



Receivership Order. This is the sixth such report.

**I. Administration of Receivership Estate**

**a) Liquidation of Cryptocurrency and Digital Assets**

The Receiver has finalized a proposal on a plan of liquidation. On July 31, 2023, the Receiver filed a motion describing the plan and seeking approval of the plan. (See, Dkt. 196). The Court conducted a hearing on the Receiver's Motion on October 19, 2023, and entered and continued the Receiver's Motion. (Dkt. 278)

On October 22, 2023, apparently, Ikkurty transferred digital assets from the cold wallets in the Receiver's possession to three digital wallets that are viewable on the blockchain:

- a. 0x5252cbe75605c3fc67190d693acaab4ceae8490;
- b. 0x363e69ddf62af85b93ae3f00bfe7e27696a334f2; and
- c. 0x27ebc5c161106dc3c2d6e7b77314f5eb824c97be.

The following morning, one of the investors sent the Receiver an email providing:

We just got information from Sam where he says: "We intend to file with court reorganize the fund to a master-feeder structure in accordance with PPM." He then provided the below text (I don't know where it came from).

The Fund may, in the future, reorganize into a "Master-Feeder" structure. The reorganization would be effected by the Fund contributing all, or substantially all, of its assets to a master fund (the "Master Fund"), which would be a Cayman Islands exempted company (or similar vehicle). All portfolio investments would then be held at the Master Fund level and the Fund would be allocated its pro rata share of the Master Fund's gains and losses. Such re-organization may be done without prior notice to, or consent from, the Fund's limited partners (the "Limited Partners").

It would seem that Sam has been moving the assets to a new wallet. He shared the address of the new wallet (see below).

<https://zapper.xyz/account/0x5252cbe75605c3fc67190d693acaab4ceae8490>

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The Receiver alerted the Court by filing an Emergency Motion for Rule to Show Cause against Mr. Ikkurty. At the hearing on the Receiver's Emergency Motion, Mr. Ikkurty's attorney advised the Court that Ikkurty intended to assert his Fifth Amendment right to remain silent. Ikkurty's attorneys then withdrew from their representation of Defendants in this case. The Court Ordered the assets to be returned to the Receivership wallets, but to date, that has not happened.

At a second hearing, on October 31, 2023, Ikkurty appeared *pro se* and asserted his Fifth Amendment right to remain silent. This Court entered an Order requiring Ikkurty to appear in person in court on Friday, November 3, 2023. (Dkt. 294) The Court also requested that the CFTC make a criminal referral to the Offices of the United States Attorneys. At the same time, an attorney for a group of investors has contacted the Receiver's attorney seeking to assist in having Ikkurty return the digital assets. Unless or until the digital assets are returned to the Receiver's cold wallets, any liquidation request is moot.

The Receiver has been posting all material developments on this issue to the Receiver's website and will continue to do so as new information becomes available.

**b) Communications with Investors**

As the Court and the investors are aware, the Receiver established a website, [www.rosecityfundreceivership.com](http://www.rosecityfundreceivership.com) to provide information to investors and creditors. The Receiver regularly posts the material documents in this action to the website, and maintains a list of frequently asked questions and answers relating to the Receivership. The Receiver continues to update this website as significant events unfold. The Receiver also addresses communications from investors, which primarily focus on tax and K-1 issues. The Receiver responds to those communications periodically.

**c) Tax Returns and Accounting**

As previously noted, the Receiver retained Miller Kaplan, a tax and advisory firm, to prepare tax returns for the funds and for the Receivership Qualified Settlement Fund ("QSF"). In the last quarter, Miller Kaplan completed, and the Receiver filed, the tax returns for the QSF. In this past quarter, Miller Kaplan also prepared, and the Receiver filed, tax returns for the individual funds, Ikkurty Capital LLC, Rose City Income Fund II, and Seneca Ventures, LLC ("the Funds").

Those were the final returns for the Funds as the Funds' assets were transferred to the QSF. In connection with those returns, Miller Kaplan prepared and the Receiver distributed K-1s to investors.

**d) Ikkurty's Portland Residence and Safe Deposit Box**

The Receiver settled a claim by the landlord of the residence Ikkurty leased in Portland, Oregon. The Court approved that settlement, and the Receiver paid \$32,125.90. Accordingly, the dispute with the landlord of the residence Ikkurty leased is now resolved.

**e) Claims and Distribution Process**

The Receiver has done extensive work in preparing a proposed claims and distribution process. On July 31, 2023, the Receiver filed a motion seeking Court approval of that process. (See, Dkt. 195). The Receiver's proposed distribution plan contemplates pooling the assets and liabilities of the Receivership Entities and distributing the assets of the Receivership Estate to approved Claimants pursuant to a rising tide distribution method. Details of the proposal are contained in the motion at Dkt. 195. The Court approved the claims process but requested that the Receiver modify the claim form and notice to include several disclaimers. (Dkt. 278) The Receiver will submit the revised claim form and notice for approval on November 2, 2023, as instructed.

**II. Receivership Fees and Expenses**

During the period August 1, 2023, through October 31, 2023, the Receivership incurred \$552,931.88 in expenses. This included approximately \$416,000 to the defendants' attorneys; \$67,000 to the Receiver's fees and cost; \$32,000 to Ikkurty's prior landlord; and \$37,743 in tax, accounting, and forensic accounting services. The Receivership has approximately \$8,644,000.00 in cash on hand.

On October 19, 2023, the Court issued an Order (Dkt. 178) approving the Receiver's Fifth Request for Reasonable Compensation. The Receiver has paid the vendors addressed in the Court's Order. The Receiver's next request for reasonable compensation is due on November 15, 2023. The Receiver will also post the compensation request to the Receivership website, which will allow all interested parties an opportunity to be heard and object.

### III. Conclusion

In conclusion, the Receiver will continue to preserve assets while investigating the existence of other assets. The Receiver respectfully requests that this Court set a date for the next report to the Court on or before February 1, 2024.

Dated: November 1, 2023

Respectfully submitted,

<p>Daryl M. Schumacher (6244815) Kopecky Schumacher Rosenberg LLC 120 N. LaSalle St., Suite 2000 Chicago, IL 60602 Telephone: (312) 380-6556 dschumacher@ksrlaw.com</p>	<p><u>/s/ Daryl M. Schumacher</u>  <i>Attorney for James L. Kopecky, Receiver for Defendants Jafia, LLC, Sam Ikkurty a/k/a Sreenivas I Rao, Ikkurty Capital LLC d/b/a/ Rose City Income Fund I, Rose City Income Fund II, LP and Seneca Ventures, LLC</i></p>
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**CERTIFICATE OF SERVICE**

I hereby certify that on November 1, 2023, I electronically filed the foregoing Receiver's Fourth Status Report with the Clerk of the Court by using the CM/ECF system, which will provide electronic notice and an electronic link to this document to all counsel of record.

DATED: November 1, 2023

/s/ Daryl M. Schumacher