

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.

INITIAL RECEIVERSHIP REPORT¹

This Initial Receivership Report is a preliminary assessment of the financial affairs of the four entities (KIT HOLDINGS INC, PRIORITY CAPITAL SOLUTIONS, INC, BROAD CAPITAL SOLUTIONS, LLC, and USD FUNDING LLC) subject to receivership (the “Receivership Entities”) in this proceeding. The Receiver was appointed on September 19, 2023. Since his appointment, the CRO has held multiple meetings with the Chief Restructuring Officer and other interested parties. There is substantial work needed to gain a full understanding of the financial affairs and condition of the Receivership Entities.

One significant challenge facing the Receiver is the absence of books and records for the Receivership Entities. According to the CRO, very limited books and records were maintained.

¹ This report is provided for informational purposes only. The Receiver reserves the right to amend, modify, or supplement this report. Nothing in this report shall be considered an admission by the Receiver.

This presents a considerable obstacle to assessing the financial status of the Receivership Entities as it requires the Receiver and his team to recreate the Receivership Entities' books and records. This will involve an examination of available documents, electronic data, and any other sources of financial information. The Receiver will also need to issue subpoenas and utilize the discovery process to obtain necessary documents and information. **This discovery process is expected to be a time-consuming endeavor, with an estimated duration of up to 120 days for the initial work.** During this period, the Receiver will endeavor to report on financial assets, liabilities, and obligations, and to identify potential areas of concern or irregularities. After headway has been made on discovery, the Receiver will seek Court approval for a claims process to determine the full scope of the Receivership Estate's liabilities and provide for distributions to creditors.

The Receiver will provide further reports to the Court and interested parties on a quarterly basis in accordance with the Receivership Order.

/s/ Seth Heller

Dated: September 27, 2023

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