

Receivership Order. This is the ninth such report.

I. Administration of Receivership Estate

a) Claims and Distribution Process

The claims process is being administered through Stretto with assistance from Kopecky Schumacher Rosenberg, LLC (“KSR”). To date, Stretto has received 411 claim forms, and the team has been working diligently to verify the accuracy of the submitted claims. The claims determination process has been time consuming due primarily to claim forms that fail to include a complete history of distributions that each claimant received from the Receivership Defendants. Accordingly, Stretto and KSR have had to use bank statements to trace all distributions back to each investor. Stretto and KSR are finalizing the initial claims decisions. In accordance with the approved claims process, within 60 days following 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. (See, Dkt. 195.) Claimants may then appeal the Receiver’s determinations to the Court. The Receiver will file a status report specific to the claims process on September 23, 2024. Full 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.)

b) Asset Investigation

The Receiver has issued subpoenas over the last quarter seeking: (i) bank statements and other documents necessary to the claims determination process; and (ii) documents relating to accounts believed to be held in the name(s) of one or more of the Receivership Defendants. None of the subpoenas the Receiver issued were related to the digital assets which are the subject of the CFTC’s sealed status report, Docket No. 375.

The Receiver also traveled to Portland, Oregon to close the safety deposit box in Mr. Ikkurty's name. There were no assets in the safety deposit box and it is now closed.

c) Profitable Investors

The Receiver is taking steps to recoup the "net profits" from certain investors (i.e., those investors who redeemed their investments for more than their principal investment prior to the Court-imposed asset freeze). The Receiver initially contacted those investors to recoup the profits from their investments in May of 2023. The Receiver has resumed his efforts to collect those amounts now that the Court has determined Defendants' liability and entered judgment. The Receiver is pursuing 10 such profitable investors who profited by a total of approximately \$1.3 million (with the largest investor comprising more than \$800,000 of the 1.3 million). Nine of those investors are represented by counsel and the Receiver has begun negotiating the repayment of those amounts. The Receiver intends to negotiate a resolution of those claims where a settlement is reasonable, and retain counsel, on a contingency basis, to pursue claims where he is unable to resolve claims amicably.

d) Pending Investor Class Action

As reported in the Receiver's Eighth Status Report, the Receiver continues to cooperate with the law firm retained on behalf of certain investors to pursue claims against financial institutions that held Receivership funds. The lawsuit generally alleges that several commercial banks which held accounts for the Funds and their principals violated state securities laws and aided and abetted breaches of fiduciary duty. If successful, the funds recovered will be contributed to the Receivership. Information about that lawsuit, and the attorneys handling that lawsuit, can be found on the Receiver's website: www.rosecityfundreceivership.com. The Receiver's attorney is monitoring that lawsuit.

e) Communications with Investors

The Receiver regularly posts the material documents in this action to the www.rosecityfundreceivership.com 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.

f) 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.

II. Receivership Fees and Expenses

The QSF currently holds approximately \$8,452,000 in cash, and digital assets which the website www.zapper.xyz values at approximately \$74,498. During the period February 1, 2024, through April 30, 2024, the Receivership incurred approximately \$86,742 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 June 17, 2024, the Court issued an Order (Dkt. 366) approving the Receiver’s Eighth 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 August 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 November 1, 2024. Finally, the Receiver will promptly post this status report to the receivership website.

Dated: August 1, 2024

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></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 August 1, 2024, I electronically filed the foregoing Receiver's Ninth 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: August 1, 2024

/s/ Daryl M. Schumacher