

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR MIAMI
DADE COUNTY, FLORIDA

PERETZ MOCKIN, an individual, ISRAEL
MOGILEVSKY, an Individual, SC EVENTS
INC., a Florida Corporation,

CASE NO.: 2023-023172-CA-01

Plaintiffs,
vs.

PRIORITY CAPITAL SOLUTIONS, INC., a
Florida Corporation, KIT HOLDINGS INC., a
Florida Corporation, BROAD CAPITAL
SOLUTIONS, LLC, a Florida Limited
Liability Company, USD FUNDING LLC, a
Florida Limited Liability Company, ISRAEL
TZIVIN, an Individual, and KATHERINE
LAIRD WILLIAMS, an Individual,

Defendants.

SIXTH INTERIM RECEIVERSHIP REPORT

Pursuant to the Court's September 19, 2023 *Agreed Order Granting Plaintiffs' Emergency Agreed Motion for Appointment of a Receiver and Related Relief* (the "Receivership Order"), Receiver Seth Heller files this Sixth Interim Report and states:

Introduction

This Sixth Interim Receivership Report covers the period from January 1, 2025, through March 31, 2025. Interim reports will continue to be filed quarterly. The statements and assessments herein are based on the Receiver's preliminary findings. This Report is for informational purposes only, and the Receiver expressly reserves the right to correct, amend, or modify any statements contained herein. Nothing in this Report shall constitute an admission in this proceeding or any other matter involving the Receiver.

The Receiver's prior reports summarized the background of the Receivership Entities, their condition at the time of the Receiver's appointment, and the initial steps taken. The Fourth Interim Report included the Initial Declaration of Melissa Davis, CPA, summarizing her preliminary findings. That information is not restated or reattached here.

Attached to this Report is a balance sheet and a profit and loss statement as of March 30, 2025.

Claims Process

On October 28, 2024, the Court granted the Receiver's Motion to (a) authorize the employment of Stretto, Inc. as noticing and claims agent, and (b) approve the proposed noticing and claims process. The Court approved the use of a claims package, consisting of a proof of claim and a notice to creditors, which was served on all known creditors and parties-in-interest.

A total of 75 claims have been filed, asserting total indebtedness of \$24,007,169.70. The Receiver is currently reviewing the submitted claims.

Accounting and Litigation

The Receivership Entities continue to collect outstanding merchant cash advance accounts ("MCA"). As detailed in earlier reports, the Receivership Entities' MCA portfolio consists of (a) direct-to-merchant MCA deals in which the Receivership Entities directly purchased a merchant's receivables and serviced and collected the accounts internally; and (b) syndicated MCA deals in which the Receivership Entities held interests in MCA deals originated and serviced by other companies. The Receiver engaged Gregg Mora of Flash Funding, LLC to service and collect the direct-to-merchant accounts. Unfortunately, due to the Receivership Entities' lack of books and records, Mr. Mora encountered conflicting information concerning outstanding balances on MCA accounts and has therefore not been able to effectively service or collect most of these accounts.

The Receiver continues to seek additional information concerning these accounts and will make all necessary efforts to collect any enforceable MCA agreements.

Since the last report, the Receiver has identified several transfers from the Receivership Entities that may be avoidable as fraudulent transfers. The Receiver has filed a motion to retain Lessne Hoffman, PLLC on a contingency fee basis to pursue recovery of these transfers. Complaints are currently being finalized and will be filed during the next reporting period.

Conclusion

The Receiver has made significant progress in this case. During the next interim period, the Receiver intends begin the process of claims review and to initiate litigation against insiders of the Receivership Entities and third-party transfer recipients. The Receiver will then work towards proposing a plan for distribution of the assets of the receivership estate to creditors.

Dated: April 1, 2025

Respectively Submitted:



Seth Heller, Receiver

LESSNE HOFFMAN, PLLC
Counsel for the Receiver
100 SE 3rd Avenue, 10th Floor
Fort Lauderdale, FL 33394
T. 954.372.5759
E. mhoffman@lessnehoffman.law

/s/ Michael S. Hoffman
Michael S. Hoffman
Florida Bar No.: 41164

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Seth Heller Receiver of KIT Holdings INC

03/30/25

Balance Sheet

Cash Basis

All Transactions

	<u>Mar 30, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
6109 - KIT MM Account	1,316,070.30
OB 6105	122,026.63
Optimum 5290	46,075.88
Optimum 6934	254.47
Optimum 6942	9,261.29
Wells Fargo 0376	4,589.02
Wells Fargo 4572	5,029.05
Total Checking/Savings	<u>1,503,306.64</u>
Total Current Assets	<u>1,503,306.64</u>
TOTAL ASSETS	<u>1,503,306.64</u>
LIABILITIES & EQUITY	
Equity	
Net Income	1,503,306.64
Total Equity	<u>1,503,306.64</u>
TOTAL LIABILITIES & EQUITY	<u>1,503,306.64</u>

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Seth Heller Receiver of KIT Holdings INC

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Profit & Loss

Accrual Basis

All Transactions

	<u>Mar 30, 25</u>
Income	
Bank Interest Income	47,190.46
Recover of Assets	1,748,819.55
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Total Income	1,796,010.01
Expense	
Accounting Costs	25,000.00
Bank Charge	580.00
Bank Wire Charge	375.00
Claims Process	5,205.84
Forensic Accounting	116,556.20
Postage and Delivery	15.57
Processing Fee	3,931.33
Professional Fees	119,533.25
Software Fee	21,521.75
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Total Expense	292,718.94
Net Income	<hr/> 1,503,291.07 <hr/>