

**THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT
IN AND FOR PASCO COUNTY, FLORIDA
CIVIL DIVISION**

**OFFICE OF THE ATTORNEY
GENERAL, DEPARTMENT OF LEGAL
AFFAIRS, STATE OF FLORIDA,**

Plaintiff,

CASE NO.: 51-2010-CA-2912-WS/G

v.

**BOTFLY L.L.C., DAVID R. LEWALSKI,
JON J. HAMMILL,
and JON HAMMILL, P.A.,**

Defendants.

RECEIVER'S TWENTY-FIFTH INTERIM REPORT

Receivership Information and Activity from April 22, 2017 through October 21, 2017

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Attorneys for Receiver

I. Introduction

Michael E. Moecker, the Court-appointed Receiver, files this Twenty-Fifth Interim Report to inform the Court, the investors, and others interested in this Receivership of activities as well as the proposed course of action. The Receiver was appointed on April 1, 2010 by the Order of the Honorable Stanley R. Mills (the “**Receivership Order**”), in the case styled *Office of the Attorney General, Department of Legal Affairs, State of Florida v. Botfly L.L.C., David R. Lewalski, and Jon J. Hammill*, in the Circuit Court of the Sixth Judicial Circuit in and for Pasco County, Florida, case no. 51-2010-CA-2912-WS/G. As of the date of filing this Report, the Court has appointed Michael E. Moecker or his designee employed by Michael Moecker & Associates, Inc. as Receiver.

This Report is intended to provide a synopsis of the Receiver’s actions from April 22, 2017 through October 21, 2017 (the “**Reporting Period**”) and an overview of the Receiver’s activities during the Reporting Period.¹

II. The Receivership Entities’ Assets

As of October 21, 2017, **\$8,859,627.02** had been transferred to the Receivership’s accounts. The balance remaining in the Receivership account at the end of the Reporting Period was **\$81,553.49**.

III. Claim Payment

The Receiver has made four interim payments to the holders of allowed Class 1 Claims. To date, the Receivership has sent a total of **\$5,361,598.34** in interim distribution checks.²

¹On October 20, 2014, the Court (J. Mills) granted the Receiver’s request that Receivership’s interim reports be filed semi-annually instead of quarterly.

² In total, \$16,693.50 of the payments sent to allowed Class 1 Claimants have never been deposited. The amount that has actually been paid is \$5,344,904.84. The Receiver will retain a reserve for the interim distribution checks that have been issued but have not been paid.

IV. Receivership Accounting Reports

Exhibit A to this report contains a summary report of the amount of money on hand at the inception of the Receivership, less operating expenses, plus revenue through October 21, 2017, and the cash accounting report for the Reporting Period. During the Reporting Period, additional deposits totaling **\$14,640.59** were made to the Receivership's accounts and payments totaling **\$330.00** were made from the Receivership's accounts, leaving a balance of **\$81,553.49** in the Receivership accounts at the end of the Reporting Period.

The deposits made during the Reporting Period consisted of money recovered in connection with the Receiver's claims in the lawsuits brought by the Receiver. These recoveries include both payments made pursuant to court-approved settlement agreements and through the collection of judgments entered in the lawsuits. Disbursements were made during the Reporting Period to an allowed Class I claimant (\$190.00) and for bank fees (\$140.00).

V. Litigation

The Receiver filed seventy-six lawsuits in Pasco County state court, the large majority of which seek avoidance and recovery of withdrawals of nonexistent profits supposedly earned in Botfly investor accounts.

All of the lawsuits have been resolved. The Receivership continues to collect payments owed pursuant to settlement agreements and payments made pursuant to the collection of judgments. Payments of approximately \$180,000.00 remain outstanding on settlement agreements reached to resolve claims prior to the entry of judgment or in the course of the collection of the judgments. During the Reporting Period, a final judgment was entered in the case styled *Moecker as Receiver for Botfly, LLC v. Thomas Stead and Diane Stead*, case no. 51-2012-CA-01373-WS/G, as a result of a default in payment due pursuant to a settlement

agreement approved by the Court on February 4, 2013. The amount of the final judgment is \$632,886.48.

The Receiver has continued to pursue collection of outstanding judgments.

CONCLUSION

Creditors of and investors in the Receivership Entities are encouraged to periodically check the informational website (www.botflyreceivership.com) for current information regarding the Receivership.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 17, 2018, a true and correct copy of the foregoing Receiver's Twenty-Fifth Interim Report Receivership Information and Activity from April 22, 2017 through October 21, 2017 was filed electronically with the Clerk of Court for Pasco County and furnished via electronic transmission to the following parties:

Gregory Slep, Esq.
greg.slep@myfloridalegal.com
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/s/ Karen Cox
ATTORNEY

**Receiver's Twenty-Fifth Interim Report
EXHIBIT A**

Account Summary by Category Code - Detail

Transactions From 04/22/17 Thru 10/21/17

Trustee: 293400 - Michael Moecker & Associates, Inc.

Case: 10-04063

Debtor: BOTFLY L.L.C

Judge: STA - STANLEY MILLS

Date	Received From	Item Description	Bank Account	Transaction	Amount
Deposits					
04/28/17	KELLY KRONENBERG PA	CLAWBACK RECOVERY	2132740008	Deposit 128	1,292.04
05/09/17	DEPOSIT	CLAWBACKS	2132740008	Deposit 129	3,350.00
06/02/17	KELLY KRONENBERG PA	CLAWBACK RECOVERY	2132740008	Deposit 130	1,716.21
06/08/17	DEPOSIT	CLAWBACK RECOVERLY	2132740008	Deposit 131	450.00
06/29/17	KELLY KRONENBERG PA	CLAWBACK RECOVERY	2132740008	Deposit 132	1,166.41
07/18/17	DEPOSIT	CLAWBACK RECOVERY	2132740008	Deposit 133	1,900.00
07/24/17	KELLY KRONENBERG PA	CLAWBACK RECOVERY	2132740008	Deposit 134	2,978.01
09/06/17	DEPOSIT	CLAWBACK RECOVERY	2132740008	Adjust-In	880.71
09/25/17	KELLY KRONENBERG PA	CLAWBACK RECOVERY	2132740008	Deposit 136	907.21
3527 - Clawback Recovery Total:					14,640.59
Deposits Total:					14,640.59
Disbursements					
04/25/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
04/25/17	UNION BANK	BANK SERVICE FEE	2132740016	Adjust-Out	-20.00
05/25/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
06/26/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
07/25/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
08/25/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
09/25/17	UNION BANK	BANK SERVICE FEE	2132740008	Adjust-Out	-20.00
3075 - Bank Analysis Fees Total:					-140.00
05/26/17	STEVEN HOMMEN	4th INTERIM DISTRIBUTION	2132740016	Check 101197	-190.00
9225 - Pymt to Unsecured Credit Total:					-190.00
Disbursements Total:					-330.00
Net Balance:					14,310.59

Account Summary by Category Code

All Transactions Thru 10/21/17

293400 - Michael Moecker & Associates, Inc.

Case: **10-04063**
Debtor: **BOTFLY L.L.C**

Judge: STA - STANLEY MILLS

Deposits	Category Total
3075 - Bank Analysis Fees	35.00
3362 - Interest Income	13,925.78
3513 - Security Deposit	10,000.00
3525 - Recovery Bank Accounts	4,988,370.20
3527 - Clawback Recovery	2,301,017.97
3660 - Refunds	197,032.73
3775 - Sale of Assets	866,276.30
3826 - Settlement	475,000.00
4120 - Bank/Credit Card Charges	30.00
4265 - Legal Costs	6,463.12
4660 - Taxes - Sales	1,475.92
Total:	8,859,627.02
Disbursements	Category Total
3075 - Bank Analysis Fees	-2,080.00
3365 - Professional Fees	-2,500.00
3660 - Refunds	-804.07
4178 - Computer/Technology	-7,942.00
4205 - Fedex & Delivery	-1,654.50
4210 - Insurance	-4,972.50
4260 - Legal Fees	-2,596,269.39
4265 - Legal Costs	-207,225.26
4280 - Legal Advertising	-36,826.58
4295 - Loan	-15,543.65
4320 - Maintenance	-115.00
4340 - Rent	-7,373.76
4350 - Moving Expense	-17,418.85
4400 - Office Expense	-47.55
4479 - Receiver Fees	-464,509.33
4553 - Service Fees	-20,784.08
4560 - Security	-6,557.53
4575 - Storage	-35,050.72
4580 - Surety Bond	-2,018.00
4660 - Taxes - Sales	-1,475.92
4740 - Returned checks/Chargebacks	-2,000.00
9225 - Pymt to Unsecured Credit	-5,344,904.84
Total:	-8,778,073.53

Date: 12/07/17

Account Summary by Category Code

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All Transactions Thru 10/21/17

293400 - Michael Moecker & Associates, Inc.

Case: **10-04063**

Debtor: **BOTFLY L.L.C**

Judge: STA - STANLEY MILLS

Net Balance:

81,553.49