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

JAMES L. KOPECKY, *etc.*, Plaintiff, v. MANMOHAN GOPALUNI, *et al.*, Defendants.	Civil Action No. 1:25-cv-01352 Judge Jeffrey I. Cummings Magistrate Judge Gabriel A. Fuentes

MEMORANDUM IN SUPPORT OF PLAINTIFF'S
MOTION FOR PARTIAL SUMMARY JUDGMENT

Plaintiff James L. Kopecky, equity receiver (“Receiver”) for Jafia, LLC ("Jafia"), Sam Ikkurty, and Ikkurty Capital LLC ("Ikkurty Capital"), respectfully submits this memorandum in support of his motion for summary judgment against defendant Manmohan Gopaluni, Trustee of the EXOPP LLC ("EXOPP") Defined Benefit Pension Plan, on Count I of the Amended Complaint.

Factual Background

On July 1, 2024, Judge Mary M. Rowland issued a Memorandum Opinion and Order granting summary judgment in favor of the Commodity Futures Trading Commission (the "CFTC"), finding that Sam Ikkurty and his affiliates violated the anti-fraud provisions of the Commodity Exchange Act (the "Act"), failed to register as a commodity pool operator, committed fraud as a commodity pool operator, and ran a "classic Ponzi scheme."

CFTC v. Ikkurty, United States District Court for the Northern District of Illinois, Civil Action No. 1:22-cv-2465 (the "CFTC Action") *(Stmt., ¶ 14.)*[1]

In the accompanying Final Judgment, Judge Rowland ordered Ikkurty (and his affiliates) to make restitution in the amount of $83,757,249, disgorge all benefits (including salaries, commissions, fees, and trading profits) in the amount of $36,967,285, pay a civil monetary penalty in the amount of $110,901,855, pay contempt sanctions in the amount of $13,817,000 in connection with assets he removed from the receivership estate (or to return the assets he removed), and pay an additional fine of $254,000 for his prior non-compliance with a court order (the fine increasing by $1,000 per day after final judgment) -- collectively, a judgment exceeding $245 million. *(Stmt., ¶ 15.)*

The CFTC Action was filed on May 10, 2022, with the CFTC asserting causes of action against (among others) Ikkurty, Jafia, and Ikkurty Capital (also known as "the Fund"). *(Stmt., ¶ 1.)* Finding good cause to believe that the defendants were violating the Act and also in possession of "ill gotten gains," Judge Rowland entered an *ex parte* temporary restraining order freezing their assets *(Stmt., ¶ 2)* and appointing James L. Kopecky as temporary receiver *(Stmt., ¶ 3)*, although Mr. Kopecky was later granted the full powers of an equity receiver *(Stmt., ¶ 4)*.

In an emergency motion for rule to show cause on October 23, 2023, the Receiver alleged that $13,848,631.97 in crypto assets had been "stole[n]" from the three digital wallets surrendered following the asset freeze. *(Stmt., ¶ 5.)* The following day, the court ordered Ikkurty to provide the Receiver -- "by the close of business" -- with access to the

[1] Rule 56.1 Statement Of Material Facts In Support Of Plaintiff's Motion For Partial Summary Judgment.

wallets to which the crypto assets had been transferred and to cease all further communications with investors or be "considered in contempt of court." *(Stmt., ¶ 6.)*

On October 26, 2026, counsel for Ikkurty and Jafia indicated that Ikkurty would not comply with the most recent order until such time as "subject matter jurisdiction" was established and, in the event the court disagreed, that Ikkurty intended to assert his Fifth Amendment right against cross-examination. *(Stmt., ¶ 7.)* The next morning, Judge Rowland ordered Ikkurty to return all crypto currency to the original wallets by 1:00 p.m. *(Stmt., ¶ 8.)* By minute order entered on October 31, 2023, she also instructed the CFTC to refer the matter to the United States Attorney for potential criminal proceedings. *(Stmt., ¶ 9.)* After Ikkurty failed to comply with the court's prior orders, Judge Rowland (noting that Ikkurty also failed to appear in court in person) held him in contempt and fined him $13,817,000, with an additional $1,000 fine assessed each ensuing day so long as the underlying fine remained unpaid. *(Stmt., ¶ 10.)*

After Ikkurty stole the crypto assets, the CFTC obtained information suggesting that he was using those assets to pay new counsel after his prior lawyers withdrew. *(Stmt., ¶ 11.)* The Receiver sought to serve him with a subpoena *(Stmt., ¶ 12)*, but Ikkurty was residing in India, with any potential return to the United States uncertain, so the Receiver moved for special service upon his new attorney *(Stmt., ¶ 12)*. The CFTC also moved for leave to take additional discovery regarding the source of his attorney fees. *(Stmt., ¶ 11.)* Defendant EXOPP (which had not yet been sued for the recovery of fraudulent transfers) filed an *amicus* brief objecting to both motions and arguing that the proposed discovery constituted an "improper fishing expedition" and was not "in the best interest of the

investors," who were "best served through the adversarial system of American justice[.]" *(Stmt., ¶ 13.)*

Following the entry of final judgment in the CFTC Action, the Receiver filed this ancillary action against Manmohan Gopaluni (the EXOPP trustee) *(Stmt., ¶ 16)* and a few other "winning investors." Gopaluni, who resides in Texas *(Stmt., ¶ 17)*, had been a friend of Ikkurty's since 2004, when they were colleagues at a consulting firm *(Stmt., ¶ 18)*. Ikkurty met Gopaluni for dinner to discuss a potential investment in a fund that Ikkurty was promoting. *(Stmt., ¶ 19.)* EXOPP thereafter became the very first investor in Ikkurty Capital a/k/a Fund One *(Stmt., ¶ 20)*, and Ikkurty thanked Gopaluni for his commitment, writing, in part:

> It is an honor to be a steward of your capital. ***I am very confident over the next 5 years I can multiply your capital as much as five times***.

(Stmt., ¶ 21.) (Emphasis added.)

As of the end of May 2020, Ikkurty started making monthly distributions to limited partners in an amount equal to a 15% annual return on their invested capital. *(Stmt., ¶ 23.)* Between October 2020 and November 2021, however, EXOPP was only one of two investors in the Fund that received monthly distributions in an amount equal to a 45% annual return on invested capital. *(Stmt., ¶ 24.)*

EXOPP invested $365,000 in the Fund *(Stmt., ¶ 22)*, and, by the end of November 2021, the value of its interest had grown to $1,157,504.68 *(Stmt., ¶ 27)*. The net asset value of the Fund plunged by 53.77% by the end of December, however, a fact about which Gopaluni was fully aware. *(Stmt., ¶¶ 29, 30.)* By e-mail on January 8, 2022, Ikkurty offered to

buy EXOPP out of the Fund based on the November 30, 2021 net asset value of its interest, *i.e.,* without any adjustment for the 53.77% drop in value during the month of December. *(Stmt., ¶ 31.)* He wrote:

> I am extremely grateful for you being the first investor. I am with you all the way and support you in any choice you make. I want to do everything I can so that you can safely retire from your investment.

(Stmt., ¶ 32.)

On January 20, 2022, Ikkurty sent Gopaluni a purchase and sale agreement -- "effective as of" November 30, 2021 -- documenting Jafia's "buy out" of EXOPP's interest in the Fund for $1.2 million. *(Stmt., ¶ 33.)* Ikkurty wrote: "I am trying to close this before December statements come out." *(Stmt., ¶ 34.)* Gopaluni initialed the bottom of the first two pages *and* wrote "11/30/2021" next to his initials, then signed the third and fourth pages and wrote "11/30/2021" after his signatures, even though 11/30/2021 was already seven weeks past. *(Stmt., ¶¶ 35, 36.)* Meanwhile, the value of the Fund continued to plunge: It lost another 96.70% of its value during the month of January 2022. *(Stmt., ¶ 43.)*

By letter dated March 31, 2023, the Receiver put Gopaluni on notice of a potential fraudulent transfer claim. *(Stmt., ¶ 45.)*

Argument

I. Partial Summary Judgment Is Appropriate Because There Is No Genuine Issue Of Material Fact And The Receiver Is Entitled To Judgment As A Matter Of Law.

Under Federal Rule of Civil Procedure 56(a), the court "shall" grant summary judgment if the movant demonstrates that there is "no genuine issue of material fact and the moving party is entitled to judgment as a matter of law." Summary judgment is therefore

inappropriate if a trier of fact could reasonably find in favor of either party. *Anderson v. Liberty Lobby,* 477 U.S. 242, 250 (1986). When a properly supported motion for summary judgment is made, the adverse party "must set forth specific facts showing that there is a genuine issue for trial." *Id*. When a "rational trier of fact," viewing the record as a whole, could not find for the nonmovant, there is no genuine issue for trial." *Osborn v. JAB Management Services, Inc.,* 126 F. 4th 1250, 1258 (7th Cir. 2025).

As explained below, there is no genuine issue of material fact here and no rational trier of fact could find for Gopaluni, and thus the Court should enter judgment in favor of the Receiver on Count I of the Amended Complaint *(¶¶ 24-34)*, which seeks the avoidance and recovery of an actual fraudulent transfer from Jafia (the general partner of the Fund) to EXOPP, based on § 24.005(a)(1) of the Texas Uniform Fraudulent Transfer Act ("TUFTA").

II. Jafia Fraudulently Transferred $1.2 Million To EXOPP.

Under TUFTA § 24.005(a)(1), a transfer is fraudulent if made with "actual intent to hinder, delay, or defraud any creditor of the debtor." In determining "actual intent," the trier of fact may consider, *among other things*, various so-called "badges of fraud," including whether the value of the consideration received was reasonably equivalent to the value of the asset transferred, whether the transfer was made to an insider, whether the debtor was or became insolvent shortly after the transfer, and whether the debtor absconded. *TUFTA, § 24.005(b). See also Janvey v. GMAG, L.L.C.,* 592 S.W. 3d 125, 129 (Tex. 2019). Evidence of a "confluence" of badges of fraud creates a strong case for fraudulent transfer. *Matter of Alabama & Dunlavy, Limited,* 983 F. 3d 766, 775 (5th Cir. 2020).

Actual fraudulent intent may be established as a matter of law in cases in which the debtor runs a Ponzi scheme or similar illegitimate enterprise, because transfers made in such cases could have been made for no purpose other than to hinder, delay or defraud creditors. *Janvey v. Golf Channel, Incorporated*, 487 S.W. 3d 560, 567 (Tex. 2016). *See also S.E.C. v. Resource Development Intern., LLC,* 487 F. 3d 295, 301 (5th Cir. 2007); *Gredd v. Bear, Stearns Secs. Corp. (In re Manhattan Inv. Fund Ltd.)*, 359 B.R. 510, 517–18 (Bankrpt. S.D.N.Y. 2007). *In re Bayou Group, LLC*, 439 B.R. 284, 305-06 (S.D.N.Y. 2010) (actual fraudulent transfer also supported by guilty pleas of fund principals).

The judgment creditor bears the burden of proving an actual fraudulent transfer by a preponderance of the evidence. *See G.M. Houser, Inc. v. Rodgers*, 204 S.W. 3d 836, 842 (Tex. App. 2006). Intent to defraud can be decided, however, as a matter of law. *In re Hinsley,* 201 F. 3d 638, 643 (5th Cir. 2000); *BMG Music v. Martinez,* 74 F. 3d 87, 90 (5th Cir.1996).[2]

A. Jafia Did Not Receive Reasonably Equivalent Value For The $1.2 Million It Paid EXOPP For Its Interest In The Fund.

As of the end of December 2021, the net asset value of EXOPP's interest in the Fund was $535,114.41, *i.e.,* the November 2021 month-end value ($1,157,504.68) adjusted by a 53.77% loss. The value of EXOPP's interest continued to plunge, and by the end of January the value of that interest -- but for the buyout -- would have dropped to $17,658.78, representing a capital loss of 95.16% on EXOPP's original $365,000 investment, despite

[2] Gopaluni did not challenge the Receiver's standing as a creditor, nor could it, as the Fifth Circuit, applying TUFTA, followed *Scholes v. Lehmann*, 56 F. 3d 750 (7th Cir. 1995), and held that a receiver possesses standing to pursue fraudulent transfer claims on behalf of a corporate entity freed from the " coercion" of its former principals. *Janvey v. Brown*, 767 F. 3d 430, 437 (5th Cir. 2014).

Ikkurty's prediction in August 2017 that he would multiply that investment by "five times" over "the next five years." On January 20, 2022, however, in a contract backdated to precede the December crash, Ikkurty agreed to pay Gopaluni $1.2 million for EXOPP's interest, a sum even *greater* than its pre-crash value -- even though the actual value of the interest at that time was somewhere between $535,114.41 (the December 2021 value) and $17,658.78 (the January 2022 value but for the buyout).

The court should "compare the value of what went out . . . with what came in," *In re Sullivan,* 161 B.R. 776, 781 (Bankrpt. N.D. Tex. 1993), and in this case, that comparison is easy: $1.2 million in cash for a limited partnership interest worth $535,114.41 three weeks earlier and $17,658.78 ten days later. Clearly, Jafia did not receive "reasonably equivalent value."

B. Gopaluni Was An Insider.

TUFTA defines a series of instances in which a transferee will be considered an "insider," *§ 24.005(b)*, but those are merely "illustrative," and courts recognize other "non-statutory" insiders. *In re Essential Financial Education, Inc.,* 629 B.R. 401, 430 (Bankrpt. N.D. Tex. 2021) (focusing on "closeness of relationship" and whether transactions were conducted at "arm's-length"). An "arm's-length" transaction is considered to be a transaction that occurred "as if the two parties were strangers." *Id.* at 431. *See also Jackson Law Office, P.C. v. Chappell,* 37 S.W. 3d 15, 26 (Ct. App. 2000) (insider includes any entity "whose close relationship with the debtor subjects any transactions made between the debtor and the insider to heavy scrutiny"); *In re Pace*, 456 B.R. 253, 267 (Bankrpt. W.D. Tex. 2011) (fraudulent transfer was made to "close, long-time friend" of debtor).

Under the standards set by Texas law, Gopaluni was clearly an insider. He was a former colleague and longtime friend of Ikkurty's, he was the very first investor in the Fund, he received copies of the other investors' account statements *(Stmt., ¶ 26)*, he received monthly distributions at triple the rate of the other investors, and Ikkurty wanted to do "everything he could" to ensure that Gopaluni could "safely retire" from the Fund. After the CFTC Action was filed, Gopaluni filed *amicus* briefs to support Ikkurty, although a Fund investor would logically be expected to align with the CFTC, not with the defendant. Ikkurty later returned the favor by assisting Gopaluni in the defense of this "clawback" case, in clear violation of Judge Rowland's order to cease all communications with investors: Ikkurty and Gopaluni continued speaking on the phone and exchanging e-mails. *(Stmt., ¶ 46.)* Indeed, in a July 13, 2025 e-mail, Ikkurty was even dispensing legal and accounting advice to Gopaluni, declaring that the Receiver's attorney either had "zero understanding" of partnership accounting or was deliberately lying with "malicious intent to fool others." *(Stmt., ¶ 47.)*

C. Sam Ikkurty Absconded.

After Judge Rowland froze the assets of the receivership defendants, Ikkurty stole all the crypto assets from the electronic wallets, prompting Judge Rowland to instruct the CFTC to refer the matter to the United States Attorney for potential criminal proceedings while Ikkurty remained in India, professing to uncertain whether he would ever return to the United States. Absconding, as noted above, is a "badge of fraud." *TUFTA § 24.005(b)(6)*.

D. The Court In The CFTC Action Found That Ikkurty Was Operating A Ponzi Scheme.

In her Memorandum Opinion and Order, Judge Rowland found that Ikkurty operated a "classic Ponzi scheme." In reaching that conclusion, she referenced, without naming names, that a certain "participant" sold Ikkurty its interest in the Fund based on its November 2021 value, even though the actual value had dropped significantly by the time the buyout offer was actually even extended. She wrote:

> That was good for that participant, but that money had to come from somewhere—Ikkurty used Jafia funds to give the investor the earlier (and higher) value. *That is a classic Ponzi move*.

(Stmt., ¶ 14, p. 18.) (Emphasis added.) The consequence of the buyout, Judge Rowland noted *(id.)*, was that Jafia was left with insufficient funds to meet its obligations to other investors -- and insolvency, as noted above, is another "badge of fraud." *TUFTA § 24.005(b)(9)*.

That Ikkurty was operating a Ponzi scheme is also established by the fact that EXOPP was receiving monthly distributions three times the amount of the other investors. Indeed, each month that EXOPP received a distribution equating to a 45% annual return -- while every other investor in the fund received only a 15% return -- EXOPP was receiving cash that belonged to *all* the investors (in other words, in classic Ponzi fashion, EXOPP was collecting being paid with other investors' funds). At deposition, Gopaluni absurdly characterized the monthly payments as "the distribution of my money back to me" *(Stmt., ¶ 25)*, except, if that were true, then the amount of its monthly distribution would steadily decrease because EXOPP would have diminishing capital in the Fund. So it obviously wasn't his money coming back to him. It was a (fictitious) profits distribution. Gopaluni

knew that he was being handsomely preferred at the expense of every other investor in the Fund, and no rational juror could possibly believe his explanation because, as a matter of law, it is false.

III. EXOPP Has Not Established A Valid Defense To The Voidability Of The Actual Fraudulent Transfer.

Although the Receiver has established a case of actual fraudulent transfer, TUFTA § 24.009(a) provides that the transfer is not voidable if the transferee (in this case, Gopaluni) "took in good faith and for a reasonably equivalent value," which is an affirmative defense that Gopaluni bears the burden of proving. *Golf Channel,* 792 F. 3d at 543; *Hahn v. Love,* 394 S.W. 3d 14, 30 (Tex. App. 2012).

A. Jafia Did Not Receive Reasonably Equivalent Value.

Although lack of reasonably equivalent value is not necessary to proving an actual fraudulent transfer, it is treated as one of the "badges" of such fraud and, for that reason, lack of reasonably equivalent value was discussed above. Gopaluni cannot meet the burden of proving that Jafia received reasonably equivalent value when it paid $1.2 million for fund interests worth only $535,114.41 three weeks earlier and $17,658.78 ten days later.

B. Gopaluni Did Not Receive The $1.2 Million Buyout In Good Faith.

Even if the buyout were somehow an exchange of reasonably equivalent value, however, Gopaluni still cannot prove that he received the payment in "good faith." To prove "good faith," a transferee must show that its conduct was "honest in fact, reasonable in light of known facts, and free from willful ignorance of fraud." *Janvey v. GMAG, L.L.C.,* 592 S.W. 3d 125, 129 (Tex. 2019). A transferee may have actual notice of the fraudulent nature

of a transfer or, alternatively, may be charged with "inquiry notice," if it is aware of facts that would have prompted a reasonable person to investigate." *Id*. A transferee on inquiry notice may not invoke a "good faith" defense if he fails to conduct a diligent investigation following knowledge of facts that would have prompted a reasonable person to investigate. *Id*. at 131.

Gopaluni knew that he was being asked to sign the buyout agreement before the December statements (reflecting a massive decrease in the value of his account) were issued, and he obviously understood the assignment: To create paperwork creating the false impression that he signed the buyout agreement on November 30, 2021. By backdating the contract, Gopaluni deliberately schemed to dispel any potential accusation of fraudulent transfer that might arise in the future. He was not engaged in conduct "honest in fact" or "free from willful ignorance of fraud." At an absolute minimum, however, he was placed on inquiry notice of the fraudulent nature of the transaction, but took no affirmative steps to diligently investigate further.

At deposition, Gopaluni was asked to explain why Ikkurty was pressuring him to sign the buyout agreement before the December statements were released:

> Q. So you understood that [Ikkurty] was trying to race this deal together to get you the November valuation because he realized that the December valuation would be a fraction of that, and he didn't want to have to buy you out after the statement came out, right?
>
> A. That is his statement.
>
> Q. But you understood that that was going on, right?
>
> A. That is his statement.

Q. And you understood it, right?

A. What do you mean by understood?

(Stmt., ¶ 38.)

He was also asked why he repeatedly wrote "11/30/2021" on the agreement, even though he signed it seven weeks later. He testified that the date "didn't matter" and that he merely selected a "random" date. *(Stmt., ¶ 37.)* Random, except that it just happened to be the exact date of his November 2021 pre-crash account statement.

Gopaluni testified that, because the transaction was a buyout rather than a redemption, the price could be "any value" *(Stmt., ¶ 39)*, implying that any connection to the November 2021 account value was irrelevant. But then he testified that the $1.2 million price was based on the November statement, except "[b]umped up." *(Stmt., ¶ 40.)* So his own testimony was self-contradictory, although neither version of events would exonerate him. Generally speaking, Gopaluni was aware that he had no coherent defense, which is why he felt the need to express his clear contempt for the CFTC. He called the CFTC legal team an "ignorant" group of "dumbos" and testified that "they filed [a] stupid case." *(Stmt., ¶ 48.)*

Unsurprisingly, Ikkurty caused the third-party administrator to alter EXOPP's November account statement after-the-fact in an obvious effort to prevent discovery of the fraudulent transfer. The November 2021 statement that the third-party administrator produced to the Receiver reflected a complete redemption of EXOPP's interest as of the end of that month *(Stmt., ¶ 41)*, while the November 2021 statement produced to the Receiver by Gopaluni did not. *(Stmt., ¶ 27.)* At deposition, Gopaluni testified: "This is the

first time I am even noticing this." *(Stmt., ¶ 42.)* "I don't know what happened. I cannot comment." *(Stmt., ¶ 42.)*

III. The Receiver Is Entitled To Judgment Against EXOPP In The Amount Of $1.2 Million Plus Prejudgment Interest.

Because Jafia fraudulently transferred $1.2 million to EXOPP, and because EXOPP did not receive the funds in good faith or for reasonably equivalent value, this Court should void the transfer and enter judgment in favor of the Receiver in the amount of $1.2 million, as provided by § 24.008(a)(1).

The availability and amount of prejudgment interest is governed by state law. *Abellan v. Lavelo Property Management, LLC,* 948 F. 3d 820, 833 (7th Cir. 2020). Under Texas law, prejudgment interest should be awarded to a prevailing party "as a matter of course" and in all but exceptional circumstances. *Bituminous Casualty Co. v. Vacuum Tanks, Inc.,* 75 F. 3d 1048, 1057 (5th Cir. 1996); *Huggins v. Royalty Clearinghouse, Ltd.*, 121 F. Supp. 3d 646, 660 (W.D. Tex. 2015). *In re Supplement Spot, LLC,* 409 B.R. 187, 209 (Bankrpt. S.D. Tex. 2009) (awarding prejudgment interest in connection with fraudulent transfer and citing numerous similar examples).

Under Texas law, prejudgment interest accrues at the same rate as post-judgment interest, and the accrual starts on the earlier of "180 days after the date the defendant receives notice of a claim" or the date the lawsuit is filed. *Johnson & Higgins of Texas, Inc. v. Kenneco Energy, Inc.,* 962 S.W. 2d 507, 531 (Tex. 1988); *Huggins,* 121 F. Supp. at 661. Gopaluni received notice of a claim on March 31, 2023 *(Stmt., ¶ 45)*, and, thus, prejudgment interest would have begun to accrue on September 27, 2023. The interest accrues at the prime rate as published by the Board of Governors of the Federal Reserve

System "on the date of computation," subject to a legal floor and a legal ceiling. TX FIN § 304.003(c).

Because prejudgment interest cannot be computed until the date of entry of judgment is established, the Receiver requests an award of prejudgment interest, with the exact amount to be computed later. *See Miller v. Safeco Ins. Co. of America,* 683 F. 3d 805, 814-15 (7th Cir. 2012) (litigants should request prejudgment interest in a summary judgment motion, although failure to do so is not fatal).

Conclusion

For all the foregoing reasons, the Court should enter summary judgment in favor of plaintiff James L. Kopecky, as equity receiver for Jafia, LLC, Sreenivas I. Rao (aka, Sam Ikkurty), and Ikkurty Capital LLC, and against defendant Manmohan Gopaluni, as Trustee of the EXOPP Defined Benefit Pension Plan, on Count I of the Amended Complaint in the amount of $1.2 million, plus prejudgment interest in an amount to be ascertained later.

Respectfully submitted,

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