

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

COMMODITY FUTURES TRADING COMMISSION,)	
)	
Plaintiff,)	Civil Action No. 22-cv-02465
)	
v.)	Honorable Mary M. Rowland
)	
SAM IKKURTY A/K/A SREENIVAS I RAO, RAVISHANKAR AVADHANAM, AND JAFIA, LLC,)	Magistrate Judge Cummings
)	
Defendants,)	
)	
IKKURTY CAPITAL, LLC D/BA/ ROSE CITY INCOME FUND I, LP, ROSE CITY INCOME FUND II LP, AND SENECA VENTURES, LLC,)	
)	
Relief Defendants.)	
)	

RECEIVER’S EIGHTH STATUS REPORT

James L. Kopecky, not individually, but solely as the Court-appointed Receiver (the “Receiver”) for the Receivership Estate, as defined by the Order Appointing Receiver dated May 11, 2022 (Dkt. 18) (“Receivership Order”), makes the following report summarizing efforts to marshal and collect assets, administer the Receivership Estate, and otherwise perform the duties mandated by the Receivership Order. The Receiver incorporates his prior reports (Dkt. Nos. 36, 75, 109, 157, 199, 295 and 336) for background, and attempts to minimize duplication of those reports herein.

The Receivership Order requires the Receiver to, periodically, as directed by the Court, file with the Court and serve on the parties a report summarizing efforts to marshal and collect assets, administer the Receivership Estate, and otherwise perform the duties mandated by the

Receivership Order. This is the eighth such report.

I. Administration of Receivership Estate

a) Communications with Investors

As the Court and the investors are aware, the Receiver established a website, 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. In addition, the Receiver established an email account for the Receivership to communicate with investors. Many investors communicate through the email and others email the Receiver and his attorneys directly. Communications in the last quarter related primarily to the claims process. The Receiver responds to those communications as he receives them.

b) Tax Returns and Accounting

As previously reported, there will be no individual K-1s issued to investors for 2023 or any subsequent years. The assets are held in a Qualified Settlement Fund (“QSF”). Miller Kaplan has been timely filing the quarterly tax returns and obtained an extension to file the QSF’s final taxes for tax year 2023.

c) Claims and Distribution Process

The claims process is underway, and the March 4, 2024, Claims Bar Date has passed. Details of the claims process are set forth in the Receiver’s motion to approve the claims process, (Dkt. 195) which the Court subsequently approved. (See, Dkt. Nos. 278 and 299)

The claims process is being administered through Stretto with assistance from Kopecky Schumacher Rosenberg LLC. To date, Stretto has received 411 claim forms, and the team is

working to eliminate duplicates and reconcile variances between information provided on the completed claim forms with bank statements and other records from the Funds in receivership. In addition, a number of submitted forms were blank, a number were duplicates, and a number provided incomplete or conflicting information. Stretto and the Receiver have been contacting claimants with questions or to seek additional information. It is time intensive, detailed work.

In accordance with the approved claims process, the Receiver intends to send notices approving and rejecting claims. Within 60 days of filing receipt of a rejection, in whole in or in part, claimants may seek reconsideration and the Receiver will have 90 days from receipt of that notice of reconsideration to make final determinations as to claims. Claimants may then appeal the Receiver's determinations to the Court. Consequently, this process will take approximately six months. The Receiver's team is working diligently to accurately assess claims and notify claimants of any deficiencies.

d) Corporate Filings

Ikkurty Capital, LLC, Rose City Income Fund II, LP, and Seneca Ventures, LLC have all filed annual reports and are in good standing in the states in which they are organized. The Receiver intends to dissolve those entities and wind them up in the coming months.

e) Other Receivership Activity

The Receiver continues to cooperate with authorities to obtain the assets over which Ikkurty retains control. Those assets are being monitored and tracked. In addition, the Receiver, with the CFTC, is attempting to recover attorneys' fees the Receiver believes were paid from those assets.

In addition, a law firm retained on behalf of investors is pursuing claims against financial institutions that held Receivership funds. If successful, the funds recovered will be contributed to

the Receivership. The Receiver's attorney is monitoring the actions.

Additionally, the claims process has uncovered potential finders and aggregators. The Receiver will investigate the actions and potential liabilities of finders and aggregators in the next quarter and update the court and investors on those efforts in the next report.

Finally, the Receiver is in the process of negotiating tolling agreements and potential claw backs of fraudulent transfers from profitable investors.

II. Receivership Fees and Expenses

The QSF currently holds approximately \$8,535,640.00 in cash, and digital assets which the website www.zapper.xyz values at approximately \$65,228. During the period February 1, 2024, through April 30, 2024, the Receivership incurred approximately \$58,664 in expenses, including tax, accounting, legal, claims processing and website fees that will be provided with more detail in the Receiver's Request for Reimbursement of Fees and Expenses.

On March 4, 2024, the Court issued an Order (Dkt. 350) approving in part, and denying in part, the Receiver's Seventh Request for Payment of Reasonable Compensation. The Receiver has paid the vendors in accordance with the Court's Order. The Receiver's next request for reasonable compensation is due on May 15, 2024. 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 with efforts 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 August 1, 2024. Finally, the Receiver will promptly post this status report to the receivership website.

Dated: May 1, 2024

Respectfully submitted,

<p>Daryl M. Schumacher (6244815) Kopecky Schumacher Rosenburg 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></p> <p><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 May 1, 2024, 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: May 1, 2024

/s/ Daryl M. Schumacher