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,

JAMES L. KOPECKY, RECEIVER

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

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

DEFENDANT MANMOHAN GOPALUNI'S MEMORANDUM IN OPPOSITION TO PLAINTIFF'S MOTION FOR PARTIAL SUMMARY JUDGMENT

Defendant Manmohan Gopaluni, as Trustee of the EXOPP LLC ("EXOPP") Defined Benefit Pension Plan, by and through undersigned counsel, hereby states as follows:

I. INTRODUCTION

The Receiver seeks summary judgment against defendant Manmohan Gopaluni, as Trustee of the EXOPP LLC Defined Benefit Pension Plan (ñEXOPPò), on Count I of the Amended Complaint, which asserts an actual fraudulent-transfer claim under section 24.005(a)(1) of the Texas Uniform Fraudulent Transfer Act (ñTUFTAò). The motion should be denied. Even assuming the Receiver can establish the debtorôs fraudulent intent at some point in time, there has been no evidence of Jafia's insolvency or creditor obligations in January 2022. His Ponzi "proof" (Receiver Ex 15) is a non-party's opinion. The record discloses genuine disputes of material fact on each issue that determines whether the $1.2 million buyout by Jafia, LLC to EXOPP is voidable and, if so, in what amount.

Three such disputes preclude judgment as a matter of law. First, Gopaluniôs good faith is a fact-intensive, intent-laden question that cannot be resolved on a paper record and that depends on credibility determinations reserved to the trier of fact. Second, even if the transfer were voidable, TUFTA section 24.009(d) entitles a good-faith transferee to a value credit, and the amount of any recovery including EXOPPôs uncredited $200,000 reinvestment in Fund 2 remains disputed. Third, whether Jafia received reasonably equivalent value turns on contested evidence that EXOPPôs limited-partnership slot carried value to Jafia beyond the net asset value of the underlying crypto assets, including a $5 million minimum investment amount for Fund 1 slots and a 99-partner cap that had been reached. On this record, a reasonable trier of fact could find for Gopaluni, and summary judgment is therefore inappropriate.

II. LEGAL STANDARD

Summary judgment is appropriate only if there are no disputed questions of material fact and the moving party is entitled to judgment as a matter of law. Fletcher v. Doig, 145 F.4th 756 (2025). In determining whether a genuine issue of material fact exists, the court must construe all facts in the light most favorable to the non-moving party and draw all reasonable and justifiable inferences in that partyôs favor. Id.

Credibility determinations, the weighing of the evidence, and the drawing of legitimate inferences from the facts are functions of the trier of fact, not functions of a judge deciding a summary judgment motion. Id. Summary judgment should be denied even when the non-movantôs opposition rests on self-serving statements, so long as they are supported by an adequate foundation such as personal knowledge. Id. Gopaluniôs and Ikkurtyôs declarations, each made on personal knowledge, supply that foundation here.

The substantive elements are governed by TUFTA. A transfer made with actual intent to hinder, delay, or defraud a creditor may be avoided unless the transferee took in good faith and for a reasonably equivalent value. TEX. BUS. & COM. CODE § 24.009 Good faith and reasonably equivalent value together form an affirmative defense; a transferee asserting that defense bears the burden of establishing both good faith and the reasonable equivalence of the consideration given. Hahn v. Love, 394 S.W.3d 14 (2012) That the transferee bears the burden does not entitle the Receiver to judgment: the defense turns on intent and valuation questions that are ordinarily reserved for trial. Janvey v. Golf Channel, Inc., 487 S.W.3d 560 (2016)

III. FACTS OF THE CASE

EXOPP is a defined benefit pension plan for which Gopaluni serves as trustee. EXOPP made a legitimate investment of $365,000 in Ikkurty Capital LLC (the "Fund"). At no point did Gopaluni have any operational role in managing the Fund, any authority over its investment decisions, or any access to its books and records beyond the periodic account statements that Ikkurty chose to distribute. (Gopaluni declaration par. 3; Ikkurty declaration par. 3)

In January 2022, it was Ikkurty NOT Gopaluni who proposed the terms of a buyout and initiated the concrete offer for the buyout transaction. (Gopaluni dclaration par. 7) By email on January 8, 2022, Ikkurty offered to purchase EXOPP's interest based on the November 30, 2021 net asset value reflected on EXOPP's account statement, which showed a value of $1,157,504.68. Ikkurty expressed gratitude for EXOPP's early investment and stated that he wanted to do "everything [he] could" so that Gopaluni could "safely retire" from the investment. Gopaluni did not solicit this particular offer, did not set its terms, and did not control the timing or structure of the transaction. (Gopaluni declaration par. 9).

On January 20, 2022, Ikkurty sent Gopaluni a purchase and sale agreement with an effective date of November 30, 2021, documenting Jafia's purchase of EXOPP's interest for $1.2 million. Gopaluni signed the agreement and wrote "11/30/2021" next to his signatures which is the date that corresponded to the account statement on which the parties' agreed price was based. The Receiver characterizes this as "backdating," but the record reflects that the parties intended November 30, 2021 to be the effective date for the valuation underlying the transaction. What Gopaluni understood by writing that date and what he intended are disputed questions of fact.

The Receiver's narrative presents a one-sided account designed to paint Gopaluni as a knowing participant in Ikkurty's fraud. Viewed in the light most favorable to the nonmovant as Rule 56 requires the record tells a different story: a pension-plan trustee whose fund manager offered to buy back his interest at a price both parties agreed to, at a time when no one outside Ikkurty's inner circle had reason to even suspect that anything was amiss.

IV. ARGUMENT

A. Gopaluni's Good Faith Presents a Fact-Intensive Dispute That Cannot Be Resolved on Summary Judgment.

The Receiver has not made a showing that the debtor operated a Ponzi scheme in January 2022. However, even if accepted, this establishes only the debtorôs fraudulent intent; it does not resolve the transfereeôs separate affirmative defense. Under TUFTA, proving that a transferor operated a Ponzi scheme establishes the fraudulent intent behind its transfers, and the transfereeôs knowing participation is irrelevant to that premise. Janvey v. Brown, 767 F.3d 430 (2014) The debtorôs intent and the transfereeôs good faith are distinct questions, and the former does not establish the latter. Janvey v. GMAG, L.L.C., 592 S.W.3d 125 (2019).

Good faith is an affirmative defense on which the transferee bears the burden, and a transferee who proves good faith and a reasonably equivalent value may retain the asset even though the transfer is otherwise fraudulent. Id. A transferee on inquiry notice must show that it investigated its suspicions diligently; choosing to remain willfully ignorant is incompatible with good faith. Id. Whether a transferee was on inquiry notice, and whether its conduct was honest in fact, are quintessentially factual questions. Segner v. Ruthven Oil & Gas, LLC (In re Provident Royalties, LLC), 517 B.R. 687 (2014). Gopaluni's good faith in the buyout transaction is demonstrated in his declaration based on his understanding of the transaction in that it was a buyout from a third party (with respect to interests from other investors) with no other investor funds implicated in the transaction. (Gopaluni declaration par. 11).

The Receiver's "evidence" of Gopaluni's alleged bad faith is largely circumstantial: the fact that he was a former colleague of Ikkurty's, the timing of the transaction relative to the December decline, the writing of "11/30/2021" on the agreement, and his post-transaction communications with Ikkurty. Each of these facts is subject to competing, reasonable inferences. Being former colleagues of each other (characterized as a "friendship" by the Receiver) does not equal knowledge of fraud. Signing an agreement with an effective date matching the agreed valuation date does not demonstrate consciousness of wrongdoing. And communications that occurred after the CFTC Action was filed tell us nothing about what Gopaluni knew in January 2022.

Critically, at the time of the buyout, the CFTC Action had not been filed, no regulatory proceeding was public, and no allegation of a Ponzi scheme existed in the public domain. The Seventh Circuit has held that when a transferee's "reasonable inquiry would have turned up nothing pertinent to voidability, the [transferee's] failure to make it does not permit a court to

attribute to it the necessary knowledge" Brandt v. Horseshoe Hammond, LLC (In re Equip. Acquisition Res., Inc.), 803 F.3d 835. The same principle applies here. Even if Gopaluni were on some form of inquiry notice - which is itself disputed - the record does not establish as a matter of law that a reasonable investigation in January 2022 would have uncovered Ikkurty's fraud. Good faith is a jury question.

Even in the Ponzi-scheme context, good faith is not resolved as a matter of law merely because the debtorôs intent is presumed. Where a transferee establishes a genuine question whether it received the transfer in good faith and gave some value in exchange, those issues must be decided by the finder of fact rather than on summary judgment. Segner, Id. That is the posture here.

Gopaluniôs declaration supplies evidence from which a trier of fact could find honest conduct free of willful ignorance. He attests that he was a passive investor who did not direct or control the Fundôs trading, that Ikkurty alone managed the Funds, and that he requested the monthly statements only to evaluate the reported value and performance of EXOPPôs own investment. He further attests that he began exploring an exit in or around March 2021, long before the December 2021 decline, consistent with ordinary retirement planning rather than a race to exploit a stale valuation.

The Receiver insists that Gopaluni "deliberately schemed" to backdate the agreement. But Gopaluni's declaration is that he wrote "11/30/2021" because it was the effective date of the valuation on which the purchase price was based. (Gopaluni declaration par. 10) The Receiver's characterization depends on credibility determinations and adverse inferences drawn from ambiguous conduct. These are questions for the trier of fact.

Gopaluni also attests that he understood a buyout could command a premium over NAV because of the 99-partner cap and the newly instituted $5 million Fund 1 minimum investment, and that the November 30, 2021 effective date reflected the most recent statement available to him which was provided to him on or about January 3, 2022 (Gopaluni declaration paragraph 8). Ikkurty corroborates that he, not Gopaluni, chose to base the offer on the November NAV and that the statement did not reach investors until January 3, 2022. (Ikkurty declaration par. 7). The Receiverôs contrary reading of Gopaluniôs depositionð that the date ñdidnôt matterò and the price could be ñany valueò ð at most creates the kind of credibility conflict that must be resolved by the trier of fact, not on a paper record. Fletcher v. Doig, 145 F.4th 756 (2025).

Because the evidence would permit a reasonable trier of fact to find that Gopaluni acted honestly and without willful ignorance of any fraud, his good faith cannot be rejected as a matter of law, and summary judgment must be denied. Janvey v. GMAG, L.L.C., 592 S.W.3d 125 (2019).

B. Insider Status Is Genuinely Disputed.

The Receiver contends that Gopaluni was an "insider" based on his "friendship" with Ikkurty, his status as the first investor, and his receipt of higher monthly distributions. But TUFTA's non-statutory insider analysis is fact-intensive, focusing on the "closeness of relationship" and whether transactions were conducted at "arm's-length". Friendship (or, more accurately "former colleagues") alone does not make a person an insider. Gopaluni had no management role, no fiduciary relationship with the Fund's other investors, and no authority over Fund operations. (Gopaluni declaration par. 3; Ikkurty declaration par. 3).

Additionally, the implication that Gopaluni enjoyed some sort of preferential treatment in the buyout of EXOPP's interest is belied by the fact that many Fund investors received the same offer and received greater returns. (Ikkurty declaration par. 3).

Whether the buyout was conducted at arm's length or instead reflected the kind of preferential dealing characteristic of an insider relationship is a factual question that cannot be resolved on summary judgment.

C. A Genuine Dispute Exists Over Whether Jafia Received Reasonably Equivalent Value.

Under TUFTA, ñreasonably equivalent valueò includes, without limitation, a transfer or obligation that is within the range of values for which the transferor would have sold the asset in an armôs-length transaction. TEX. BUS. & COM. CODE § 24.004 Value is measured from a reasonable creditorôs perspective at the time of the exchange, without the wisdom that hindsight often brings. Spencer & Assocs., P.C. v. Harper, 612 S.W.3d 338 (2019) And it is determined as of the date of the transfer. Doyle v. Kontemporary Builders, Inc., 370 S.W.3d 448 (2012).

The Receiver measures value solely against the net asset value (ñNAVò) reported on the account statements, contending that EXOPPôs interest was worth $535,114.41 in December and $17,658.78 by late January. That approach assumes the only thing Jafia purchased was a pro-rata share of the underlying crypto assets at a hindsight valuation. The record permits a contrary finding that what Jafia acquired was a limited-partnership slot in a closed fund that now had a $5 million dollar minimum investment requirement in order to participate in the crypto market through the Fund. This was an asset whose armôs-length value a trier of fact could find exceeded the reported NAV, particularly for Jafia since the slot would now be opened up for an increased investment amount.

Gopaluni attests that participation in Rose City I was capped at 99 partners and that the cap had been reached, so that a prospective investor could enter Fund 1 only by taking the place of an existing partner. (Gopaluni declaration par. 8) He further attests that he believed that Ikkurty had recently sold a Fund 1 slot which now required a minimum investment of $5 million and had communicated that interest in joining Fund 1 was sufficient to sell a slot in a closed fund at a value in excess of NAV. (Gopaluni declaration par. 8). From a reasonable creditorôs perspective at the time of the exchange, those facts support a finding that the slot commanded a premium over the bare NAV of the crypto holdings - precisely the armôs-length measure TUFTA prescribes. TEX. BUS. & COM. CODE § 24.004

The debtorôs own contemporaneous conduct reinforces the dispute. Ikkurty attests that he personally invested $2.5 million of his own funds in the Fund during the same period and agreed to the $1.2 million buyout because he believed Jafia could grow the acquired interest to multiples of the price paid. (Ikkurty declaration par. ___) His December 31, 2021 investor communication reported that Rose City I had returned 490.57% for 2021. A trier of fact crediting that evidence could conclude that Jafia, far from squandering estate value, acquired an interest it reasonably valued at or above the price paid. Because the value inquiry is judged as of the transfer date and from a reasonable creditorôs vantage rather than with hindsight, the post-transaction collapse the Receiver emphasizes does not resolve the question. Spencer & Assocs., P.C. v. Harper, 612 S.W.3D 338 (2019).

The Receiverôs premise that the buyout was some kind of accommodation or favor to EXOPP is likewise contested. Ikkurty attests that Jafia offered outright buyouts to 27 other Rose City I investors, that nine were paid above their prevailing NAV, and that thirteen partners exited with a higher return than EXOPP over a shorter horizon. (Ikkurty declaration par. ___) Jafiaôs

records corroborate buyouts of numerous investors at or above their latest reported NAV. (Ikkurty declaration exhibit 1). This evidence undercuts the inference that the EXOPP price was set to extract an unwarranted benefit and instead reflects a consistent course of dealing. At a minimum, whether Jafia received reasonably equivalent value is a genuine dispute for trial.

D. The Prior CFTC Judgment Does Not Have Preclusive Effect or Constitute Evidence Against Gopaluni

The Receiver's motion and Statement of Facts draws heavily on the findings in the CFTC Action, including Judge Rowland's determination that Ikkurty operated a "classic Ponzi scheme". Whether the Receiver seeks to give those findings preclusive effect against Gopaluni or whether it is offered as evidence of a Ponzi scheme, issue preclusion does not apply and Judge Rowland's opinion is only hearsay when offered for its truth.

Under Seventh Circuit federal common law, collateral estoppel requires that: (1) the issue sought to be precluded is the same as that involved in the prior action; (2) the issue was actually litigated; (3) the determination of the issue was essential to the final judgment; and (4) the party against whom estoppel is invoked was fully represented in the prior action United States v. Sherman, 912 F.2d 907; Kramer Consulting, Inc. v. McCarthy (In re McCarthy), 350 B.R. 820.

Judge Rowland's opinion is offered by the Receiver for its truth. Judicial notice reaches only its existence. Non-parties are not bound, Taylor v. Sturgell, 553 U.S. 880 (2008). Gopaluni was not a party to the CFTC Action. He did not have counsel in that proceeding (other than for two *amicus* briefs on two very discrete discovery related issues affecting his own interests (Gopaluni declaration par. 6)), did not present evidence or argument, and did not have a full and fair opportunity to litigate any issue. Moreover, the specific issues relevant to Gopaluni's defenses in this case: his good faith, his state of knowledge, his alleged insider status, and the

reasonably equivalent value exchanged in the buyout, were not litigated in the CFTC Action at all. The CFTC Action addressed Ikkurty's alleged fraud and the Fund's operations; it did not adjudicate Gopaluni's subjective intent or the bona fides of the buyout transaction. The CFTC judgment therefore cannot bind Gopaluni on these issues United States v. Sherman, 912 F.2d 907.

E. Even If the Transfer Were Voidable, the Amount of Any Recovery Is Disputed Because of the Section 24.009(d) Value Credit.

A finding of voidability would not entitle the Receiver to judgment for the full $1.2 million. TUFTA provides that, notwithstanding the voidability of a transfer, a good-faith transferee is entitled, to the extent of the value given the debtor, to a reduction in the amount of liability on the judgment. TEX. BUS. & COM. CODE § 24.009 Value is given when, in exchange for the transfer, property is transferred or an antecedent debt is secured or satisfied. TEX. BUS. & COM. CODE § 24.004

As shown above, the record raises a genuine dispute whether Gopaluni accepted the buyout offered by Jafia in good faith. Janvey v. GMAG, L.L.C., 592 S.W.3d 125 (2019). If a trier of fact so finds, EXOPP would be entitled to a credit for the value it surrendered - its limited partnership interest in Rose City I - measured from a reasonable creditorôs perspective at the time of the exchange. Spencer & Assocs., P.C. v. Harper, 612 S.W.3d 338 (2019). Because the value of that surrendered interest is itself disputed, as set out above, the net amount of any recovery cannot be fixed on summary judgment.

The uncredited Fund 2 reinvestment compounds the dispute over the amount. Gopaluni attests that on January 28, 2022, EXOPP transferred $200,000 in connection with an investment in Fund 2, that the investment was never returned, and that the Receiver has given EXOPP no

credit for it. (Gopaluni Declaration par. 12). A portion of the very funds the Receiver seeks to claw back was thus returned to the receivership estateôs related fund, bearing directly on the amount necessary to satisfy any judgment and on the equities of full disgorgement. Not only does this reinvestment clearly show good faith in Gopaluni's transactions with Ikkurty, but it also impacts the size of any recovery and is therefore a disputed material fact that forecloses summary judgment on the relief the Receiver requests.

F. Conclusion

For the foregoing reasons, Defendant Manmohan Gopaluni respectfully requests that the Court deny the Receiverôs motion for partial summary judgment on Count I of the Amended Complaint.

Respectfully submitted,

MANMOHAN GOPALUNI, TRUSTEE OF THE
EXOPP LLC DEFINED BENEFIT PENSION PLAN,

BY: /s/ Henry K. Becker
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CERTIFICATE OF SERVICE

I certify that on October 13, 2026, I electronically filed the foregoing document with the Clerk of the Court through the CM/ECF system, which will provide electronic notice and an electronic link to this document to all counsel of record.

/s/ Henry K. Becker

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

REPLY 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 reply memorandum in support of his motion for summary judgment against defendant Manmohan Gopaluni, as Trustee of the EXOPP LLC ("EXOPP") Defined Benefit Pension Plan, on Count I of the Amended Complaint.

Argument

I. EXOPP Cannot Defeat Summary Judgment With A Sham Affidavit That Substantially Contradicts Gopaluni's Deposition Testimony.

To defeat summary judgment, Mr. Gopaluni has submitted a declaration that repeatedly contradicts his deposition testimony in significant respects or otherwise contains statements that should have been made, but were not made, in response to deposition questions. The Seventh Circuit has been "highly critical of efforts to patch up a party's deposition with his own subsequent affidavit." *Russell v. Acme-Evans Co.,* 51 F. 3d

64, 67-68 (7th Cir. 1995) (holding that when an affidavit conflicts with deposition testimony, the affidavit should be disregarded "unless it is demonstrable that the statement in the deposition was mistaken, perhaps because the question was phrased in a confusing manner or because a lapse of memory is . . . a plausible explanation for the discrepancy"). This is known as the "sham affidavit rule," and it applies not only in the case of a direct conflict between an affidavit and deposition testimony, but when a party "add[s] new factual details not previously disclosed in deposition testimony when those details seek to undo the effects of the prior testimony and manufacture a dispute to get past summary judgment." *Gills v. Hamilton,* 164 F. 4th 640, 645 (7th Cir. 2026).

Here are some of the more striking examples:

- To dispel the contention that he enjoyed "insider" status, Gopaluni asserts in Paragraph 4 of his declaration that he only received "summary information concerning [other] investor account balances" and that this information "did not include personal identifying information concerning other investors." This is *patently false:* During discovery, EXOPP produced hundreds of pages of other investors' account statements *(Pl. Resp. Stmt., ¶ 2)* replete with personal identifying information; and his own declaration even attaches as exhibits various e-mails indicating that other investors' account statements were provided to him.

- To demonstrate that he did not receive favorable treatment *vis-a-vis* other investors -- even though every month he received a 45% annual return on invested capital when all but one other investor received only a 15% return -- he asserts in Paragraph 5(c) of his declaration that these payments were "distributions" that diluted his percentage

ownership in Fund One. Aside from that contention making absolutely no sense, at deposition he testified that these payments were a "return of capital" and not profits distributions *(Pl. Resp. Stmt., ¶ 3)*, which directly contradicts his declaration.

- To create the impression that the buyout was just "ordinary retirement planning" and not a sudden offer to cash him out at a stale valuation *(Opp. at 6)*, he asserts in Paragraphs 7(a) and 9(a) of his declaration that he had already communicated with Ikkurty about reducing his investment in both March 2020 and March 2021 and that "discussions relating to exit from the fund had been *ongoing in the months prior to November 2021*." (Emphasis added.) At deposition, however, he was asked whether he had "a document, an email, or other writing" in which he requested a redemption from Fund One prior to January 2022, and he testified: "I believe I spoke to him before, but I don't know." *(Pl. Resp. Stmt., ¶ 12.)* At deposition, he was also questioned as to whether he asked to be redeemed from Fund One after he received his (pre-crash) October 2021 account statement, and he said: "Not on October 29th, definitely." *(Id.)*

- To support his contention that $1.2 million was "reasonably equivalent value" for an interest that was worth somewhere between $535,114.41and $17,658.78 on paper, he asserts in Paragraph 8 of his declaration that the $1.2 million valuation reflected a "premium" driven by several considerations, including that (a) Fund One was a "closed" fund limited to 99 partners so that new investors would pay a premium just to participate, (b) the minimum Fund One investment was being raised to $5 million, implying considerable new demand for an open "partner slot," and (c) Ikkurty had recently invested an additional $2.5 million in the fund, signifying optimism about its "long term growth

potential." At deposition, however, he was asked how the $1.2 million valuation was computed, and he mentioned nothing about a "premium," let alone articulated *any* of the foregoing justifications. He simply testified that the buyout offer was based on the month-end November 2021 account value. *(Pl. Resp. Stmt., ¶¶ 7-10.)*

EXOPP's opposition also relies in large part on the Declaration of Sam Ikkurty, submitted pursuant to 28 U.S.C. § 1746. Mr. Ikkurty, who (1) was ordered to cease all further communications with investors or be "considered in contempt of court," (2) was residing in India as of the date of his April 12, 2023 deposition by the CFTC, (3) testified that his potential return to the United States was uncertain, and (4) had a judgment exceeding $245 million entered against him *(Stmt., ¶¶ 6, 12, 15)* presumably signed his declaration outside the country. The likelihood that the Receiver could serve Ikkurty with a deposition subpoena and subject him to cross-examination is remote at best, and the likelihood of his appearing at trial in this case is assuredly *nil*. In the absence of such an appearance, his declaration would be inadmissible. *Ty, Inc. v. GMA Accessories, Inc.,* 132 F. 3d 1167, 1171 (7th Cir. 1997).

In that vein, 28 U.S.C. § 1746 provides that a declaration executed outside the United States must recite: "I declare . . . under penalty of perjury *under the laws of the United States of America* that the foregoing is true and correct." (Emphasis added.) If Mr. Ikkurty remains outside the country, his declaration fails to comply with the statute and should be stricken (although Local Rule 56.1 states that motions to strike are "disfavored" and that the matter is best addressed in the reply brief). In any event, as explained below, Mr. Ikkurty's declaration contributes nothing of value to EXOPP's opposition and, in fact,

contains powerful additional evidence supporting the legal conclusions urged by the Receiver and undercutting the very opposition it was intended to support.

II. The $1.2 Million Payment To EXOPP Was Made With "Actual Intent To Hinder, Delay, Or Defraud" Other Investors.

As a preliminary matter, the Receiver does not need collateral estoppel to establish an actual fraudulent transfer. Judge Rowland's finding that Fund One was "classic Ponzi," however, does carry persuasive value. The existence of a Ponzi scheme is established independently by undisputed evidence of record: Jafia paid EXOPP distributions at triple the rate paid to other investors *(Stmt., ¶¶ 23–24),* which conclusively establishes that EXOPP was being paid with funds that belonged to other partners, and, in addition, following a 53.77% collapse in the value of the fund, Jafia (the general partner) bought EXOPP out at the pre-crash value, racing to "close this before December statements come out." *(Stmt., ¶¶ 28–33.)* These facts, standing alone, conclusively establish a fraud and hindrance upon other creditors.[1]

In a section of its brief discussing "reasonably equivalent value," EXOPP invokes Paragraph 9 of Ikkurty's declaration to establish that Jafia offered buyouts to 27 other Fund One investors and that nine of them received *more* than the net asset value of their accounts. The table attached as Exhibit 1 to his declaration, and cited to support this assertion, actually *confirms* that EXOPP receipt of $1.2 million was an actual fraudulent transfer. The table tells the story:

[1] Incidentally, EXOPP's assertion that the Receiver presented "no evidence of Jafia's insolvency or creditor obligations" *(Opp. at 1)* is irrelevant. The Receiver is moving for summary judgment on a claim for *actual* -- not constructive -- fraudulent transfer, and, thus, evidence of the debtor's insolvency is irrelevant.

Every one of the 69 identified investors (69 of the 99 limited partners) was bought out of Fund One, except that only 27 of them received cash. These 27 were the so-called "profitable" investors. The remaining 42 received a "COB" (or Carbon Offset Bond), meaning a promissory note based on their account value, with interest payable at 18% per annum. They may have received a few installments of interest, but they never received their principal back. It goes without saying (*i.e.,* expert testimony is not needed to establish that) a legitimate hedge fund sponsor does not buy out 69 of its 99 investors rather than simply *redeem* them with fund assets. That makes absolutely no sense, and merely demonstrates that the fund lacked the assets to effectuate all 69 buyouts, as a result of which the funds used to buyout profitable investors like EXOPP were taken from investors who were either bought out with Carbon Offset Bonds (and never received their principal back) or who received no buyout at all.

As it turned out, many of the non-profitable investors, including the 42 investors who took an IOU and the 30 investors who remained in Fund One until the end, submitted proofs of claim to the Receiver, and, according to the Fourteenth Status Report filed in the CFTC Action *(Dkt. 453),* the Receiver ultimately approved submissions from 356 non-profitable investors (across all funds). (*See* Tab A.) So EXOPP, colloquially speaking, "made out like a bandit."

Finally, EXOPP did not adduce *any* evidence establishing that EXOPP did not profit at the expense of the remaining investors, *i.e.,* contradicting the evidence cited by the Receiver. It merely cited to Gopaluni's clearly erroneous assertion that EXOPP received "no special treatment." *(Pl. Resp. Stmt., ¶ 5.) See Janvey v. Democratic Senatorial Campaign*

Comm., 712 F. 3d 185,199 (5th Cir. 2013) (affirming summary judgment on finding of Ponzi scheme given the receiver's evidence and "lack of any cogent countervailing summary-judgment evidence").

II. Jafia Did Not Receive Reasonably Equivalent Value.

EXOPP contends that the $1.2 million transfer, while admittedly exceeding its stated account value by nearly $700,000, nonetheless constituted reasonably equivalent value because aspiring new investors would pay a premium for an ownership interest in a closed end fund (in this case, a fund that could not, consistent with federal law) have more than 99 partners. This *conjecture* is based on the suggestions that there was great demand to invest in Fund One because (1) it returned 490.57% in 2021, (2) the minimum investment amount had been raised to $5 million, and (3) Ikkurty purported in December 2021 to have invested an additional $2.5 million, demonstrating a strong conviction in fund value.

This conjecture (basically, a layman's opinion) cannot be squared with, and is completely undercut by, the very evidence that EXOPP introduced to negate the finding of fraudulent transfer, *to-wit,* that 69 of the 99 partners took buyouts (although only EXOPP and those who received cash ended up as "profitable" investors). On the one hand, EXOPP suggests that competition for a coveted ownership interest (limited to 99 partners) would have created a massive demand premium, and on the other hand, EXOPP concedes that 69 new partnership slots were now available. It's conjecture is directly contradicted by its own evidence, and no reasonable juror could possibly believe it.

Moreover, other facts that EXOPP cites to support its "value premium" hypothesis are clearly faulty or not sufficiently supported. For example, the fund did not return

490.57% in 2021; that number was drawn from an Ikkurty email, which specifically cautioned that "[o]ur final results for December are not known." *(Pl. Resp. Stmt., ¶ 9.)* EXOPP does not dispute that the fund lost nearly 60% of its value in December and was headed to another 97% loss of value in January.

In addition, the assertion that Ikkurty invested another $2.5 million into the fund in December 2021 is based on an assertion in Paragraph 7 of Ikkurty's declaration. The account statements produced in this case by the third-party administrator could easily verify this assertion, if true, but EXOPP failed to cite to them because the assertion is false. The Receiver did not introduce evidence *negating* this allegation in its Rule 56.1 Statement because it didn't foresee the possibility that EXOPP would submit false testimony on this point, but since EXOPP seeks to support its "value premium" theory with this alleged fact, the burden falls on EXOPP to establish it with the best available evidence. The actual account statements (clearly demonstrating that Sam Ikkurty never invested a nickel of his own money in the fund) would certainly be more accurate than the testimony of a declarant who fled the country and cannot be cross-examined.

The "value premium" hypothesis, presented for the first time in opposition to the Receiver's motion for partial summary judgment and *not* disclosed at deposition in response to questioning that should have elicited it, is simply wild conjecture based on faulty allegations of fact and directly contradicted by other undisputed facts. The notion that prospective new investors would be willing to pay a premium (in EXOPP's case, at least a 66% premium -- $1.2 million for an account position worth no more than $535,114.41) and invest a minimum of $5 million in a fund that had just been decimated by a massive

crash and now had 69 new partner slots available is so absurd that no reasonable juror could accept it.

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

As discussed in the opening brief, once the Receiver establishes an actual fraudulent transfer, TUFTA § 24.009(a) provides that the transfer is not voidable if the transferee "took in good faith ***and*** for a reasonably equivalent value," which is an affirmative defense that EXOPP bears the burden of proving. *Golf Channel,* 792 F. 3d at 543; *Hahn,* 394 S.W. 3d at 30. Thus, even if the Court agrees that the Receiver failed to demonstrate lack of good faith, summary judgment is nonetheless appropriate if the Court finds lack of reasonably equivalent value. EXOPP needs to satisfy both elements of the defense.

In any event, the Receiver adduced an abundance of evidence establishing that Gopaluni did not receive the buyout funds in good faith, including his understanding that the transaction needed to be concluded before December statements reflecting a near 60% drop in fund value was released and his repeated backdating of the buyout agreement, even though there was never any need for him to write a date, let alone a back date, next to his signatures. Having adduced that evidence (*i.e.,* having made a *prima facie* showing that Gopaluni was trying to obfuscate an obvious fraudulent transfer), the burden shifts to EXOPP to provide evidence demonstrating that Gopaluni acted in good faith.

EXOPP contends that, however, that whether it received the buyout in "good faith" presents "quintessentially" a fact question inappropriate for resolution on summary judgment. It cites *Segner v Ruthven Oil & Gas, LLC,* 517 B.R. 687 (N.D. Tex. 2014), for this proposition, although the court did not state that whether a party's conduct was "honest in

fact" is "quintessentially" a fact question, despite denying summary judgment after finding a genuine issue of material fact. EXOPP also cites *Brandt v. Horseshoe Hammond LLC,* 803 F. 3d 835 (7th Cir. 2015), but in that case the court actually *granted* summary judgment because "a reasonable jury" would have concluded that the alleged fraudulent transferee acted in good faith.

In actuality, the issue of intent in a fraudulent transfer case is perfectly susceptible of resolution by way of summary judgment. *See In re O'Gorman,* 115 F. 4th 1047, 1058-59 (9th Cir. 2024) (affirming summary judgment of fraudulent transfer in favor of bankruptcy trustee because "confluence" of factors established evidence of actual intent to defraud, and transferee failed to meet burden of demonstrating "legitimate supervening purpose" for transfer); *In re Bifani,* 580 Fed. App'x 740, 746-47 (11th Cir. 2014) (affirming summary judgment after finding that transferee failed to meet burden of showing "good faith" following *prima facie* showing of fraudulent transfer); *In re Truong,* 285 Fed App'x 837, 839 (3rd Cir. 2008) (recognizing that "direct proof of actual fraudulent intent is rare," but affirming summary judgment on fraudulent transfer claim).

EXOPP repeatedly urges the court to deny summary judgment on the basis that "good faith" is a "fact-intensive, intent-laden question that cannot be resolved on a paper record" and "depends on credibility determinations reserved to the trier of fact." *(Opp. at 2, 4-6.)* (In this case, the court will be the trier of fact.) It adduces no evidence that Gopaluni acted in good faith other than the clearly uncredible assertion that he wrote "11/30/2021" because that was "the effective date of the valuation on which the purchase price was based." *(Opp. at 6.)*

IV. EXOPP Is Not Entitled To A $200,000 Credit For A Subsequent Investment In Rose City Income Fund II.

Finally, EXOPP argues *(Opp. at 2, 11-12)* that, even if the $1.2 million transfer is voidable, TUFTA section 24.009(d) entitles it -- as a purported "good-faith transferee" -- to credit for the $200,000 he invested in Rose City Income Fund II ("Fund Two") soon after the buyout. Curiously, in his declaration, Mr. Gopaluni declares that he exited Fund One as part of ordinary retirement planning *(Opp. at 6)* and not because he was extended an offer too good to refuse, but then he concedes that he subsequently invested $200,000 in Fund Two.

Inconsistency aside, this argument fails. Once EXOPP was completely bought out of Fund One, the money it invested in Fund Two constituted a completely different transaction and cannot be applied to negate the fraudulent transfer that preceded it. *See Scholes v. Ames,* 850 F. Supp. 707, 713 (N.D. Ill. 1994) (holding that fraudulent transfer of $17,115.06 could not be offset by subsequent investment of $25,000 into different fund).

Moreover, as discussed above, Gopaluni did not take the $1.2 million buyout in good faith because he backdated the buyout agreement to create the illusion that he signed it long before any documents evidencing a 60% decrease in the value of Fund One were released by the third-party administrator. At that point, therefore, he forfeited any right to contend that his future investment in Fund Two qualified for "netting" against the preceding fraudulent transfer. *Cf. In re Lake States Commodities, Inc.,* 253 B.R. 866, 877 (N.D. Ill. Bkrptcy 2000) (trustee failed to demonstrate lack of good faith sufficient to avoid "netting" of future investments). In other words, EXOPP's subsequent investment in Fund Two was tainted by the fraudulent transfer it received in connection with its exit from Fund One. Having just been bought out for more than double its actual account value, EXOPP's

investment in Fund Two was practically riskless because, in the event of another crash, Mr. Gopaluni had good reason to believe that he would be bought out again at another unjustifiable valuation. At its inception, therefore, the investment was not made in good faith.

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,

JAMES L. KOPECKY, RECEIVER

/s/ Andrew Eliot Porter

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TAB A

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 FOURTEENTH 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, 336, 355, 377, 410, 422, 435 and 445) for background and attempts to minimize duplication of those reports herein.

I. Administration of Receivership Estate

a) Claims and Distribution Process

The Receiver made the initial distribution of approximately $23 million in Receivership

assets via checks to investors pursuant to the rising tide methodology. Under the rising tide method investor losses are calculated based on each investor's investment amount less their distribution and withdrawal amounts. This method distributes a greater percentage of receivership assets to claimants who lost a greater *percentage* of their investment. In total, 328 of the 356 investors with approved claims received a distribution.

The QSF currently has approximately $2,408,531.32 in cash. Upon the completion of the winding down of the Receivership, the Receiver will make a final distribution.

b) 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). To date, the Receiver has signed settlement agreements with seven profitable investors totaling $470,153. The Court is aware of all of these settlements, having approved the settlement agreements. The last installment payments under certain of those settlement agreements will conclude by December 31, 2025. The Receiver continues to pursue the remaining profitable investors through litigation pending in the Northern District of Illinois, Case. No. 25-cv-01352. There are fully briefed motions to sever and/or dismiss pending. The Receiver continues to work with Andrew Eliot Porter of Carpenter Lipps LLP in pursuing the profitable investors.

c) Pending Investor Class Action

As reported in the Receiver's Ninth Status Report (Dkt. 377), the Receiver continues to cooperate with the law firm retained on behalf of certain investors to pursue claims against financial institutions that held investor funds controlled by Mr. Ikkurty. 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.

The parties in that case have settled all remaining claims against the defendants for $3.75 million. The Court approved that settlement on a preliminary basis and set a hearing for final approval on December 3, 2025. The settlement proceeds, net of attorney's fees and costs, will be contributed to the Qualified Settlement Fund ("QSF").

d) 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. Many investors communicate through the Receivership email address and others email the Receiver and his attorneys directly. Recent communications relate primarily to the distribution process. The Receiver and/or his claims team respond to those communications as they are received.

e) Tax Returns and Accounting

The Receiver is in regular communication with Miller Kaplan in preparation for the 2024 tax return. Miller Kaplan filed for an extension of the QSF's tax return deadline. The tax return is now due on October 15, 2025. In connection with doing so, the QSF paid estimated taxes totaling approximately $1,500,000.

II. Receivership Fees and Expenses

On September 17, 2025, the Court issued an Order (Dkt. 452) approving the Receiver's Thirteenth 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 November 17, 2025. 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 respectfully requests that the Court set a date for the next report to the Court on or before January 2, 2026. Finally, the Receiver will promptly post this status report to the receivership website.

Dated: October 1, 2025

Respectfully submitted,

/s/ Daryl M. Schumacher

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*

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CERTIFICATE OF SERVICE

I hereby certify that on October 1, 2025, I electronically filed the foregoing document 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: October 1, 2025

/s/ Daryl M. Schumacher