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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

COMMODITY FUTURES TRADING §
COMMISSION, §

Plaintiff §

v. § CASE NO. 1-22-CV-02465

SAM IKKURTY A/K/A SREENIV § HON. Mary M. Rowland
AS I RAO, RAVISHANKAR § Magistrate Judge Jeffrey
AVADHANAM AND JAFIA LLC, § Cummings

Defendants §

IKKURTY CAPITAL, LLC D/B/A §
ROSE CITY INCOME FUND, ROSE §
CITY INCOME FUND II LLP, §
AND SENECA VENTURES, LLC, §

Relief Defendants. §

ORAL AND VIDEO DEPOSITION OF
HEATHER DASSO, INDIVIDUALLY
(Reported Remotely)
Volume 1 of 1
May 19, 2023

ORAL AND VIDEO DEPOSITION OF HEATHER DASSO,
Individually, produced as a witness at the instance of
DEFENDANT SAM IKKURTY, and duly sworn, was taken in
the above-styled and numbered cause on May 19, 2023,
from 8:42 a.m. to 11:07 a.m., before Gloria Carlin,
CSR No. 498, in and for the State of Texas, reported
by stenographic method, Via Zoom, at the location of
the witness in Chicago, Illinois, pursuant to the

1 Federal Rules of Civil Procedure and any provisions
2 stated on the record.

3
4 Job No. 5908375

5
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ALSO PRESENT:

Sam Ikkurty (VIA ZOOM)
Jody Platt (VIA ZOOM)
Jose Olazabal (VIA ZOOM)
Steve Cummings, Videographer (VIA ZOOM)

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1 MR. JACKSON: Does our videographer
2 prefer to do that?

3 THE VIDEOGRAPHER: I don't have a copy
4 of the exhibits, so I'm not able to do it on my end.

5 MR. JACKSON: Okay. Let me see if I
6 can do that. I'm not the most tech savvy Zoom user,
7 so give me a second here.

8 MS. HAAN: Take your time.

9 Q. (BY MR. JACKSON) Ms. Dasso, can you see the
10 document that I've shared here?

11 A. Yes.

12 Q. Excellent. And I know you're just looking
13 at the first page, but as I flip through here, does
14 this look like the Declaration that you submitted in
15 connection with that application for appointment of a
16 receiver?

17 A. Yes.

18 Q. Ms. Dasso, your Declaration doesn't contain
19 any mention of the term "Ponzi scheme," does it?

20 A. No.

21 Q. Indeed, your Declaration doesn't even say
22 that the transfers that are identified in it were
23 improper, does it?

24 A. It's just a factual Declaration of the
25 banking analysis. It does not -- it just states money

1 in, money out, where it came from.

2 Q. (BY MR. JACKSON) So it doesn't state that
3 assets were misappropriated by the defendants, does
4 it?

5 A. No.

6 Q. And it doesn't say that the defendants
7 committed fraud, does it?

8 A. No.

9 Q. And it doesn't say that the defendants were
10 required to register in any capacity with the CFTC,
11 does it?

12 A. No. It just states that they were not
13 registered.

14 Q. Do you intend to provide expert testimony in
15 this case on the subject of Ponzi schemes?

16 MS. HAAN: Objection, calls for a legal
17 conclusion, as well as the disclosure of information
18 covered by the work product doctrine. I would
19 instruct the witness not to answer that question.

20 THE WITNESS: I'll follow my attorney's
21 advice, but I would like to say, I -- in my capacity
22 as an investigator, I do not testify as an expert. I
23 am not declared as an expert in this case, and I will
24 be a fact witness at trial, if called.

25 Q. (BY MR. JACKSON) Do you intend to provide

1 A. Yes, I'm aware of the assets that we froze
2 in three digital wallets that were held by Mr.
3 Ikkurty, and the receiver now has custody of those
4 assets, yes, I'm familiar with that.

5 Q. Tell me about your prior experience
6 investigating crypto wallets; what did that involve?

7 A. Looking at the blockchain, looking at the
8 transaction, trying to figure out where the money
9 went, where the money came from, just the basic crypto
10 blockchain work.

11 Q. Was there ever a situation, Ms. Dasso, in
12 which the -- the blockchain was inaccurate, as you
13 found it?

14 A. The blockchain is the blockchain. I don't
15 know whether each thing is -- is accurate or
16 inaccurate, but I've been able to go to the
17 blockchain, identify transaction-by-transaction, ID a
18 transaction cash and look into those transactions.

19 Q. Has there ever been a situation in your
20 investigation of crypto assets where you found
21 separate evidence contradicted the blockchain?

22 A. I don't understand the question.

23 Q. Has there ever been a situation, in your
24 experience, Ms. Dasso, in which the transaction
25 history you found on the blockchain was contradicted

1 that you had not -- you were not aware of; is that
2 right?

3 A. That's correct. We found -- like we -- we
4 weren't aware of Mr. Ikkurty's personal accounts.
5 That information we can't get via subpoena unless we
6 go through the RFK process. So those accounts we
7 weren't -- I will say that the bank records show that
8 is it 44 million, from the press release, came into
9 the accounts, and only -- less than \$10 million of
10 that went to a crypto exchange that could have been
11 used then to buy crypto assets, and so that's much,
12 you know, that's one fourth of the money that actually
13 went to a crypto exchange, which was not in line with
14 Mr. Ikkurty's promotional materials that 70 percent of
15 the assets were going to be invested in cryptocurrency
16 assets. That money just sat in the bank account.

17 Q. So based on your investigation leading up to
18 the Declaration, you confirmed that assets were
19 actually invested by Rose City Income Fund II in the
20 crypto markets; is that right?

21 MS. HAAN: Objection, vague, ambiguous.
22 You may answer.

23 A. As far as confirming that there were -- did
24 you say assets invested in crypto?

25 Q. (BY MR. JACKSON) Yes.

1 A. Did not confirm any of that. What we can --
2 what we can see from the bank records is that -- and
3 if we want to pull my Declaration, I can give you
4 specifics, but I think it was a little over \$9 million
5 was transferred to ZebPay, via Genie Technology, which
6 is the crypto exchange. As far as what happened at
7 ZebPay, I did not have any vision into that at the
8 time I filed my Declaration, only that a limited
9 number of funds went there.

10 Q. And you didn't review the blockchain prior
11 to submitting your Declaration, either, did you?

12 A. So I'm sure I reviewed the blockchain prior
13 to my Declaration, in some capacity for other cases.
14 As far as this case, I did not look at the blockchain,
15 correct.

16 Q. I want to pull the Complaint back up for us
17 here. And I want to look at paragraph 1 of the
18 Complaint. Paragraph 1 of the Complaint reads,
19 "Between at least January 2021 and the present
20 ("relevant period"), Defendants Sam Ikkurty a/k/a
21 Sreenivas Rao, Ravishankar Avadhanam and Jafia LLC,
22 ("collectively the defendants") fraudulently solicited
23 and accepted over \$44 million from at least 170
24 members of the general public."

25 And the paragraph continues. But did I

1 do a lot more analysis on this, is that at the end of
2 September -- I'm sorry, at the end of April 2022, the
3 account statements from the Rose City Income Fund II
4 showed net asset value owed to participants of 17.8
5 million.

6 And I have seen carbon offset bonds,
7 backed by Jafia, that are over 20 million, and so that
8 totaled up as 37 million, that I know are obligations
9 to investors as of the date we froze assets, and we
10 only froze 25 million or so.

11 And so right there the damages, by
12 doing the simple math, I would say right now we have
13 the damages, that difference between that. And I know
14 this, in this proceeding, I know there's other
15 obligations to the people that invested in different
16 products with Mr. Ikkurty, but right now I think that
17 I'm aware of 37 million outstanding to participants,
18 and I know that there's only -- that we only froze 25
19 million.

20 Q. (BY MR. JACKSON) Let me kind of break that
21 down a little bit, Ms. Dasso. The carbon offset
22 bonds, what are those, in your understanding?

23 A. Would you mind putting the exhibit off the
24 screen?

25 Q. Sure, absolutely.

1 years, they would get their initial capital back.
2 They had the check already post-dated to turn that in.
3 And so they're owed their initial investment in the
4 offset bonds, but that is not including these 18
5 percent interest payments that they were promised, but
6 the obligation of those -- those carbon offset bond
7 holders are over \$20 million.

8 Q. (BY MR. JACKSON) Has any investor
9 complained that they were not able to cash a check in
10 connection with the carbon offset bond?

11 A. There was one investor we spoke to that was
12 not able to cash the check after we had filed. The
13 check was invalid, so it must have been a May 2022
14 check, but otherwise, no, customers were getting their
15 monthly dividends and their monthly returns, as
16 promised.

17 Q. And just to confirm, that one investor was
18 not able to cash his check after the institution of
19 this case; is that correct?

20 A. After the assets were frozen, he tried to
21 cash the check and, obviously, it was bounced because
22 the account was frozen.

23 Q. So from your review, Jafia made every
24 scheduled payment on carbon offset bonds that it was
25 obligated to do?

1 A. So I haven't done a deep dive into the
2 carbon offset bonds and this cash account, bank
3 analysis for those, but I can tell you that no
4 customer has ever told me that they did not receive
5 their promised dividend payment for their investments
6 with Mr. Ikkurty.

7 Q. And just to clarify, the 20 million is the
8 total amount owed under bonds over time; is that
9 correct?

10 A. It's the total amount that's owed for the
11 bond when the -- when the note ends.

12 Q. When the note ends?

13 A. Yeah, so the customer gets their -- their
14 initial investment back. That's the last check that
15 they were supposed to cash after they cashed their 36
16 checks that had their 18 percent return of their
17 initial investment.

18 Q. Okay. So is it your understanding that
19 certain checks under the carbon offset bond scheme are
20 predated, meaning they contain future dates at which
21 investors would then go cash a check for their
22 principal and interest in them; is that correct?

23 A. I think the term is post-dated, but,
24 correct, at the time --

25 Q. Okay.

1 I think you mentioned that the 44
2 million includes the carbon offset bond piece and then
3 something else; is that right?

4 A. No. So the \$44 million is what is in the
5 Declaration, I'm sorry, the Complaint that we just
6 looked at as far as money of the participants at the
7 time the Declaration was filed.

8 As far as what Rose City Income Fund II
9 victims believe they're due is their ending asset
10 value from their last payment that they received from
11 Intertrust Group, dated April 30th. And if you total
12 all of the April 30th account payments for the Fund II
13 participants, it's something like -- it's a little
14 over 17 million. I don't have the exact figure.

15 Q. Okay. So that's what it was, it was the 37
16 million total, consisting of 20 million in carbon
17 offset bonds and 17 million of asset value. Is that
18 fair?

19 A. Yes, so the value of the victims in Fund II,
20 the value of their investment in Fund II, and then
21 other obligations for specific victims of Mr.
22 Ikkurty's other products offered.

23 I know that there's obligations due to
24 customers of \$37 million, but if a customer wanted to
25 come in and they're going through the phase process,

1 in the agreement." And then there's a later citation
2 to your Declaration.

3 Did I read that correctly?

4 A. Yes.

5 Q. Your Declaration doesn't actually say that
6 defendants paid themselves in excess of the two
7 percent management fee, does it?

8 A. Does not.

9 Q. The following section, C, titled "The
10 Misappropriation," I want to highlight the second
11 sentence, which reads, "As detailed below, defendants
12 misappropriated participant funds because instead of
13 investing them as a pool and providing participants
14 with profits from their investments, defendants
15 distributed participant funds to, 1, other
16 participants in the manner of a Ponzi scheme; two,
17 entities owned and controlled by defendants; and, 3,
18 to an offshore entity that is associated with a crypto
19 exchange that does not allow US persons to transact."

20 Your Declaration doesn't actually say
21 that defendants distributed funds in the manner of a
22 Ponzi scheme, does it?

23 A. No, it does not.

24 Q. In reviewing the bank account activity in
25 advance of submitting your Declaration, how were you

1 able to determine which transfers to defendants were
2 for management fees?

3 A. I was not able to determine that at all. It
4 just totaled the amounts that were transferred to
5 defendants. There was no determination as to what
6 those transfers were for, just the amounts.

7 Q. And, likewise, you were not able to tell
8 which transfers into Jafia's bank account were for
9 performance fees; is that right?

10 A. That's correct.

11 Q. And you had no idea, from your review of
12 those bank statements, how much Mr. Ikkurty and Jafia
13 LLC held in Rose City Income Fund II, themselves, as
14 investors; is that right?

15 A. That's correct.

16 Q. I'm going to apologize for the document
17 whiplash, but I'm going to put the Declaration back in
18 front of you, Ms. Dasso. This is Exhibit 4, and I'm
19 looking at paragraph 5 here, which looks like it
20 contains sort of a brief description of what you
21 looked at in preparing the Declaration.

22 A. Yes, I see that.

23 Q. Paragraph 5 says that you completed various
24 Internet and computer database searches. Can you
25 describe to me what those searches entailed?

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

COMMODITY FUTURES TRADING §
COMMISSION, §

Plaintiff §

v. § CASE NO. 1-22-CV-02465

SAM IKKURTY A/K/A SREENIV § HON. Mary M. Rowland
AS I RAO, RAVISHANKAR § Magistrate Judge Jeffrey
AVADHANAM AND JAFIA LLC, § Cummings

Defendants §

IKKURTY CAPITAL, LLC D/B/A §
ROSE CITY INCOME FUND, ROSE §
CITY INCOME FUND II LLP, §
AND SENECA VENTURES, LLC, §

Relief Defendants. §

REPORTER'S CERTIFICATION
DEPOSITION OF HEATHER DASSO, INDIVIDUALLY
(Reported Remotely)
Volume 1 of 1
May 19, 2023

I, Gloria Carlin, Certified Shorthand Reporter in
and for the State of Texas, hereby certify to the
following:

That the witness, HEATHER DASSO, was duly sworn
by the officer and that the transcript of the oral
deposition is a true record of the testimony given by

1 the witness;

2 I further certify that pursuant to FRCP Rule
3 30(e)(1) that the signature of the deponent was
4 requested by the deponent or a party before the
5 completion of the deposition; that the deposition
6 transcript was submitted on _____ to the
7 witness or to the attorney for witness for
8 examination, signature and return to Veritext Legal
9 Solutions by _____;

10 That the amount of time used by each party at the
11 deposition is as follows:

12 Candy Haan - 00:04:54

Daniel Jackson - 01:53:45

13 Daryl Schumacher - 00:00:00;

14 That pursuant to information given to the
15 deposition officer at the time said testimony was
16 taken, the following includes all parties of record:

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I further certify that I am neither counsel for,
related to, nor employed by any of the parties or
attorneys in the action in which this proceeding was
taken, and further that I am not financially or
otherwise interested in the outcome of the action.
Certified to by me May 23, 2023.



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