UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 17-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, and

STATE OF FLORIDA,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants and Relief Defendants.

Plaintiffs' Seventh Notice of Status of Proceedings Pursuant to Doc. 227

Plaintiffs, the Federal Trade Commission ("FTC") and the Office of the Attorney General, State of Florida, Department of Legal Affairs ("State of Florida") (collectively, "Plaintiffs"), file this Notice in connection with the Court's Order at Doc. 227 requiring Plaintiffs to notify the Court of the current status of the proceedings by December 13, 2019.[1]

1. As previously stated, final orders have been entered against all defendants.

2. The Receivership was recently extended, and the Receiver has through March 31, 2020 to complete his administration of the Receivership estate. Doc. 428.

3. The Receiver continues the process of liquidating assets.

4. The FTC recently requested the transfer of funds from Receivership bank accounts so that Plaintiffs can initiate consumer redress. The FTC's goal is to distribute redress within six months.

[1] The Order requires Plaintiffs to notify the Court by June 13, 2018 and every three months thereafter. Doc. 227.

5. The Receiver filed his fifth fee application on September 25, 2019, which the Court entered on November 13, 2019. Docs. 418, 436. The Receiver has indicated that he will file his sixth fee application by the end of December 2019. Plaintiffs have requested that the Receiver transition the resolution of certain remaining assets, including Kingdom Coal, from hourly billing to a contingency fee arrangement with credit for fees already paid.

6. Defendant Marcus's ex-wife, Amanda Finley, previously filed a motion for equitable lien. Doc. 404; *see also* Receiver's Opposition at Doc. 411. On September 27, 2019, Magistrate Judge Seltzer issued a report and recommendation recommending that Ms. Finley's Motion be granted. Doc. 419. Both the Receiver and the State of Florida (with the FTC's concurrence) filed objections to several factual findings and legal conclusions in Judge Seltzer's September 27 report and recommendation. Docs. 425, 426, 430, 431. Those objections are currently pending before the Court.

7. On October 15, 2019, the Court entered an order granting in part the Receiver's motion to compel third-party PNC Bank to comply with subpoenas and ordered PNC Bank to produce certain documents by November 13, 2019. Doc. 427. Plaintiffs' understanding from the Receiver is that PNC produced certain documents, along with a privilege log, in response to the Court's order, and that the Receiver anticipates moving the Court to conduct an in-camera review of documents identified in PNC's privilege log.

8. The Receiver's third-party litigation is still ongoing. *See Perlman v. PNC Bank, N.A.*, 0:19-cv-61390-RS (Smith, J.); *Perlman v. Am. Express Centurion Bank et al.*, 0:19-cv-61386-RS (Smith, J.).

Dated: December 13, 2019.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13th day of December, 2019, I electronically filed the foregoing document with the Clerk of the Court by using the CM/ECF system. I also certify that the foregoing document is being served this date on all counsel of record or pro se parties via transmission of Notices of Electronic Filing generated by the CM/ECF system, or for those counsel or parties who are not authorized to receive CM/ECF Notices of Electronic Filing, is being served in the manner specified.

/s/ *Angeleque P. Linville*
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