver for EquiAlt, LLC et al. - Cash Basis  
Receivership; Civil Court Docket No. 8:20-cv-325-T-35AEP  
Reporting Period Since Inception to 12/31/2021**

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (as of 02/14/2020)			\$ -
	<b>Increases in Fund Balance:</b>			
Line 2	Business Income	11,733,627.96		
Line 3	Cash and Securities*	5,287,430.34		
Line 4	Interest/Dividend Income	145,683.37		
Line 5	Business Asset Liquidation	24,176,614.28		
Line 6	Personal Asset Liquidation	2,741,869.34		
Line 7	Third-Party Litigation Income	870,511.31		
Line 8	Miscellaneous - Other	64,849.61		
	<b>Total Funds Available (Line 1 - 8):</b>		45,020,586.21	45,020,586.21
	<b>Decreases in Fund Balance:</b>			
Line 9	<b>Disbursements to Investors</b>			
Line 10	<b>Disbursements for Receivership Operations</b>			
Line 10a	Disbursements to Receiver or Other Professionals	2,569,021.58		
Line 10b	Business Asset Expenses	10,859,830.66		
Line 10c	Personal Asset Expenses	1,269,510.08		
Line 10d	Investment Expenses	52,897.04		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses	-		
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments	74,205.15		
	<b>Total Disbursements for Receivership Operations</b>		14,825,464.51	14,825,464.51
Line 11	<b>Disbursements for Distribution Expenses Paid by the Fund</b>			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses			
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	<b>Total Disbursements for Distribution Expenses Paid by the Fund</b>			
Line 12	<b>Disbursements to Court/Other:</b>			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees			
Line 12b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other:</b>			
	<b>Total Funds Disbursed (Lines 9 - 11)</b>			14,825,464.51
Line 13	<b>Ending Balance (As of 12/31/2021)</b>			30,195,121.70



**Standardized Fund Accounting Report for  
 Burton W. Wiand as Receiver for EquiAlt, LLC et al. - Cash Basis  
 Receivership; Civil Court Docket No. 8:20-cv-00394-WFJ-SPF  
 Reporting Period Since Inception to 12/31/2021**

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
<b>Line 14</b>	<b>Ending Balance of Fund - Net Assets:</b>			
Line 14a	Cash & Cash Equivalents			30,195,121.70
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			
	<b>Total Ending Balance of Fund - Net Assets</b>			<b>30,195,121.70</b>
<b>OTHER SUPPLEMENTAL INFORMATION:</b>		<b>Detail</b>	<b>Subtotal</b>	<b>Grand Total</b>
<b>Report of Items Not To Be Paid by the Fund</b>				
<b>Line 15</b>	<b>Disbursements for Plan Administration Expenses Not Paid by the Fund:</b>			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	<b>Total Plan Development Expenses Not Paid by the Fund</b>		-	
Line 15b	Plan Implementation Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	<b>Total Plan Implementation Expenses Not Paid by the Fund</b>		-	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund:			
	<b>Total Disbursements for Plan Administration Expenses Not Paid by the Fund</b>			-
<b>Line 16</b>	<b>Disbursements to Court/Other Not Paid by the Fund:</b>			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other Not Paid by the Fund</b>		-	
<b>Line 17</b>	<b>DC &amp; State Tax Payments</b>			
<b>Line 18</b>	<b>No of Claims</b>			
	# of Claims Received This Reporting Period _____			
	# of Claims Received Since Inception of Fund _____			
<b>Line 19</b>	<b>No of Claimants/Investors:</b>			
Line 19a	# of Claimants/Investors Paid This Reporting Period _____			
	# of Claimants/Investors Paid Since Inception of Fund _____			

Receiver:  
 By: \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_