

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE COMMISSION,	:
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Plaintiff,	:
	:
-v-	:
	:
LEGEND VENTURE PARTNERS LLC,	:
	:
Defendant.	:
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No. 1:23-cv-05326-LAK

THE RECEIVER’S THIRD QUARTERLY STATUS REPORT TO THE COURT

Melanie L. Cyganowski, the receiver (the “*Receiver*”) for Legend Venture Partners LLC (“*LVP*”), Legend Ventures Fund 1 LLC, Legend Ventures Fund 2 LLC, Legend Ventures Fund 3 LLC, Legend Ventures Fund 4 LLC, Legend Ventures Fund 5 LLC (collectively, the “*LV Funds*”, and together with LVP, the “*Receivership Entities*” or “*Legend*”), by her undersigned counsel, hereby submits this Third Quarterly Status Report, covering the period from January 1, 2024, through and including March 31, 2024 (the “*Reporting Period*”), as required by the Order Appointing Receiver [Dkt. 33] (the “*Receivership Order*”),¹ entered on July 7, 2023, which appointed the Receiver for the estate of the Receivership Entities (the “*Receivership Estate*” or “*Receivership*”).²

¹ Capitalized terms used but not defined herein shall have the same meanings ascribed in the Receivership Order.

² The Receiver already reported on a portion of her activities during the Reporting Period in her Second Quarterly Status Report to the Court [Dkt. 66] dated January 30, 2024. Similarly, as this report is being filed after the conclusion of the Reporting Period, this report will include descriptions by the Receiver of activities that occurred both during and after the Reporting Period.

I. Preliminary Statement

During and following the Reporting Period, the Receiver and members of her retained professional team³:

- (i) continued to identify and obtain the Receivership Entities' books and records;
- (ii) continued to review information and documents with respect to the Receivership Entities' historical financial affairs and interactions with investors and creditors;
- (iii) communicated with the Receivership Entities' legacy attorneys, including those that currently represent the Receivership Entities' former principals;
- (iv) continued to monitor specific private companies (each, a "*Pre-IPO Company*") in which Legend owns Shares⁴ ("*Shares*") and prepare for potential liquidity events of certain Pre-IPO Companies; and
- (v) communicated with investors and purported creditors of the Receivership Entities.

II. SUMMARY OF OPERATIONS OF THE RECEIVERSHIP

A. The Receivership Entities' Financial and Operational Information

During the Reporting Period, the Receivership Team continued to gather information pertinent to administration of the estate, including information with respect to Legend's electronic systems, the business operations of Legend, the investors in the LV Funds, and Legend's holdings of Pre-IPO Shares.

³ The Receiver's retained professionals include Otterbourg P.C. ("*Otterbourg*") as the Receiver's legal counsel, Stout Risius Ross, LLC ("*Stout*") as the Receiver's financial advisor, and Berkeley Research Group, LLC as her tax advisor ("*BRG*," and along with Otterbourg and Stout, "*Receivership Team*").

⁴ Although this Report generally refers to "Shares" in Pre-IPO Companies, as described by the Receiver in her status reports to the Court, the Receivership Entities' interests in Pre-IPO Companies are not necessarily actual shares of stock in Pre-IPO Companies. LVP purchased Pre-IPO interests primarily through (i) interests in special purpose vehicles ("*SPVs*"), which are non-Legend entities controlled by third-parties that invested in Pre-IPO Companies; and (ii) forward contracts. Solely for convenience, this Report refers to "Shares" to include all such interests acquired by the Receivership Entities.

During the Reporting Period, Otterbourg communicated with Legend’s legacy counsel (“*Legacy Counsel*”) to obtain certain electronic data (the “*Electronic Data*”) from three individuals associated with Legend, Mario Gogliormella, Steve Lacaj, and Adam Ibrahim (collectively, the “*Individuals*”). Legacy Counsel, who represented Legend as of the date of the Receiver’s appointment, currently now represents the Individuals, has advised that the Electronic Data will not be produced on grounds of alleged privilege. The refusal to provide information to the Receiver is causing additional costs and delay to the administration of the Receivership. The Receiver is considering what steps to take next.

The Receiver reserves her rights and remedies to obtain the Electronic Data.

B. Preparing for Liquidity Events of Pre-IPO Companies

During the Reporting Period, the Receiver continued to prepare for the possible public listing or other liquidity event of certain Pre-IPO Companies in which Legend holds Pre-IPO Shares. These include Triller Corp., which has been the subject of SEC filings or public announcements concerning a possible liquidity event. Among other things, the Receiver and the Receivership Team reviewed legal issues in connection with potential public listings.

Accordingly, while the Receiver and the Receivership Team monitored all of the Pre-IPO Companies in which Legend owns Pre-IPO Shares, during the Reporting Period particular attention was focused on the following Pre-IPO Company:

i. Triller

On January 12, 2024 and January 30, 2024, Triller Corp. filed amendments to its Form S-1 (as amended, the “*Triller S-1*”) with the SEC concerning a possible “direct listing” – through which its common stock could trade on a public exchange. A Form S-1 is the disclosure form that the SEC requires that private companies submit for SEC approval to offer securities to the public.

However, Triller Corp. then pivoted from pursuing a direct listing to announcing a potential merger with a public company. Specifically, on April 18, 2024, Triller announced that it entered into a definitive merger agreement with AGBA Group Holding Limited (“*AGBA*”) to combine AGBA with Triller Corp (the “*Merger Announcement*”). The Merger Announcement did not attach the merger agreement, describe its terms in detail, provide any pricing information for any new shares that are to be delivered, or indicate the timing of this transaction. Moreover, before the merger can be effectuated, Triller and AGBA must file with the SEC the documents necessary for approval of the merger, and the Merger Announcement did not provide any timetable for that to occur.

The Receiver will continue to monitor developments regarding the potential merger and will seek to understand how Legend’s holdings will be treated.

C. Taxes

As previously reported, on October 6, 2023 notices were received from the New York State Department of Taxation and Finance (“*NYS*”) asserting that the tax returns filed on September 15, 2023 were filed late (the “*Late Filing Notices*”). In the Late Filing Notices, NYS had assessed penalties against the Receivership Entities in the total amount of \$90,000 for the late filing. The Receiver learned that prior to the Receivership, the Receivership Entities’ legacy accountant did *not* file timely extensions with NYS, due on March 15, 2023, to extend the date to file the tax returns to September 15, 2023. The Receiver (through BRG) requested that the NYS tax authorities remove the penalties assessed in the Late Filing Notices. As of March 31, 2024, NYS has agreed to remove all of the penalties.

D. Plan of Distribution

During the Reporting Period, the Receiver worked on analyzing issues related to a plan of distribution (“*Plan*”), including considering the timing of a Plan. The Receiver expects to begin drafting plan documents after she has conducted further due diligence, including the investigation

of potential causes of action, understanding the assets that are available for distribution, and forming a process for claims of investors and creditors.

E. Communications with Investors and Parties-In-Interest

The Receiver maintains a dedicated email address for inquiries (legendreceivership@stout.com). During the Reporting Period, the Receivership Team responded to phone calls and correspondence from investors and purported creditors and communicated with those parties. As of mid-March 2024, the Receivership Team has received or made over 250 individual communications by phone and email with parties-in-interest, including receiving inquiries from over 130 investors and other parties-in-interest.

F. The Second Status Report

In accordance with Section XIV of the Receivership Order, during the Reporting Period, the Receiver and members of the Receivership Team drafted a report and accounting of Receivership assets. The Receiver filed the Second Quarterly Report on January 30, 2024. [Dkt. 66].

III. CASH, EXPENSES, AND UNENCUMBERED ASSETS

Attached hereto as **Exhibit A** is the Standardized Fund Accounting Report (“*SFAR*”) as of March 31, 2024, which sets forth a schedule summarizing cash receipts and disbursements, as well as cash on hand for the Reporting Period, in the Receivership case.

A. Financial Information

As of March 31, 2024, the Receivership Entities had \$0 in cash.

As of March 31, 2024, the court-approved interim fees and expenses of the Receivership Team are approximately \$242,196.80 in fees and \$3,004.15 in expenses, of which (i) the aggregate amount of \$48,439.36 is subject to holdback, and (ii) and the aggregate amount of \$196,761.59 is not subject to holdbacks (the “*Previously Approved Non-Holdback Amount*”). The Receiver has

paid \$0 of the Previously Approved Non-Holdback Amount. In all, \$196,761.59 of the Previously Approved Non-Holdback Amount remains unpaid.

The fees and expenses for the Receiver, Otterbourg, Stout and BRG that have been incurred during the Reporting Period total in the amount of \$37,916.09.

B. Cash disbursements and receipts

Cash disbursements during the Reporting Period totaled \$0.

Cash receipts during the Reporting Period totaled \$0.

IV. RECEIVERSHIP PROPERTY AND PRE-IPO SHARES

As of March 31, 2024, the primary assets of the Receivership Estate consisted of Pre-IPO Shares, including holdings in SPVs and forward contracts.

At the time of this report, the Receiver continues to collect and review financial information with respect to the Receivership Entities, including the ownership of the Pre-IPO Shares. As alleged in the Complaint, LVP purchased the Pre-IPO Shares for \$22 million. The current value of the Receivership Entities' investment portfolio is difficult to determine and is subject to change based on the market for Pre-IPO Shares.

V. LIQUIDATED AND UNLIQUIDATED CLAIMS HELD BY THE RECEIVERSHIP ESTATE/INVESTIGATION OF TRANSACTIONS

The Receiver is continuing to investigate potential liquidated and unliquidated causes of action, if any held by the Receivership Entities. The Receivership Entities may have causes of action against a number of parties which the Receiver is considering. The Receiver cannot at this time state whether she will seek leave to commence any actions and, if commenced, their value or the likelihood of collecting on any judgment that may ultimately be obtained.

VI. CLAIMS ANALYSIS

The Receiver has not yet initiated a formal claims process. As noted, the Receiver has been assembling information with respect to investors and is considering the timing and implementation of a claims process in an effort to make the claims process as efficient as possible.

VII. RECOMMENDATIONS FOR CONTINUATION OR DISCONTINUATION OF RECEIVERSHIP

The Receiver believes that continuation of the Receivership is in the best interests of the creditors and investors of Legend. While the Receivership Entities could be administered in a bankruptcy proceeding, the Receiver believes that continuing with the orderly administration of the Receivership Entities in this Receivership case provides much greater flexibility to achieve an equitable result for the investors, and is more cost effective than a bankruptcy proceeding.

VIII. CONCLUSION

The Receiver cannot at this time state when she expects the case to be concluded. The Receiver is working to (i) marshal all of the Receivership Entities' assets for the benefit of investors and creditors; (ii) gather information related to the Receivership Entities' financial and operational information; and (iii) analyze issues related to a Plan.

Dated: April 30, 2024
New York, New York

OTTERBOURG P.C.

By: /s/ Erik B. Weinick
Erik B. Weinick
Michael A. Pantzer
230 Park Avenue
New York, NY 10169
(212) 661-9100
Email: eweinick@otterbourg.com
*Counsel for Melanie L. Cyganowski,
as Court-Appointed Receiver*

STANDARDIZED FUND ACCOUNTING REPORT for LEGEND RECEIVERSHIP - Cash Basis
 Receivership; Civil Court Docket No. 1:23-cv-05326-LAK
 Reporting Period 01/01/2024 to 3/31/2024

FUND ACCOUNTING (See instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 01/01/2024):			\$ -
	<i>Increase in Fund Balance:</i>			
Line 2	Business Income	\$ -		
Line 3	Cash and Securities	-		
Line 4	Interest/Dividend Income	-		
Line 5	Business Asset Liquidation	-		
Line 6	Personal Asset Liquidation	-		
Line 7	Third-Party Litigation Income	-		
Line 8	Miscellaneous - Other	-		
	Total Funds Available (Lines 1 - 8):		\$ -	\$ -
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors		\$ -	
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	\$ -		
Line 10b	Business Asset Expenses	-		
Line 10c	Personal Asset Expenses	-		
Line 10d	Investment Expenses	-		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees	-		
	2. Litigation Expenses	-		
	Total Third-Party Litigation Expenses	-		
Line 10f	Tax Administrator Fees and Bonds	-		
Line 10g	Federal and State Tax Payments	-		
	Total Disbursements for Receivership Operations		\$ -	
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator.....	\$ -		
	Independent Distribution Consultant (IDC).....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisors.....	-		
	Tax Advisors.....	-		
	2. Administrative Expenses	-		
	3. Miscellaneous	-		
	Total Plan Development Expenses	\$ -		
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator.....	\$ -		
	IDC.....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisors.....	-		
	Tax Advisors.....	-		

STANDARDIZED FUND ACCOUNTING REPORT for LEGEND RECEIVERSHIP - Cash Basis
Receivership; Civil Court Docket No. 1:23-cv-05326-LAK
Reporting Period 01/01/2024 to 3/31/2024

	2. Administrative Expenses	-		
	3. Investor Identification:			
	Notice/Publishing Approved Plan.....	-		
	Claimant Identification.....	-		
	Claims Processing.....	-		
	Web Site Maintenance/Call Center.....	-		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
	6. Federal Account for Investor Restitution	-		
	7. (FAIR) Reporting Expenses	-		
	Total Plan Implementation Expenses	\$ -		
	Total Disbursement for Distribution Expenses Paid by the Fund		\$ -	
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees	\$ -		
Line 12b	Federal Tax Payments	-		
	Total Disbursements to Court/Other:		\$ -	
	Total Funds Disbursed (Lines 9 - 11):		\$ -	
Line 13	Ending Balance (As of 03/31/24):			\$ -
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents	\$ -		
Line 14b	Investments	-		
Line 14c	Other Assets or Uncleared Funds	-		
	Total Ending Balance of Fund - Net Assets			\$ -

OTHER SUPPLEMENTAL INFORMATION:

		Detail	Subtotal	Grand Total
	Report of Items NOT To Be Paid by the Fund:			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund:			
	1. Fees:			
	Fund Administrator.....	\$ -		
	Independent Distribution Consultant (IDC).....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisors.....	-		
	Tax Advisors.....	-		
	2. Administrative Expenses	-		
	3. Miscellaneous	-		
	Total Plan Development Expenses Not Paid by the Fund		\$ -	
Line 15b	Plan Implementation Expenses Not Paid by the Fund:			
	1. Fees:			
	Fund Administrator.....	\$ -		
	IDC.....	-		
	Distribution Agent.....	-		
	Consultants.....	-		
	Legal Advisors.....	-		

STANDARDIZED FUND ACCOUNTING REPORT for LEGEND RECEIVERSHIP - Cash Basis
Receivership; Civil Court Docket No. 1:23-cv-05326-LAK
Reporting Period 01/01/2024 to 3/31/2024

	Tax Advisors.....	-		
	2. Administrative Expenses	-		
	3. Investor Identification:			
	Notice/Publishing Approved Plan.....	-		
	Claimant Identification.....	-		
	Claims Processing.....	-		
	Web Site Maintenance/Call Center.....	-		
	4. Fund Administrator Bond	-		
	5. Miscellaneous	-		
	6. FAIR Reporting Expenses	-		
	Total Plan Implementation Expenses Not Paid by the Fund		\$ -	
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund	\$ -	\$ -	
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			\$ -
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	Investment Expenses/CRIS Fees	\$ -		
Line 16b	Federal Tax Payments	-		
	Total Disbursements to Court/Other Not Paid by the Fund:		\$ -	\$ -
Line 17	DC & State Tax Payments			
Line 18	No. of Claims:			
	# of Claims Received This Reporting Period.....			
	# of Claims Received Since Inception of Fund.....			
Line 19	No. of Claimants/Investors:			
	# of Claimants/Investors Paid This Reporting Period.....			
	# of Claimants/Investors Paid Since Inception of Fund.....			

Receiver:

By: /s/ Melanie L. Cyganowski
 (signature)

Melanie L. Cyganowski, as Receiver
 (printed name)

Court Appointed Receiver
 (title)

Date: April 30, 2024