

1 ARCHER & GREINER, P.C.  
1211 Avenue of the Americas  
2 New York, New York 10036  
3 Tel: (212) 682-4940  
Allen G. Kadish<sup>1</sup>  
4 Harrison H.D. Breakstone<sup>2</sup>  
5 Email: akadish@archerlaw.com  
hbreakstone@archerlaw.com

6  
7 *Counsel for Allen D. Applbaum as Receiver*

8 **IN THE UNITED STATES DISTRICT COURT**  
9 **FOR THE DISTRICT OF ARIZONA**

10  
11 United States Securities and Exchange  
12 Commission,

13 Plaintiff,

14 v.

15 Jonathan Larmore, et al.,

16 Defendants, and

17  
18 Michelle Larmore; Marcia Larmore;  
19 CSL Investments, LLC;  
20 MML Investments, LLC;  
21 Spike Holdings, LLC;  
and JMMAL Investments, LLC,

22 Relief Defendants.  
23  
24  
25  
26

Case No. CV-23-02470-PHX-DLR

**RECEIVER’S MOTION FOR  
AN ORDER (I) APPROVING  
THE ENGAGEMENT AND  
COMPENSATION OF SAX LLP  
AS TAX ACCOUNTANT AND  
RETAINED PERSONNEL; AND  
(II) GRANTING RELATED  
RELIEF**

27 <sup>1</sup> Admitted *pro hac vice*.

28 <sup>2</sup> Admitted *pro hac vice*.

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1 Allen D. Applbaum as receiver for ArciTerra Companies, LLC and related entities  
2 (the “Receiver”), by and through his counsel, Archer & Greiner, P.C., hereby respectfully  
3 moves this Court for an order approving the retention of SAX LLP as tax accountant and  
4 for SAX LLP to be considered “Retained Personnel” pursuant to the Receivership Order  
5 (as defined below); and (ii) granting related relief, as follows:

7 **I. Preliminary Statement**

8 1. On December 21, 2023 and May 6, 2024, the Court appointed the Receiver  
9 pursuant to the *Order Appointing Temporary Receiver and Temporarily Freezing Assets*  
10 *and Imposing Litigation Injunction* [ECF No. 77] and *Order Appointing Receiver Freezing*  
11 *Assets, and Imposing Litigation Injunction* [ECF No. 154] (the “Receivership Order”).  
12 Since his appointment, the Receiver and his retained professionals have, among other  
13 things, assumed control of the Receivership Entities and Receivership Assets, conducted  
14 preliminary investigations into the claims and liens asserted against Receivership Assets,  
15 negotiated standstill and forbearance stipulations with parties asserting liens and other  
16 interests in Receivership Assets, and conducted other activities required by the  
17 Receivership Order to administer the Receivership Estate (as defined in the Receivership  
18 Order).<sup>3</sup>

22 2. The Receiver brings this Motion to retain SAX LLP as tax accountants to the  
23 Receiver and to assist with preparing and filing required tax documents for certain  
24 Receivership Entities.  
25

26  
27 <sup>3</sup> On August 20, 2024, the Receiver filed the *ArciTerra Receiver’s Second Status Report*  
28 [ECF No. 205] (the “Second Status Report”).

1           3.       The Receiver has agreed to engage SAX LLP, subject to Court approval,  
2 pursuant to the terms set forth in the representation agreement attached to the Declaration  
3 of George S. Livanos, CPA MST (the "Livanos Declaration"), which is annexed hereto as  
4 Exhibit 1 (the "Representation Agreement").  
5

6           4.       As set forth in the Livanos Declaration, SAX LLP holds no interests adverse  
7 to the Receivership Estate.  
8

9           5.       Accordingly, the Receiver respectfully requests that the Court grant this  
10 Motion by entering an order approving the Receiver's engagement of SAX LLP as tax  
11 accountant and as "Retained Personnel" pursuant to the Receivership Order.  
12

## 12 **II.     Background**

### 13           A.     The Receivership Order and Appointment of the Receiver

14           6.       On November 28, 2023, the Securities and Exchange Commission filed its  
15 Complaint [ECF No. 1] (the "Complaint") against Jonathan Larmore ("Larmore");  
16 ArciTerra Companies, LLC ("ArciTerra"); ArciTerra Note Advisors II, LLC; ArciTerra  
17 Note Advisors III, LLC; ArciTerra Strategic Retail Advisor, LLC; and Cole Capital Funds,  
18 LLC (all together, the "Defendants"). Michelle Larmore; Marcia Larmore; CSL  
19 Investments, LLC; MML Investments, LLC; Spike Holdings, LLC and JMMAL  
20 Investments, LLC were named as relief defendants.  
21  
22

23           7.       On December 21, 2023, the Court entered the Receivership Order, which  
24 appointed the Receiver to, among other things, (a) perform the duties specified in the  
25 Receivership Order; (b) ascertain the financial condition of the Receivership Entities and  
26 all of the Receivership Assets (as defined in the Receivership Order); (c) oversee and  
27  
28

1 manage the Receivership Entities and the Receivership Assets; and (d) propose for Court  
2 approval a fair and equitable distribution of the Receivership Assets.

3  
4 8. Paragraph 6(I) of the Receivership Order provides that the Receiver shall  
5 have the power and duty to:

6 Engage and employ agents, claim and noticing agents, persons, firms and  
7 other persons and entities, including ... brokers...to assist in the carrying  
8 out of the Receiver's duties and responsibilities...[.]

9  
10 9. The Receiver believes, in his reasonable business judgment, that the retention  
11 of SAX LLP on the terms set forth in the Representation Agreement, to serve as tax  
12 accountant to the Receiver and assist with preparation and filing of tax documents, is in the  
13 best interest of the Receivership Estate.

### 14 **III. Relief Requested**

15 10. By this Motion, the Receiver respectfully seeks entry of an order (i)  
16 approving the Receiver's engagement of SAX LLP and payment of fees earned under the  
17 Representation Agreement as "Retained Personnel" pursuant to the Receivership Order,  
18 and (ii) granting related relief.

### 19 **IV. Basis for Relief Requested**

20  
21 11. The Court's power to supervise an equity receivership and to determine the  
22 appropriate actions to be taken in the administration of the receivership is extremely broad.  
23 *See Securities and Exchange Com'n v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th  
24 Cir. 2005) (*quoting Securities and Exchange Com'n v. Hardy*, 803 F.2d 1034, 1037 (9th  
25 Cir. 1986)). "The power of a district court to impose a receivership or grant other forms  
26 of ancillary relief does not in the first instance depend on a statutory grant of power from  
27  
28

1 the securities laws. Rather, the authority derives from the inherent power of a court of  
2 equity to fashion effective relief.” *Securities and Exchange Com'n v. Wencke*, 622 F.2d  
3 1363, 1369 (9th Cir. 1980). A court imposing a receivership assumes custody and control  
4 of all assets and property of the receivership, and it has broad equitable authority to issue  
5 all orders necessary for the proper administration of the receivership estate. *See Securities*  
6 *and Exchange Com'n v. Credit Bancorp Ltd.*, 290 F.3d 80, 82-83 (2d Cir. 2002).  
7

8       12. As set forth above, pursuant to paragraph 6(I) of the Receivership Order, the  
9 Receiver may engage and employ professionals, as necessary to assist in carrying out his  
10 duties, upon Court order. The Receiver seeks approval of the SAX LLP’s Representation  
11 Agreement and for SAX LLP to be included as “Retained Personnel” pursuant to the  
12 Receivership Order.  
13

14       13. SAX LLP is a well-respected accounting firm with significant tax and  
15 accounting expertise. A copy of SAX LLP’s marketing materials is attached to the Livanos  
16 Declaration as Exhibit A.  
17

18       14. The Receiver requires tax and accounting expertise to administer the  
19 receivership entities and estate. The Receiver seeks to employ a new accounting firm and  
20 not any firm that provided services to the ArciTerra entities pre-receivership. The Receiver  
21 submits that the engagement of SAX LLP as tax accountants on the terms and conditions  
22 set forth herein and in the Representation Agreement is necessary and appropriate, in the  
23 best interests of the Receivership Estate, and should be granted in all respects.  
24

## 25 **V. Conclusion**

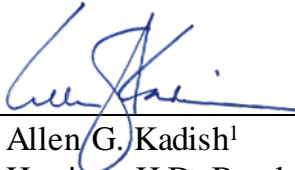
26       15. No prior motion for the relief sought herein has been made to any court.  
27  
28

1           16. Given the authorities set forth herein, request is made to waive any  
2 requirement to file a separate memorandum of law. See LRCiv 7.2(b).

3           WHEREFORE, the Receiver respectfully requests that this Court enter an order (i)  
4 approving the Receiver’s engagement of SAX LLP as tax accountant, and payment of its  
5 fees earned under the Representation Agreement as “Retained Personnel” pursuant to the  
6 Receivership Order, and (ii) granting such other relief as is just and equitable.

8 Dated: October 21, 2024

ARCHER & GREINER, P.C.


9  
10 By:   
11 Allen G. Kadish<sup>1</sup>  
12 Harrison H.D. Breakstone<sup>2</sup>  
13 1211 Avenue of the Americas  
14 New York, New York 10036  
15 Tel: (212) 682-4940  
16 Email: akadish@archerlaw.com  
17 hbreakstone@archerlaw.com

*Counsel for Allen D. Applbaum as Receiver*



**CERTIFICATE OF SERVICE**

I hereby certify that on October 21, 2024, I electronically transmitted the foregoing document with the Clerk of the Court using the CM/ECF systems, which will provide electronic mail notice to all counsel of record.

  
Allen G. Kadish

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**EXHIBIT 1**

**SAX LLP DECLARATION OF DISINTERESTEDNESS**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA**

United States Securities and Exchange  
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants, and

Michelle Larmore; Marcia Larmore;  
CSL Investments, LLC;  
MML Investments, LLC;  
Spike Holdings, LLC;  
and JMMAL Investments, LLC,

Relief Defendants.

Case No. CV-23-02470-PHX-DLR

**SAX LLP DECLARATION OF  
DISINTERESTEDNESS**

George S. Livanos, CPA MST hereby declares under penalty of perjury, pursuant to 28 U.S.C. § 1746, to the best of his knowledge, information and belief:

1. I am a Partner with SAX LLP with an office located at 389 Interpace Parkway, Suite 3, Parsippany, New Jersey 07054.

2. Attached as Exhibit A hereto is a copy of SAX LLP marketing materials.

3. Attached as Exhibit B is a copy of the SAX LLP Representation Agreement with the Receiver.

4. SAX LLP conducted a conflict check for this matter in accordance with its ordinary and usual conflict check procedures. SAX LLP's conflict check included a review

1 of the list of Receivership Entities attached as Exhibit C. To the best of my knowledge,  
2 and except as set forth herein, SAX LLP does not hold or represent any material connection  
3 in this case.  
4

5 5. SAX LLP previously informed the Receiver of the absence of any material  
6 conflict.

7 6. SAX LLP and certain of its partners, directors and associates, may have in  
8 the past represented, may currently represent, and may in the future represent parties-in-  
9 interest in this case in connection with matters unrelated to the above-captioned case. SAX  
10 LLP appears in many transactions involving different entities, financial consultants and  
11 investment bankers, some of which may now and may in the future represent parties-in-  
12 interest in this case.  
13  
14

15 7. SAX LLP will only provide tax accounting services to the Receiver and  
16 receivership entities under his control, and no other party on any issue relating to this case.

17 8. SAX LLP understands we are to be retained as “Retained Personnel” under  
18 the orders governing this receivership.  
19

20 I declare under penalty of perjury that the foregoing is true and correct.

21 Dated: Parsippany, New Jersey  
22 October 15, 2024

\_\_\_\_\_  
s/ George S. Livanos  
George S. Livanos, CPA MST

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Exhibit A  
Marketing Materials



# Firm overview

Accounting for the future.



SAX is a nationally ranked accounting, tax, and advisory firm serving the needs of privately held companies, family-owned businesses, nonprofit organizations, and high-net-worth individuals.

With a legacy spanning over 67 years, SAX has specialized expertise that benefits clients in our largest vertical markets. In addition to our traditional tax and accounting services, we provide added value through advisory services that touches every aspect of a business's lifecycle and addresses the most pressing needs. These advisory services include but are not limited to:

- Fractional Finance /
- Outsourced CFO
- Private Client
- Technology Consulting and Managed IT
- Investment Banking
- Transaction Strategy & Transformation
- Strategic Business Transformation
- HR Consulting
- Valuation, Forensic & Litigation
- Wealth Management



### DEEP BENCH

We are passionate and forward-thinking entrepreneurs who strive for excellence and are driven to see our clients succeed.

### SUPERIOR ADVISORY

M&A transactions, tax planning, and wealth management are just a few of our advisory services that set our clients up for success at every stage of a business lifecycle.

### CLIENT FOCUSED

Our 65+ years of success is rooted in our service teams' ability to be fully engaged and focused on our clients – delivering results, challenging them with new ideas and meeting the highest standards of client service.

US & INTERNATIONAL **370+** **46**  
OFFICES TEAM MEMBERS CLIENTS IN STATES

**#13**  
"TOP MID-ATLANTIC FIRM"  
BY ACCOUNTING TODAY

**#67**  
"LARGEST PUBLIC ACCOUNTING FIRM IN U.S."  
BY INSIDE PUBLIC ACCOUNTING

**\$2.8**  
ASSETS UNDER MANAGEMENT  
**Billion +**  
**#29**  
TOP CPA FIRMS WITH AUM BY  
ACCOUNTING TODAY

**#73**  
"TOP FIRM IN COUNTRY"  
BY ACCOUNTING TODAY

**A TOP 300**  
RECOGNIZED BY THE FINANCIAL TIMES

**#87**  
"TOP PRIVATELY-HELD COMPANY"  
BY NJBIZ

**RIA**

**#4**  
"FASTEST GROWING FIRM" IN THE US  
BY ACCOUNTING TODAY

**67 YEARS IN**  
**BUSINESS**

## 2024 accolades

### SAX LLP

- Ranked #71 in the nation, a Regional Leader, a Top Mid-Atlantic Firm, a “Leader in Tax” and a “Leader in Accounting & Auditing” by *Accounting Today*
- Ranked #67 in the nation, and a “Best of the Best” Public Accounting Firm by *Inside Public Accounting*
- Ranked #21 in The Top 50 Construction Accounting Firms by *Construction Executive*

### SAX Wealth Advisors

- Ranked #29 on the Wealth Magnet List by *Accounting Today*
- Ranked #37 on Top 50 Fastest-Growing Firms by Assets Under Management (AUM) list by *Financial Advisor*

### Joseph Damiano

- Ranked #4 on the Power 50 for Accounting list by *NJBIZ*
- Named to *Forbes’* Inaugural List of America’s Top 200 Accountants
- Named a 2024 Champion of the C-Suite by *ROI-NJ*



 **No matter how we advance, we remain true to our core services that are the foundation of our firm.**

### **Accounting & auditing**

Sax utilizes state-of-the-art auditing and accounting procedures and tools, including risk-assessment evaluations, auditing software, and tax return integration. We follow the latest and best practices, and proactively seek out areas of non-compliance and risk that we can help address.


- Financial Statement Audits, Reviews and Compilations
- Internal Control Studies & Analysis
- Agreed Upon Procedures
- Employee Benefit Plan Audits

### **tax**

In addition to our in-house expertise, we have immediate access to national and international resources through **TIAG®**, an alliance of over 115 accounting firms spanning over 70+ countries.

Our wide range of tax service areas include but are not limited to:

- International Tax
- State and Local Tax
- Federal Tax Credits & Incentives
- Tax Controversy
- Research & Development (R&D)
- Cost Segregation
- Trusts & Estates

 **We set ourselves apart through our robust advisory services that make us our clients' number 1 advisor.**



## **TECHNOLOGY CONSULTING & Management Strategic Business Transformation**

We empower businesses to thrive in the digital era by providing strategic guidance and innovative solutions tailored to their unique needs. We offer a comprehensive suite of services designed to optimize technology investments and drive sustainable growth.

SAX takes its advisory services one step further by providing 360 consulting via a full range of comprehensive and project-based services. Paired with our already robust services, our team will focus on creating strategic and innovative solutions to propel you forward.

## **Fractional Finance Outsourced CFO**

We understand that every business, regardless of its size, requires strategic financial expertise to thrive. That's what we provide through our Fractional Finance Practice, designed to offer your organization the financial acumen it deserves without the need for a full-time CFO.

## **Transaction Strategy & Transformation**

From integration to transformation to separation strategy, we are an execution driven and results focused M&A leader who works tirelessly on our clients' behalf to ensure they are strategically positioned, identifying and realizing value during the due diligence process and throughout the entirety of the transaction.

## **HR Consulting**

We provide companies with a level of HR support to help make strategic long-term and day-to-day business decisions, so they can reach their organizational goals and retain talent.

## **Valuation, Forensic & Litigation**

Whether it is litigation, investing potential fraud, Alternative Dispute Resolution or just trying to find a solution to a complex financial situation, leading attorneys, business owners, banks, insurance companies, in-house counsel and the judiciary lean on us to help navigate through the intricacies of any matter.

## **Investment Banking**


SAX Capital Advisors is a team with the wealth of expertise needed to assist in finding the perfect partner when selling or acquiring a business, preparing your business for sale, raising capital, and/or restructuring your company, and more.

## **Wealth Management**

With over \$2 billion in collective assets under management, SAX Wealth Advisors is committed to delivering personalized wealth management solutions tailored to each client's unique financial goals and circumstances. With a focus on providing comprehensive advisory services, we strive to empower individuals and families to navigate the complexities of wealth management with confidence and clarity.

## **Private Client**

We offer tailored solutions, ensuring the utmost confidentiality while taking a comprehensive approach to wealth management. We assist in managing your wealth, preserving your legacy, and ensuring financial security for your family.

 **Our industry expertise is what propels our clients forward in their respective fields.**

### **cannabis**

We advise growers, extractors, distributors, and retailers on the ever-changing federal and state guidelines to grow and thrive in this competitive industry.

### **construction**

We work together with emerging market, large ENR 400, specialty, general and heavy/highway contractors, and provide them with technical expertise and innovative solutions to reach their desired goals.

### **Consumer & Industrial products**

We offer a wide range of services to companies around the world in the consumer product segments, including retail & ecommerce, food & beverage, technology, diamond, jewelry & apparel, manufacturing & distribution, and transportation logistics.

### **healthcare**

We advise large regional medical groups, dental groups, diagnostic facilities, ambulatory surgery centers, urgent care centers and veterinarians through complex issues of practice management, regulatory compliance, managed care and time constraints.

### **Nonprofit**

Our clients span a diverse spectrum, encompassing professional trade and membership organizations, charitable entities, civic and community groups, foundations, cultural institutions, national organizations, educational establishments, social service agencies, religious bodies, and charter schools.

### **Real estate**

In addition to our core accounting, auditing, and tax services, our Real Estate professionals offer invaluable insights tailored to the unique needs of owners, developers, investors, and family-owned businesses.

### **Professional services**

We have a unique understanding of the entrepreneurial spirit, and are on the forefront of issues, incentives and regulations that affect you and your business.

# ➤ Firm Foundation

**FIRM**

**GROWTH**

**PEOPLE**

**CLIENT  
SERVICE**

**FINANCIAL**

**INFRASTRUCTUR  
E**

**ACCOUNTABILITY**

Exhibit B

Representation Agreement

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Accounting  
Tax | Advisory

Expect More

August 27, 2024

Mr. Allen D. Applbaum,  
Court Appointed Receiver, Case No. CV-23-02470-PHX-DLR  
ArciTerra Companies, LLC, et al.  
c/o StoneTurn  
17 State Street 2<sup>nd</sup> Floor  
New York, NY 10004

Dear Mr. Applbaum:

This letter, when countersigned and returned to us, will confirm our agreement (this “Agreement”), for the 2022 & 2023 income tax return preparation services, related tax planning services, and strategic financial services, if any, Sax LLP, its Partners, employees, independent contractors, subcontractors, and subsidiaries, (collectively “Sax”. “we,” “us”, or “our”) is to perform for the Receivership Estate and to set forth the nature and limitations of such services to be provided to the Receivership Estate and certain affiliates (if we prepare their returns). By submitting information to us for the preparation of your return(s), you agree to these terms of our engagement, subject to approval and order of the United States District Court for the District of Arizona (the “Court”). If you have any questions concerning this letter, please contact us.

### **Court Approval**

Respective obligations under this Agreement are subject to approval and order of the Court pursuant to the *Order Appointing Receiver, Freezing Assets, and Imposing Litigation Injunction* [ECF No. 154] (the “Receivership Order”). In the event that the approval is denied by the Court this agreement shall automatically be deemed null and void, and the parties hereto shall be relieved of all further obligations and liability with respect to the subject matter of this Agreement.

### **The Responsibilities of the Tax Preparer**

We will prepare and file, based on information and documents you furnish to us, the 2022 and 2023 Federal income tax returns and any required state and local filings for which was prepared last year and as set forth in the attached Schedule A, subject to adjustment in writing with mutual consent as diligence progresses. We shall perform the scheduled services unless (i) either party terminates this Agreement in accordance with its terms, (ii) you fail to provide us with the cooperation and information necessary to timely perform the services, or (iii) failure to receive Court approval. Each year shall be a separate engagement period, which shall terminate upon completion of the services applicable to such period by delivery of your completed tax returns or a copy of the tax returns we have been authorized to electronically file on your behalf. We will rely on the information you submit to us to be complete and accurate and may in our discretion use appropriate due diligence but will not audit or otherwise verify this information. We will exercise professional care to include all pertinent information in your tax returns based on the information provided to us.

We are available to advise you, if you specifically engage us, of your responsibility to file tax returns in any U.S. jurisdiction, but we will not prepare any additional tax returns without your approval. It is your responsibility to inform us of any additional state or other returns that may need to be prepared or if you need assistance in determining whether other state / local filings are necessary. It is important that you inform us of your out-of-state activities including any new or expanded activities that might trigger filing requirements, such as:

1. Earning income in other jurisdictions,
2. Working in non-resident jurisdictions,
3. Acquiring property, including storing inventory, in another jurisdiction,



4. Internet activity or hiring employees maintaining an investment in S-corporations, partnerships, or other pass-through entities which engage in a business activity in another jurisdiction.
5. Switching domiciles during the year.

We will request information from you from time to time which may be in the form of a questionnaire and, if available and requested by you, a Tax Organizer to help guide you in organizing the necessary information for us to prepare your tax returns. You represent that the information supplied to us is accurate and complete to the best of your knowledge and we will rely on such information to prepare your return(s).

If we determine that you are eligible for any tax credit, exclusion, or deduction, we will either claim such tax benefit in preparing your tax returns, or we will advise you of its availability and any related considerations to permit you to decide whether to take advantage of the potential tax benefit. There are numerous tax credits, exclusions, and deductions for which a detailed analysis of business or investment activities would be required to determine their potential applicability. Such a detailed analysis is beyond the scope of services covered by this engagement. If you would like us to undertake a detailed analysis of your activities to identify potential federal, state, or local benefits, please contact us to discuss the terms of our separate engagement for these additional services.

Because of their special purpose, nature, and format, income tax returns do not constitute financial statements prepared in accordance with accounting principles generally accepted in the United States of America. Your income tax returns should be used only for tax purposes and must not be used as a substitute for financial statements. Our engagement does not include any procedures designed to detect errors, fraud, or theft, including employee or partner defalcations, or other illegal acts. Therefore, our engagement cannot be relied upon to disclose such matters. For this and other reasons, your income tax returns should not be provided to any third party without our prior written authorization.

### **Corporate Transparency Act / Beneficial Ownership Reporting**

Assisting you with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting, is not within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA's reporting requirements and issues surrounding the collection of relevant ownership information.

### **Services and Client Responsibilities**

It is your responsibility to provide all the information, as may be available, required for the preparation of the returns listed on Schedule A at least two weeks before the tax deadline. If the information is not provided timely your return will be extended. You should retain all documents, canceled checks, and other supporting documentation that form the basis of reported income and claimed deductions which may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the tax returns and, by signing your returns, are verifying that, to the best of your knowledge, the tax returns are true, correct, and complete. You should read each tax return carefully before signing it and bring any questionable items or omissions to our attention. Our engagement to prepare your tax returns does not include any tax services other than the preparation of the tax returns specifically stated in the attached Schedule A. However, we would be pleased to consult with you regarding other tax matters on a project specific basis, such as proposed or completed transactions, tax projections, or for research and tax advice in connection with any other matters. Income, gift, estate or other tax planning services, or representation in the event of an Internal Revenue Service or other taxing authority examination or preparation of returns other than the tax returns described in the attached Schedule A can also be provided upon your request on

an “as needed” basis. Any such matters may be billed for separately and are in addition to any fee estimate set forth herein. If matters exceed the scope of general tax consulting, we may issue a separate engagement letter or addendum to set forth the scope and related terms. However, in the event that a separate engagement letter or addendum is not issued, and we perform services in connection with such consulting matters, any such services shall be subject to the terms and conditions of this Agreement.

A tax return remains open to audit indefinitely when it does not meet certain adequate disclosure rules. Accordingly, our information requests during the preparation of the returns are intended to obtain the information needed to meet the adequate disclosure rules. We will not be liable for any assessment made by a taxing authority that is attributable to, or enabled by, the lack of adequate disclosure, where such lack of adequate disclosure is a result of your providing inadequate or incomplete information in response to our information requests.

The tax laws call for significant penalties to be imposed against taxpayers for “substantial understatement” of tax, undervaluation of gifts and for “negligence.” If we are aware that applicable tax law is unclear or that there are conflicting interpretations, we will discuss with you, our knowledge and understanding of the possible positions that may have a material effect on the return, and the alternatives that may be available and use our best judgment in protecting your interests.

### **Provisions Related to Gift Tax, if applicable**

You represent that the information you are supplying is accurate and complete to the best of your knowledge and you have disclosed all relevant facts affecting the returns, such as disclosing all gifts that have been made. You should also understand that if you (or any of your family members) have made gifts during 2023 to other individual(s) (or in trust) aggregating more than \$17,000 per individual (the “annual exclusion”), you may be required to file a federal gift tax return(s), Federal Form 709.

In certain circumstances where there is a beneficiary withdrawal right or other rights provided by a trust instrument for an addition to trust corpus based on a gift from the donor, beneficiary notification letters (commonly referred to as Crummey letters) will generally need to be issued. Not issuing such notifications of appropriate withdrawal or other rights can convert a present interest gift, otherwise available for the annual exclusion per donor, into a currently taxable gift. Accordingly, you must advise us as to whether or not appropriate beneficiary notification letters were issued before we can evaluate a position that such gift was a present interest gift for which the annual gift tax exclusion would be available.

We would be pleased to advise you on your gift tax reporting requirements and prepare any necessary gift tax return(s) provided you advise us of all gifts you have made since such returns may be required even if no gift tax is owing. Preparation of your gift tax return is considered an additional service and will increase the amount of our fees and expenses for the preparation of your tax returns. This letter will also serve to confirm our understanding of the terms and objectives of our engagement to prepare your gift tax return(s) should they be required.

Determining the value of gifted or transferred property, other than cash or publicly traded securities, may require an appraisal or valuation. You acknowledge that it is your responsibility to engage a qualified independent third party to determine values of assets other than cash or publicly traded securities. In preparing the gift tax returns, we will not independently determine values but will rely on third-party appraisals or valuations provided to us. You agree to hold us harmless with respect to any liability including but not limited to, additional tax, penalties, interest, and professional fees resulting from any change to an appraisal or valuation determined by third party appraisers or valuers. We do not warrant the accuracy of any valuations, or the appropriateness of any valuations which may be used in the preparation of your gift tax return(s).

### **Changes in Tax Law and Information**

The returns we prepare for you are based on the current tax law, as we understand it, at the time of preparing the returns. We are not responsible for future changes in the law that may affect the returns we have already prepared

in connection with prior years, including law changes that may require the amendment of previously filed returns. While we may attempt to advise you of such changes, we are under no obligation to do so.

In addition, if, during our work, we discover information that affects your previously filed tax returns, we will make you aware of the facts; however, we are not responsible for identifying items that may affect previously filed returns. If you become aware of such information, please advise us of such information. Should you desire that we prepare amended returns, we may separately agree to the terms of the engagement by means of an addendum to this Agreement or a separate engagement letter. However, in the event that an addendum or separate engagement letter is not issued, and we prepare such amended returns or other filings, such services shall be subject to the terms and conditions of this Agreement.

### **Standards for Tax Return Preparers**

We cannot be responsible for tax advice unless we have had the opportunity to fully research and consider the issue and reduce our findings to writing. We may discuss with you our views regarding the anticipated tax treatment of certain items. We may also provide you with tax information in the body of an email. Advice or information delivered orally or in the body of an email will be based upon limited tax research and a limited discussion and analysis of the underlying facts. Additional research or a more complete evaluation of the facts could affect our analysis and conclusions. Because of these limitations and related risks, it may not be appropriate to proceed with any transaction solely based on any oral or email communication. Written tax advice will be based upon our interpretation of applicable tax law and regulations, and certain case and ruling authority as of the date of the tax advice. Some of these matters will not be free from doubt and our analysis and conclusions will not be binding on the IRS, state, local or foreign tax authority, or on any court. Our analysis and conclusions will be based upon our professional judgment and will not be a guarantee of the ultimate tax consequences of the transactions described in the tax advice. If you prefer obtaining greater certainty regarding the tax treatment of a transaction, please contact us to discuss the possibility of seeking a ruling from the appropriate tax authority.

While we provide you with advice concerning tax return reporting and the anticipated tax consequences of certain transactions, you will retain all authority and responsibility for any decisions based on our advice.

Our services do not constitute legal or investment advice. We recommend that, where appropriate, you retain legal counsel and investment advisors.

The Internal Revenue Code and regulations (the "Code") set forth preparation and disclosure standards. Failure to comply with these standards exposes both the tax return preparer and the taxpayer to penalties. To avoid exposure to these penalties, it may be necessary in some cases to make additional disclosures in the tax return concerning positions taken on the return that do not meet these standards in order for a practitioner to prepare and sign a return. The disclosure may, in some cases, reduce the taxpayer's risk of substantial understatement penalties. If we identify any positions on your returns that are affected by these standards and increase the risk of exposure, we will contact you to discuss the need for any recommended disclosures with you before completing the preparation of the return. We may evaluate potential opportunity to avoid disclosure through additional research. Any need for return disclosure or additional research could increase the cost of preparing your returns. If we disagree on how to proceed with respect to any position in the return, we reserve the right to withdraw from the engagement. Likewise, in such a situation, you have a right to choose another professional to prepare your return. In either event, you agree to compensate us for our services performed up to the date of withdrawal. Our engagement with you will terminate at the date of withdrawal.

Your returns are subject to examination by the taxing authorities either in person or by mail. If the IRS or another tax authority adopts a position contrary to any analysis or conclusions in our tax advice or to any position reported on any tax return, it might be appropriate to pursue administrative appeals or litigation. Any items resolved against you by the examining agent are subject to certain rights of appeal. If an examination is initiated by a taxing jurisdiction, we will, upon your request, and subject to our professional standards, represent you. If you prefer separate representation, we will assist your new representative upon your request. Such tax representation services

are not included in the fee charged for the preparation of your individual income tax return(s). Decisions of whether and how to pursue administrative appeals or litigation may be based on considerations of cost, publicity, and other matters unrelated to the technical merits of a tax position. In some cases, taxpayers elect not to pursue appeals or litigation even though a reported position could ultimately be sustained on appeal or in litigation. The ultimate decision whether to pursue any such relief will be yours.

We use third-party software vendors and may use other third-party service providers in performing our services to you. We may share confidential information about you with these service providers while remaining committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to take all reasonable steps to protect the confidentiality of your personal information. Furthermore, we will be responsible for the work product provided by any tax software or other such third-party service providers.

You authorize that any and all information furnished to us for or in connection with the preparation of tax returns and any prior years, under this engagement letter may, for a period of up to ten years from the date of this letter, be disclosed to our affiliates, related entities, or subcontractors, including those located outside the United States, who are engaged directly or indirectly in providing tax planning, preparation of tax returns or related services, only to the extent necessary for completion of the services set forth herein. Disclosures under this paragraph may consist of all information contained in tax returns. The Receivership Estate has requested a limited disclosure of tax return information, only to the extent necessary for completion of the services set forth herein. By signing this engagement letter, you acknowledge that your tax return information may be disclosed to our affiliates, related entities or subcontractors including those located outside the United States solely in connection with the preparation of your income tax returns.

### **Receipt of Third-Party Subpoena**

As a result of our preparation of your income tax return we may be served with a subpoena seeking the production of your tax return and/or other information that has been provided to us. Such a subpoena can be served by a governmental entity (in a civil or criminal context) or a person or entity in the private sector. If we receive such a subpoena, we will attempt to coordinate our response with you or your legal representative. The time Sax incurs in responding to any such subpoena will be billed to the Receivership Estate at the firm's standard billable rates. The Receivership Estate will also be responsible for any attorneys' fees actually incurred by Sax in connection with its compliance with any third-party subpoena.

### **Foreign Reporting**

U.S. citizens and residents (including individuals, corporations, partnerships, trusts, and estates) who have a financial interest in or signature or other authority over any "financial accounts" in a foreign country are required to make a separate annual filing, Report of Foreign Bank and Financial Accounts (i.e., FBAR), if the aggregate value of these accounts exceeded \$10,000 at any time during 2023. Filing requirements also apply to those with direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign financial accounts of its own. Foreign "financial accounts" include a wide variety of items, such as:

- Bank Accounts
- Mutual Funds
- Retirement Plans
- Having Foreign Accounts
- Interests in Partnerships or other Pass-Through Entities
- Securities or Brokerage Accounts
- Credit Cards
- Life Insurance
- Certain Trusts

These filings must be received electronically by the government no later than April 15, 2024, or with an extension by October 15, 2024.

There are severe civil and criminal penalties for non-compliance with these filing requirements. Even an inadvertent failure or incomplete filing can result in a \$15,600, or higher civil penalty.

Additional disclosures may be necessary to file related to foreign assets and/or interests by filing one or more of the following forms:

- Form 8938 - Statement of Specified Foreign Financial Assets
- Form 5471 - Information Return of U.S. Persons with Respect to Certain Foreign Corporations
- Form 5472 - Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business
- Form 8858 - Information Return of U.S. Persons with Respect to Foreign Disregarded Entities and Foreign Branches
- Form 8865 - Return of U.S. Persons with Respect to Certain Foreign Partnerships
- Form 926 - Return by a U.S. Transferor of Property to a Foreign Corporation
- Form 8621 - Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund
- Form 3520 or 3520-A - Annual Return to Report Transactions with Foreign Trusts and Receipts of Certain Foreign Gifts

Failure to timely file the appropriate forms adequately disclosing the required information with the U.S. Department of the Treasury and/or the Internal Revenue Service may result in substantial monetary penalties even though many of these forms are informational and do not by themselves impose any additional taxes. In addition, the statute of limitations may remain open for the entire return if these forms are required and not filed. Therefore, it is your responsibility to advise us of all your foreign activities and assets to ensure that appropriate filing requirements have been met. By providing us with your tax information, you accept responsibility for informing us if you believe that you may have foreign reporting requirements with the U.S. Department of the Treasury and / or Internal Revenue Service, and you agree to timely provide us with the information necessary to prepare the appropriate form(s). We assume no liability for penalties or potential criminal liability associated with the failure or untimely filing of any of these forms. Preparation or technical tax review of the above forms may increase the fees for tax return preparation.

#### **Tax Return(s) and Tax Document(s) Retention**

Please do not provide us with original documents, only copies. If original documents must be provided to us, please ensure that you have retained copies for yourself. Our working papers and files are not a substitute for your original records, and you should arrange for secure storage of the originals. You are responsible for maintaining your records to substantiate the information reported on your tax return if required.

Federal tax law requires us to retain copies of tax returns we prepare, and certain other documents related to our tax services for varying time periods. Our current policy (which we may revise at any time and in our sole discretion) is to retain copies of tax returns and certain related workpapers for seven years after the return is filed for current clients, subject to casualties beyond our control. We provide our clients with a file copy of each tax return for which we are a signing preparer and recommend that you store them safely. You authorize us to deliver any draft and final versions of your tax returns and other related engagement documents through secure electronic means.

Although taxpayers are not required to retain their tax records for longer than seven years, there are situations in which tax returns older than seven years may contain information useful in future tax planning or for future tax obligations. For example, prior year returns may contain information relating to the basis of assets for gain/loss calculations. We recommend that taxpayers consider maintaining separate accounting records or workpapers with this information. In the event of an examination, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction reported on the tax return.

Your returns are subject to examination by the taxing authorities either in person or by mail. In the event of an examination, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction reported on the tax return. Any items resolved against you by the examining agent are subject to certain rights of appeal. If an examination is initiated by a taxing jurisdiction, we will, upon your request, represent you. Such tax representation services are not included in the fee charged for the preparation of your individual income tax return(s).

Certain communications involving tax advice between you and our firm may be confidential and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you may be waiving this confidentiality. Therefore, we recommend that you consult with us before disclosing any information regarding your tax return to third parties.

Penalties and interest can be imposed on returns that are late or inaccurate. You should also know that IRS audit procedures generally include questions on deductions that require strict documentation such as charitable contributions and expenses for business usage of homes, autos, computers, and other listed property. In preparing your returns, we rely on your representations and that you understand and have complied with the documentation requirements for your expenses and deductions. If you have any questions about these issues, please contact us.

### **Electronic Filing of Tax Returns and Tax Payments**

Federal and state tax laws mandate the electronic filing of certain tax returns and requests for extension. In some cases, the taxpayer may elect to file a tax return in paper; in other cases, an election to opt out of electronic filing is not available. Occasionally, technical limitations prevent the electronic filing of a return.

If we cannot electronically file any tax return, whether due to technical limitations or for any other reason, we will provide you with those returns for paper filing. If any return is provided to you in paper, it is critical that you sign, date, and mail the complete return by its due date. It is highly recommended all tax returns be mailed via certified mail, return receipt requested in order to substantiate timely filing. You agree to sign and return the authorization(s) or opt-out form(s) to our office promptly.

Some jurisdictions require electronic payment of tax at the time the return is electronically filed. You are responsible for providing us the bank account and routing number for the account from which the funds will be withdrawn. We are not responsible for the government agency's failure or inability to process the withdrawal. It is your responsibility to review your bank statements and ensure the accounts have sufficient funds to cover the amounts due and that the proper payments have been made.

We are expressly not obligated to file for an extension without a signed copy of this Agreement. Unless and until we receive a signed copy of this Agreement, we reserve all rights not to file for an extension on your behalf. Failure to timely request an extension of time to file can result in penalties for failure to file the tax return, which penalty accrues from the original due date and could be substantial. A tax return may be required even though no tax is due.

We will use our best efforts to electronically file your tax returns. Prior to electronic filing, we will provide you with the applicable returns for your review and approval. Federal and state law require that we obtain your written authorization prior to electronically filing a return, so it is critical that you sign and return the authorization form to permit electronic filing in advance of the applicable due date.

It is your responsibility to ensure that you have provided the fully executed authorizations to our office in time for us to electronically file your returns. Failure to timely file can result in penalties for failure to file the tax return. Such penalties accrue from the original due date and may be substantial. Sax will not be responsible for any interest and/or penalties which may accrue as a result of your failure to provide us with the necessary authorizations.

You have the final responsibility for the tax returns, regardless of how filed and, therefore, you should review the returns carefully for accuracy and completeness before signing and filing them or authorizing us to do so. It is also your responsibility to alert us to the existence of any information that would lead to a change in your tax return after it has been prepared by us. We will be pleased to discuss with you any questions you may have regarding your tax returns.

## Fees

Our fees are based on a variety of factors, including the time required for work performed as well as the number and complexity of issues encountered, the need to confirm information or to perform accounting work as a precondition to tax return preparation. Our fees also include other expenses, such as computer processing charges, out-of-pocket expenses, postage, shipping, and travel (if applicable) relating to the services at our normal rates. The fee for the preparation of the 2022 & 2023 business income tax returns will be \$ 150,000 and is based upon the transfer of the attached exhibit referenced entities tax software files to our account.

Our standard hourly rates for all additional services are as follows:

Partner	\$550-\$740
Director	\$500-\$550
Senior Manager	\$395-\$500
Manager	\$295-\$390
Senior Associate	\$225-\$300
Associate	\$170-\$230

All taxes imposed, including but not limited to Value Added Tax (VAT) and withholding taxes, shall be your sole responsibility. We will submit our invoice for services rendered monthly. Payment is due upon submission by check, ACH, or wire transfer. Payments by credit card are subject to a 3.5% processing fee.

Should your account become delinquent we will have the right in our sole discretion to suspend rendering the services indicated above as well as to withdraw from providing additional services until all delinquent outstanding invoices are paid.

We have the right to withdraw from this engagement without completing our services if you do not provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests, insist on taking a reporting position we do not believe is supportable, misrepresent any facts or if we determine that professional standards require that we do so. Our withdrawal will release us from any obligation to complete your return and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal and we will not be liable for any delinquent filings.

## Other Matters

This agreement is to be construed and governed in accordance with the internal laws of the State of New Jersey without regard to its conflict of laws principles. The parties to this engagement agree that any dispute that may arise regarding this engagement or the services provided pursuant to this engagement shall be decided by the Court.

**NO ACTION OR PROCEEDING OF ANY TYPE, REGARDLESS OF FORM, ARISING OUT OF OR IN CONNECTION WITH OUR PREPARATION OF ANY TAX RETURN MAY BE BROUGHT BY EITHER PARTY MORE THAN TWO (2) YEARS AFTER SUCH TAX RETURN HAS BEEN FILED.**

SAX shall be retained by court order as "Retained Personnel." Once retained, SAX shall be governed by the provisions of the Receivership Order that apply to Retained Personnel, including Paragraph 32 of the Receivership Order which provides in part:

“...In no event shall the Receiver or Retained Personnel be liable to anyone for their good faith compliance with their respective duties and responsibilities.”

This letter constitutes the complete and exclusive understanding between Sax LLP and you, superseding all proposals oral or written and all other communications, with respect to the terms of this tax engagement between the parties. Any changes to the terms of this engagement must be in writing and signed by the parties.

We will deliver to you the items expressly enumerated in the attached Schedule A. All our work product and files will remain our property, and we retain all copyrights and intellectual property with respect to our work product. We, in our sole discretion, may provide you with access to or copies of our files, but you will be obligated to pay all costs associated with such access or copies.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to you or any third person or entity resulting from the use of email transmissions, including any amounts diverted or misappropriated from any of your accounts, or any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

To the extent we agree to provide any of the services in-person, whether at your or our locations, you hereby agree: (a) **NEITHER WE, NOR ANY OF OUR PERSONNEL, SHALL BE RESPONSIBLE OR LIABLE TO YOU, YOUR PERSONNEL, OR ANY THIRD-PARTY FOR ANY PERSONAL OR BODILY INJURY ARISING FROM OR RELATED TO COVID-19, INCLUDING, BUT NOT LIMITED TO, DEATH OR DISABILITY OF ANY TYPE, OR ANY RESULTING LOSS OR DAMAGE TO YOU RELATED TO ANY SUCH INJURY, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, REVENUE, AND DATA;** and (ii) to indemnify, including for reasonable attorneys' fees incurred, defend and hold us and our personnel harmless from and against any claims threatened or made by you, your personnel, or any third-party based upon any personal or bodily injury, including death or disability of any type, arising from or relating to exposure to COVID-19 through our personnel in connection with the services provided.

### Indemnification

SAX shall be retained by court order as “Retained Personnel.” Once retained, SAX shall be governed by the provisions of the Receivership Order that apply to Retained Personnel, including Paragraph 33 of the Receivership Order which provides in part:

“...Retained Personnel shall be indemnified by each of the Receivership Entities (as defined in the Receivership Order) except for gross negligence, willful misconduct, fraud, or breach of fiduciary duty determined by a final order no longer subject to appeal, for all judgments, costs, and reasonable expenses including legal fees (which shall be paid under the indemnity after court approval as they arise) arising from or related to any and all claims of whatsoever type brought against any of them in their capacities as Receiver and Retained Personnel; provided, however, that nothing herein shall limit the immunity of the Receiver and the Receiver's advisers and agents allowed by law or deprive the Receiver or the Receiver's advisers and agents of indemnity for any act or omission for which they have immunity.”

Notwithstanding anything to the contrary, it is acknowledged and agreed that Sax is acting for Receivership Estate in an advisory capacity only and does not make any decisions, determinations or commitments for the Receivership Estate, all of which are undertaken by the Receivership Estate and, therefore, Sax will not be subject to any liability arising from any such decisions, determinations or commitments. Additionally, Sax shall not be



responsible for any act or omission undertaken by Sax pursuant to the written instructions of Receivership Estate.

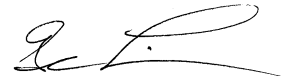
Sax shall perform the services in a commercially reasonable manner, in keeping with applicable law and industry standards, using appropriately trained personnel. Sax will make all reasonable efforts to provide work product in a timely manner, but Sax does not guaranty any particular timing for completion and Sax is not responsible for events or forces outside of its reasonable control. In the event that Sax's services are integrated with services or deliverables provided by Receivership Estate's staff or by third parties on behalf of the Receivership Estate, Sax does not warrant and is not responsible for the outcomes of such services. This paragraph contains Sax's only warranty concerning the services it performs and is made expressly in lieu of all other warranties and representations, express or implied, including any implied warranties of merchantability, non-infringement, or fitness for a particular purpose, or otherwise. Sax's liability under this section shall be limited to the term of the agreement and 1 year after its termination and Sax's liability exposure should be the greater of: (i) 100% of annual fees or (ii) to the extent a claim is covered by insurance, the amount of such paid insurance claim.

Notwithstanding anything to the contrary contained herein, neither Sax nor Receivership Estate shall have any liability for any indirect, special, incidental, special, exemplary, enhanced, cover, consequential or punitive damages, lost profits or revenues or diminution in value incurred by any person or entity arising out of or relating to this Agreement, whether in an action in contract, breach of warranty or tort, even if such party has been advised of the possibility of such damages

#### Receivership Order and SEC Billing Guidelines

Sax is entitled to reasonable compensation and expense reimbursement from the Receivership Assets as Retained Personnel as described in the Receivership Order and the Billing Instructions applicable to the Receivership, as modified by the Receivership Order, a copy of which is available at <https://www.sec.gov/oiea/Article/billinginstructions.pdf>. Such compensation shall require the prior approval of the Court.

All services provided by us are expressly subject to these conditions and limitations. By sending us the information for the preparation of your tax returns, you and all parties referenced in this letter explicitly agree to these terms for our engagement, subject to Court approval as Set forth herein. This letter covers all returns listed on Schedule A.



George S. Livanos, CPA  
Partner  
Sax LLP

GSL:gsh

The foregoing letter fully describes our understanding and accepted by us.

ArciTerra and Receivership Affiliates



Mr. Allen D. Applbaum, as Receiver for ArciTerra  
Companies, LLC, et al., Case No. CV-23-02470-PHX-DLR

10/07/2024

Date

**Schedule A**

ArciTerra Strategic Retail Wheatland  
ArciTerra Group, LLC  
ArciTerra Real Estate Investment Trust Inc  
2006 Operating Partnership LP  
ArciTerra Note Advisors II, LLC  
Walcent Shelby MI, LLC  
ArciTerra Strategic Income Belleville Crossing Inc  
ArciTerra Strategic Retail Advisors, LLC  
ArciTerra Note Advisors III, LLC  
ArciTerra National REIT, INC  
ArciTerra National REIT, LP  
Glenrosa 32, LLC  
ATR 32 LLC  
ASR Centerville & Colony GA LLC  
AT Longview TX LLC  
ASR REIT LP

Exhibit C

Receivership Entities

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## EXHIBIT A

### RECEIVERSHIP ENTITIES

1000 WEST MARION PG FL, LLC  
1921 GALLATIN PIKE NASHVILLE TN, LLC  
2006 OPERATING PARTNERSHIP, L.P.  
2513 E NORTH STREET KENDALLVILLE IN, LLC  
412 CROSS OAKS MALL PLAINWELL ML, LLC  
5339 ELVIS PRESLEY BLVD. MEMPHIS TN, LLC  
5450 US HIGHWAY 80 EAST PEARL MS, LLC  
60 COLONIAL PROMENADE PARKWAY ALABASTER AL, LLC  
601 RETTA FL, LLC  
601 TRENTON ROAD MCALLEN TX, LLC  
613 RETTA FL, LLC  
700 NORTH GRAND AVENUE MT. PLEASANT, 1A, LLC  
751W RETTA ESPLANDE FL, LLC  
752 SOUTH ANDY GRIFFITH PARKWAY MT AIRY NC, LLC  
7525 PINE VALLEY LANE OWNER, LLC  
8001 VAUGHN ROAD MONTGOMERY AL, LLC  
81 JAMESON LANE GREENVILLE AL, LLC  
880 W MARION AVE FL, LLC  
900 WEST MARION AVENUE FL, LLC  
ALOHA POP UP PRODUCTIONS, LLC  
ARCITERRA AA BARBOURVILLE KY, LLC  
ARCITERRA AA LINCOLN NE, LLC  
ARCITERRA AA MANISTEE ML, LLC  
ARCITERRA AA PAPHILLION NE, LLC  
ARCITERRA AA PEARL MS, LLC  
ARCITERRA AA THEODORE AL, LLC  
ARCITERRA AA WEST LIBERTY KY, LLC  
ARCITERRA AZ SLIDELL LA, LLC  
ARCITERRA AZ TEMPLE GA, LLC  
ARCITERRA AZ WILLIS TX, LLC  
ARCITERRA BELL YORK SC, LLC  
ARCITERRA BP OLATHE KS, LLC  
ARCITERRA CH NEW ORLEANS LA, LLC

ARCITERRA COMMERCIAL PROPERTY REIT, LP  
ARCITERRA COMMERCIAL PROPERTY REIT, INC.  
ARCITERRA COMPANIES, LLC  
ARCITERRA CV LAFAYETTE LA, LLC  
ARCITERRA CV TARPON SPRINGS FL, LLC  
ARCITERRA DESIGN, LLC  
ARCITERRA DG CAMPBELLSVILLE KY, LLC  
ARCITERRA DG GREENVILLE KY, LLC  
ARCITERRA DG JUNCTION CITY KY, LLC  
ARCITERRA DG MEMPHIS TN, LLC  
ARCITERRA DG NORTH BEND OH, LLC  
ARCITERRA DG RAVENNA KY, LLC  
ARCITERRA DG SHEPHERDSVILLE KY, LLC  
ARCITERRA DG SOUTH CHARLESTON OH, LLC  
ARCITERRA DG WISTER OK, LLC  
ARCITERRA DKS GRAND CHUTE WI, LLC  
ARCITERRA FD BOWMAN SC, LLC  
ARCITERRA FD EHRHARDT SC, LLC  
ARCITERRA FD GREELEYVILLE SC, LLC  
ARCITERRA FD PAXVILLE SC, LLC  
ARCITERRA FD TUBERVILLE SC, LLC  
ARCITERRA FESTIVAL MONTGOMERY AL, LLC  
ARCITERRA GC JOHNSON CITY NY, LLC  
ARCITERRA GREYSTONE HOOVER AL, LLC  
ARCITERRA GROUP, LLC  
ARCITERRA HD HENDERSONVILLE TN, LLC  
ARCITERRA HD MCALLEN TX, LLC  
ARCITERRA KLS JENSEN BEACH FL, LLC  
ARCITERRA KLS WARSAW IN, LLC  
ARCITERRA KLS WAUSAU WI, LLC  
ARCITERRA MICHIGAN ROAD INDIANAPOLIS IN, LLC  
ARCITERRA MOV GAL GODDARD KS, LLC  
ARCITERRA MOV GAL PARK CITY KS, LLC  
ARCITERRA MW NASHVILLE TN, LLC  
ARCITERRA NATIONAL REIT, INC.  
ARCITERRA NATIONAL REIT, LP  
ARCITERRA NOBLE WEST NOBLESVILLE IN, LLC

ARCITERRA NOTE ADVISORS II, LLC  
ARCITERRA NOTE ADVISORS III, LLC  
ARCITERRA NOTE FUND II LLC  
ARCITERRA NOTE FUND III LLC  
ARCITERRA NS INVESTMENT CO.  
ARCITERRA OFF PEP PEARL MS, LLC  
ARCITERRA OLATHE POINTE OLATHE KS LLC  
ARCITERRA OPPORTUNITY FUND I, LLC  
ARCITERRA OR BATTLE CREEK ML, LLC  
ARCITERRA OS MT. PLEASANT IA, LLC  
ARCITERRA REAL ESTATE INVESTMENT TRUST, INC.  
ARCITERRA REGIONS LAMARQUE TX, LLC  
ARCITERRA REIT I MEMBER, LLC  
ARCITERRA REIT I MEMBER, LLC  
ARCITERRA REIT I MEMBER, LLC  
ARCITERRA REIT RSC, LP  
ARCITERRA REIT, LP  
ARCITERRA SHOPPES AT ALABASTER AL, LLC  
ARCITERRA STAR LANCASTER OH, LLC  
ARCITERRA STRATEGIC INCOME CORPORATION-BELLEVILLE CROSSING IL  
ARCITERRA STRATEGIC RETAIL - SUFFOLK VA, LLC  
ARCITERRA STRATEGIC RETAIL ADVISOR, LLC  
ARCITERRA STRATEGIC RETAIL ADVISOR, LLC  
ARCITERRA STRATEGIC RETAIL REIT, INC.  
ARCITERRA STRATEGIC RETAIL-ELYRIA OH, LLC  
ARCITERRASTRATEGIC RETAIL-PLAINFIELD VILLAGEUM, LLC  
ARCITERRA STRATEGIC RETAIL-PLAINFIELD VILLAGE IN, LLC  
ARCITERRA STRATEGIC RETAIL-WHEATLAND IL, LLC  
ARCITERRA S-W BURTON ML, LLC  
ARCITERRA S-W KALAMAZOO ML, LLC  
ARCITERRA S-W LORAIN OH, LLC  
ARCITERRA USB BISMARCK ND, LLC  
ARCITERRA USB NEW ALBANY OH, LLC  
ARCITERRA USB ROCHESTER MN, LLC  
ARCITERRA VERMONT INDIANAPOLIS IN, LLC  
ARCITERRA VN CLARKSVILLE TN, LLC ~  
ARCITERRA VN COLUMBIA TN LLC

ARCITERRA VN DICKSON TN, LLC  
ARCITERRA VZ HOME GA, LLC  
ARCITERRA VZ ROME GA, LLC  
ARCITERRA WALCENT GREENVILLE AL, LLC  
ARCITERRA WALCENT KENDALLVILLE IN, LLC  
ARCITERRA WALCENT PLAINWELL ML, LLC  
ARCITERRA WESTGAGE INDIANAPOLIS MEMBER, LLC  
ARCITERRA WESTGATE INDIANAPOLIS IN II, LLC  
ARCITERRA WESTGATE INDIANAPOLIS IN, LLC  
ARCITERRA WG HOMETOWN IL, LLC  
ARCITERRA WG KILMARNOCK VA, LLC  
ARCITERRA WG MILWAUKEE WL, LLC  
ARCITERRA WHITEFISH ADVISORS, LLC  
ARCITERRA WHITEFISH OPPORTUNITY FUND, LLC  
ARCITERRA WM DOUGLASVILLE GA, LLC  
ASR REITLP  
AT 18 MILE CENTRAL SC, LLC  
AT ALTUS CUMBERLAND GA II, LLC  
AT ALTUS CUMBERLAND GA, LLC  
AT ALTUS CUMBERLAND MEMBER, LLC  
AT ALTUS ECHELON IN, LLC  
AT ALTUS ROSWELL GA, LLC  
AT AUBURN PLAZA IN II, LLC  
AT AUBURN PLAZA IN, LLC  
AT AUBURN PLAZA MEMBER, LLC  
AT BELLEVILLE CROSSING IL-INLINE, LLC  
AT BELLEVILLE CROSSING IL-OUTLOTS LLC  
AT BLOOMINGTON IL, LLC  
AT BOUTTE LA, LLC  
AT BRIARGATE IL, LLC  
AT BUENA VISTA GA, LLC  
AT CANAL WINCHESTER OH, LLC  
AT CASTLETON IN ASSOCIATION MANAGER, LLC  
AT CASTLETON IN MEMBER II, LLC  
AT CASTLETON IN MEMBER, LLC  
AT CASTLETON IN MEMBER, LLC  
AT CASTLETON IN OWNER II, LLC

AT CASTLETON IN OWNER, LLC  
AT CASTLETON IN OWNER, LLC  
AT CASTLETON IN OWNER, LLC  
AT CEDARTOWN GA OUTLOT, LLC  
AT CEDARTOWN GA, LLC  
AT CENTERVILLE GA, LLC  
AT COLONY FITZGERALD GA LLC  
AT CONCORD, LLC '  
AT DILLON SC OUTLET, LLC  
AT EASTMAN GA II, LLC  
AT EASTMAN GA, LLC  
AT EASTMAN GA, LLC  
AT EASTMAN MEMBER, LLC  
AT ELYRIA OH INLINE, LLC  
AT ELYRIA OH OUTLOT, LLC  
AT FL CONSTRUCTION, LLC  
AT FORUM KY MEMBER II, LLC  
AT FORUM KY MEMBER, LLC  
AT FORUM KY MEMBER, LLC  
AT FORUM LOUISVILLE KY II, LLC  
AT HL BURLINGTON IAII, LLC  
AT HL BURLINGTON IA, LLC  
AT HL BURLINGTON MEMBER, LLC  
AT JEFFERSON CENTER FW IN OWNER, LLC  
AT JEFFERSON CENTER FW IN, LLC  
ATJPM LINDENHURST IL, LLC  
AT LIMA PLAZA FW IN OWNER, LLC  
AT LIMA PLAZA FW IN, LLC  
AT LINDENHURST IL, LLC  
AT LONGVIEW MEMBER, LLC  
AT LONGVIEW OUTLOT NORTHEAST, LLC  
AT LONGVIEW OUTLOT WEST, LLC  
AT LONGVIEW TXII, LLC  
AT LONGVIEW TX, LLC  
AT LUBBOCK TX, LLC  
AT MAX FW IN OWNER, LLC '  
AT MAX FW IN, LLC



AT MAYODAN MEMBER, LLC  
AT MAYODAN NCII, LLC  
AT MAYODAN NC, LLC  
AT MF VEGAS, LLC  
AT MIDWAY ELYRIA OH, LLC  
AT ML LEASEHOLD HI, LLC  
AT ML MANAGEMENT HI LLC  
AT MMH HI LLC  
AT MT. PLEASANT LOT 2, LLC  
AT NEW LENOX IL-GL, LLC  
AT NEW LENOX IL- INLINE, LLC  
AT NEW LENOX IL-INLINE II, LLC  
AT NEW LENOX IL-OUTLOTS, LLC  
AT NEW LENOX-IL MEMBER, LLC  
AT NEW WEST CLIFTON CO, LLC  
AT OLATHE MANAGER, LLC  
AT OLATHE MANAGER, LLC  
AT PINE VALLEY FW IN OWNER, LLC  
AT PINE VALLEY FW IN, LLC  
AT PLAINFIELD VILLAGE IN II, LLC  
AT PLAINFIELD VILLAGE IN, LLC  
AT PLAINFIELD VILLAGE MEMBER, LLC  
AT PORTLAND COMMONS IN OWNER, LLC  
AT PORTLAND COMMONS IN, LLC  
AT PT DANVILLE IL II, LLC  
AT PT DANVILLE IL, LLC  
AT PT DANVILLE MEMBER, LLC  
AT SALEM IL OUTLOT, LLC  
AT SALISBURY NC OUTLOT, LLC  
AT SANDERSVILLE GA, LLC  
AT SEVEN HILLS AURORA CO II, LLC  
AT SEVEN HILLS AURORA CO, LLC  
AT SEVEN HILLS AURORA CO, LLC  
AT SEVEN HILLS AURORA MEMBER, LLC  
AT STATESBORO SQUARE GA, LLC  
AT SUFFOLK VA2B-2, LLC  
AT SUFFOLK VA2B-3, LLC

AT SUFFOLK VA2B-5, LLC  
AT SUFFOLK VA 2B-6, LLC  
AT SUFFOLK VABWW, LLC  
AT SUFFOLK VA SC, LLC  
AT SUWANEE DEPOT GA, LLC  
AT SWEDEN MEMBER, LLC  
AT SWEDEN NY II, LLC  
AT SWEDEN NY, LLC  
AT SWEEDEN NY OUTLOT, LLC  
AT TIFFANY SQUARE ROCKY MOUNT NC, LLC  
AT TOWNE SQUARE ROME GA, LLC  
ATVILLA PLATTE LA II, LLC  
AT VILLA PLATTE MEMBER, LLC  
AT VILLE PLATTE LA, LLC  
AT WHEATLAND NAPERVILLE IL, LLC  
AT WILDWOOD PLAZA MO, LLC  
ATA CHERRY CREEK IL, LLC  
ATA CYPRESS TOWN CENTER TX, LLC  
ATA FISHVILLE FL, LLC  
ATA FISHVILLE MANAGEMENT, LLC  
ATA FORUM LOUISVILLE KY, LLC  
ATA FORUM LOUISVILLE, LLC  
ATA HIRAM SQUARE GA, LLC  
ATA LANIER FAYETTEVILLE GA II, LLC  
ATA LANIER FAYETTEVILLE GA, LLC  
ATA LANIER FAYETTEVILLE MEMBER, LLC  
ATA MERCADO ST. AUGUSTINE FL, LLC  
ATA PALENCIA ST. AUGUSTINE FL, LLC  
ATA PLAZA OK, LLC  
ATA PRESTON PLAZA KY, LLC  
ATA ROGERS BRIDGE GA, LLC  
ATA STONE LITHONIA GA, LLC  
ATA TRINITY PLACE TN, LLC  
ATG REIT RSC, LP  
ATR 32, LLC  
BPS, L.L.C.  
BPS, L.L.C. OF ALABAMA

BELLEVILLE IL OUTLOT 6, LLC  
BLACK POINT RD, LLC  
BREWHOUSE CENTER COURT, LLC  
CASTLETON SHOPPING CENTER MK DISPOSITION, LLC  
CASTLETON SHOPPING CENTER MK DISPOSITION, LLC  
CHOVIA SHOPS MT AIRY NC, LLC  
CSL INVESTMENTS, LLC  
COLE CAPITAL FUNDS, LLC  
DB COMMERCIAL MANAGEMENT, LLC  
FISHVILLE KIOSK MEMBER, LLC  
FK TELLURIDE, LLC  
FV BUILDING 13, LLC  
FV BUILDING 15, LLC  
GLENROSA 32, LLC  
HARBOURVIEW MARKETPLACE, LLC  
HARBOURVIEW STATION WEST, LLC  
HELENA STAR MT, LLC  
HV GARDENS, LLC  
JB FISHVILLE HARBOR LAND LLC  
JB FISHVILLE RETAIL LAND LLC  
JB FORUM LAND, LLC  
JB ML LAND HI, LLC ~  
JB OLATHE OUTLOT 2, LLC  
JB RE INVESTMENTS, LLC  
JB SEVEN HILLS, LLC  
JB SEVEN HILLS, LLC  
JB TRANSPORTATION, LLC  
JBM ACQUIST10NS LLC  
JJ RESTAURANT HOLDINGS, LLC  
JMLBC G4, LLC  
JML MANAGER, LLC  
JML TRUST MANAGER, LLC  
LABALME TRAIL, LLC  
LEGAL FLOAT LENDING, LLC  
LOUISVILLE RESTAURANT PARTNERS, LLC  
LOWER 5629 ROCKRIDGE ROAD, LLC  
LUTHERAN EYE CARE, LLC

MML INVESTMENTS, LLC  
JMMAL INVESTMENTS, LLC  
MONTGOMERY MATTRESS, LLC  
MONTGOMERY MATTRESS, LLC  
MORRISON ISLAND, LLC  
NORTH EAST WAWASEE, LLC '  
PG HOSPITALITY, LLC  
PG WATERFRONT HOSPITALITY, LLC  
PT PLAZA, LLC  
SAML BAR AND GRILL, LLC  
SPIKE HOLDINGS AZ, LLC  
STAR MT, LLC  
STAR OH, LLC  
THE EXCHANGE PLAINWELL ML, LLC  
UPPER 5629 ROCKRIDGE ROAD, LLC  
WALCENT ARKADELPHIA AK, LLC  
WALCENT ELK/IN, LLC  
WALCENT KENDALLVILLE IN, LLC  
WALCENT LAWTON OK, LLC  
WALCENT MORRILTON AK, LLC  
WALCENT NEWC/IN, LLC  
WALCENT PLAINWELL ML, LLC  
WALCENT SHELBY ML, LLC  
WALCENT SHOPS SUWANEE GA, LLC  
WALCENT WAYNESBORO MS, LLC  
WAWASEE WATERCRAFTS, LLC  
WHEATLAND CROSSING OWNERS ASSOCIATION  
WHEATLAND MARKETPLACE LOT 7 CONDOMINIUM ASSN.  
WHITEFISH OPPORTUNITY FUND, LLC

**EXHIBIT 2**

**PROPOSED ORDER**

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1                                   **IN THE UNITED STATES DISTRICT COURT**  
2                                   **FOR THE DISTRICT OF ARIZONA**

3  
4 United States Securities and Exchange  
5 Commission,

6                                   Plaintiff,

7 v.

8 Jonathan Larmore, et al.,

9                                   Defendants, and  
10

11 Michelle Larmore; Marcia Larmore;  
12 CSL Investments, LLC;  
13 MML Investments, LLC;  
14 Spike Holdings, LLC;  
and JMMAL Investments, LLC,

15                                   Relief Defendants.  
16

Case No. CV-23-02470-PHX-DLR

**[PROPOSED] ORDER (I)**  
**APPROVING THE**  
**ENGAGEMENT AND**  
**COMPENSATION OF SAX LLP**  
**AS TAX ACCOUNTANT AND**  
**RETAINED PERSONNEL; AND**  
**(II) GRANTING RELATED**  
**RELIEF**

17                   The Court having considered the Receiver’s motion for an order: (i) approving the  
18 Receiver’s engagement and compensation of SAX LLP as tax accountant and Retained  
19 Personnel (as defined in the Receivership Order); and (ii) granting related relief (the  
20 “Motion”); and the Court having considered the declaration of George S. Livanos, CPA  
21 MST filed in support thereof (the “Declaration”), and the attachments thereto; and upon  
22 consideration of any and all responses and replies relating to the Motion; and upon due and  
23 sufficient notice of the Motion, and no other or further notice need be given; and after due  
24 deliberation and it appearing that the relief sought in the Motion is in the best interests of  
25 the Receivership Estate, its creditors, and other parties in interest,  
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1           **NOW, THEREFORE, UPON THE FOREGOING AND THE RECORD**  
2 **BEFORE THIS COURT, IT IS HEREBY ORDERED:**<sup>1</sup>

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4           1.     The Application to retain SAX LLP as tax accountants is GRANTED to the  
5 extent set forth herein.

6           2.     The Representation Agreement identified in the Motion and described in the  
7 Declaration, and attached as Exhibit B to the Declaration, is approved.

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9           3.     The Receiver is authorized to enter into the Representation Agreement and  
10 pay SAX LLP as “Retained Personnel” pursuant to the Receivership Order.

11           4.     This Court reserves jurisdiction and authority to implement the terms hereof.

12           Dated:                 , 2024

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28 <sup>1</sup> Capitalized undefined terms shall have the meanings ascribed to them in the Motion.