

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No: 6:21-cv-694-CEM-DCI

HARBOR CITY CAPITAL CORP.,
HARBOR CITY VENTURES, LLC,
HCCF-1, LLC,
HCCF-2, LLC,
HCCF-3, LLC,
HCCF-4, LLC,
HCCF-5, LLC,
HARBOR CITY DIGITAL VENTURES, INC.,
HCC MEDIA FUNDING, LLC,
JONATHAN P. MARONEY,

Defendants,

and

CELTIC ENTERPRISES, LLC and
TONYA L. MARONEY

Relief Defendants.

THE RECEIVER'S TWELFTH QUARTERLY STATUS REPORT

Receivership Information and Activity from July 1, 2024
through September 30, 2024

INTRODUCTION

Katherine C. Donlon, the Court-appointed Receiver over the assets of the above-captioned corporate defendants and relief defendants (the “**Receiver**” and the “**Receivership**” or “**Receivership Estate**”), files this Twelfth Quarterly Status Report to inform the Court, investors, creditors, and others interested in this Receivership of activities to date as well as the Receiver’s proposed course of action. For a complete report of the Receiver’s activities to date, the Receiver refers the reader to her previous reports. [Docs. 81, 85, 101, 120, 138, 152, 167, 173, 177, 180, 182]. These reports can also be found on the Receiver’s informational website, www.harborcityreceivership.com. The Receiver will continue to update the website regarding the Receiver’s most significant actions, important Court filings, and other items that might be of interest to the public. This Twelfth Quarterly Status Report, as well as all subsequent reports, will be posted on the Receiver’s website.

ACTIONS TAKEN BY THE RECEIVER

1. Securing the Receivership Estate

A. Fund Accounting

Attached as Exhibit 1 is the Fund Accounting for the quarter ending September 30, 2024. The ending Fund Balance as of September 30, 2024 is \$216,415.55.

B. Nations Best

During the course of the Receiver's investigation, the Receiver learned of certain investments made by the corporate defendants into a California company, Nations Best Services, Inc ("Nations Best"). It is the Receiver's understanding that the corporate defendants, specifically Harbor City Capital Corp., invested over \$1,000,000.00 into Nations Best by virtue of Harbor City's purchase of certain shipping containers for purchase by Nations Best customers under a rent-to-own program. That program has now been terminated, and under the contractual terms of the program, the renters of the shipping containers made their monthly payments for a sufficient period of time to vest ownership of the containers in the now-former renters.

On September 11, 2024, Receiver's counsel took the deposition of Nations Best corporate representative, Mr. Nicholas Karvon. Mr. Karvon

testified that there are no physical assets of Nations Best, it owns no real or personal property, and that Nations Best has only a few employees, including Mr. Karvon. Mr. Karvon further confirmed that the company has terminated the rent-to-own program, and that it has no funds from which to pay the obligations to Harbor City, in any form. Mr. Karvon testified that the obligation to Harbor City for \$1,030,957.37 is reflected on its financial statements, but because of the action presently pending in this Court and a myriad of other factors, it has no ability to raise capital to repay the funds to Harbor City. The Securities and Exchange Commission attended the virtual deposition.

While Mr. Karvon expressed a willingness to repay some of what is owed over the course of several years, the Receiver did not believe such an extended repayment schedule was conducive to a resolution of this Receivership and would result in significant time and monetary expense, with little to no corresponding benefit.

After negotiation, Mr. Karvon, on behalf of Nations Best, agreed to pay \$75,000.00 within thirty (30) days to resolve the Receiver's claim. The Securities and Exchange Commission has agreed to the terms of the settlement, but no final agreement has been reached between the operative parties.

The Receiver has recently filed a motion seeking the Court’s approval of the proposed settlement terms. This claim remains the only unresolved issue in the receivership and upon its resolution, the Receiver will be prepared to wind down the receivership, to include the distribution of the monies recovered, approximately \$290,000, less fees and expenses, or alternatively, to provide these funds to the Securities and Exchange Commission for deposit into the Fair Fund.

2. The Next Ninety Days.

The Order Appointing Receiver requires this Twelfth Quarterly Status Report (and all subsequent reports) to contain “[t]he Receiver’s recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.” Doc. 72-111 ¶ 51.H. At this stage, the Receiver recommends continuation of the Receivership because she is (1) in the process of resolving the claim against Nations Best; and (2) is evaluating whether there will be enough in the way of proceeds to establish a claims process for the distribution of funds.

CONCLUSION

Investors and other creditors of the Receivership Entities are encouraged to periodically check the Receiver’s website (www.harborcityreceivership.com) for current information concerning this

Receivership. If any investor has information that may be helpful in securing further assets for the Receivership Estate or identifying other potential parties who may have liability to either the Receivership Estate or investors, please email hcinfo@jclaw.com.

Dated this 31st day of October, 2024.

Respectfully submitted,

s/ Katherine C. Donlon

Katherine C. Donlon, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on October 31, 2024, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

/s/ Nicole Deese Newlon

NICOLE DEESE NEWLON

Florida Bar No. 832391

nnewlon@jnd-law.com

JOHNSON, NEWLON & DECORT, P.A.

3242 Henderson Blvd., Ste 210

Tampa, Florida 33609

Telephone: (813) 699-4859

Facsimile: (813) 235-0462

Secondary: kdonlon@jnd-law.com;

bwalker@jnd-law.com

Counsel for Receiver Katherine C. Donlon

EXHIBIT 1



Katherine C Donlon As Receiver for
Harbor City Capital Corp, et. al.
Tampa, FL

We have compiled the standardized fund accounting report for the period of July 1, 2024 to September 30, 2024 and from inception to September 30, 2024, included in the accompanying prescribed form (Civil Court Docket No 6:21-cv-694-CEM-DCI). We have not audited or reviewed the accompanying standardized fund accounting report and accordingly, do not express an opinion or any assurance about whether the standardized fund accounting report is in accordance with the form prescribed by the Civil Court Docket No. (6:21-cv-694-CEM-DCI)

Consolidated Harbor City Capital Corp, et al Receivership is responsible for the preparation and fair presentation of the standardized fund account report in accordance with requirements prescribed by the Civil Court Docket No 6:21-cv-694-CEM-DCI and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the standardized fund accounting report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist consolidated Harbor City Capital Corp, et al Receivership in presenting financial information in the form of a standardized fund accounting report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the standardized fund accounting report.

This standardized fund accounting report is presented in accordance with the requirements of the Civil Court Docket No. 6:21-cv-694-CEM-DCI, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Civil Court Docket No 6:21-cv-694-CEM-DCI and is not intended and should not be used by anyone other than this specified party.

Oldsmar, Florida
October 29, 2024

Standardized Fund Accounting Report for
Katherine C Donlon as Receiver for Harbor City Capital Corp et al. - Cash Basis
Receivership; Civil Court Case No: 6:21-cv-694-CEM-DCI
Reporting Period 7/01/2024 to 9/30/2024

FUND ACCOUNTING	(See Instructions):	Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 01/01/2024):			216,411.00
	Increases in Fund Balance:			
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 (Line 1 - 8):		-	216,411.00
	Decreases in Fund Balance:			
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			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance Call Center			
	4. Fund Administrator Bond			
	Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	Total Disbursements 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 9/30/2024)			216,411.00

**Standardized Fund Accounting Report for
 Katherine C Donlon as Receiver for Harbor City Capital Corp et al. - Cash Basis
 Receivership; Civil Court Case No: 6:21-cv-694-CEM-DCI
 Reporting Period 7/01/2024 to 9/30/2024**

		Detail	Subtotal	Grand Total
3				
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash Cash Equivalents			216,41 .
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			
	Total Ending Balance of Fund - Net Assets			216,41 .
OTHER SUPPLEMENTAL INFORMATION:				
	Report of Items Not To Be Paid by the Fund			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 1 a	Plan Development Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses Not Paid by the Fund		-	
Line 1 b	Plan Implementation Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance Call Center			
	4. Fund Administrator ond			
	. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses Not Paid by the Fund		-	
Line 1 c	Tax Administrator Fees onds 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:			
Line 19a	of Claimants Investors Paid This Reporting Period			
	of Claimants Investors Paid Since Inception of Fund			

Receiver:
 y:
 Title
 Date

**Standardized Fund Accounting Report for
Katherine C Donlon as Receiver for Harbor City Capital Corp et al. - Cash Basis
Receivership; Civil Court Case No: 6:21-cv-694-CEM-DCI
Reporting Period Since Inception to 9/30/2024**

FUND ACCOUNTING	(See Instructions):	Detail	Subtotal	Grand Total
Line 1	Beginning Balance (as of 1/1/2022)			-
	Increases in Fund Balance:			
Line 2	Business Income	-		
Line 3	Cash and Securities	1,944.91		
Line 4	Interest Dividend Income			
Line 5	Business Asset Liquidation			
Line 6	Personal Asset Liquidation	360,881.30		
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous - Other			
	Total Funds Available (Line 1 - 8):		20,324.21	20,324.21
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	230,230.01		
Line 10b	Business Asset Expenses	3,632.6		
Line 10c	Personal Asset Expenses	46.00		
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		303,908.66	303,908.66
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			
	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 (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	Total Disbursements 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)			303,908.66
Line 13	Ending Balance (As of 9/30/2024)			216,411.55

**Standardized Fund Accounting Report for
 Katherine C Donlon as Receiver for Harbor City Capital Corp et al. - Cash Basis
 Receivership; Civil Court Case No: 6:21-cv-694-CEM-DCI
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	Fund Administrator		
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	Distribution Agent		
	Consultants		
	Legal Advisors		
	Tax Advisors		
	2. Administrative Expenses		
	3. Miscellaneous		
	Total Plan Development Expenses Not Paid by the Fund	-	
Line 1 b	Plan Implementation Expenses Not Paid by the Fund		
	1. Fees:		
	Fund Administrator		
	IDC		
	Distribution Agent		
	Consultants		
	Legal Advisors		
	Tax Advisors		
	2. Administrative Expenses		
	3. Investor Identification:		
	Notice Publishing Approved Plan		
	Claimant Identification		
	Claims Processing		
	Web Site Maintenance Call Center		
	4. Fund Administrator ond		
	. Miscellaneous		
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses		
	Total Plan Implementation Expenses Not Paid by the Fund	-	
Line 1 c	Tax Administrator Fees onds 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:		
Line 19a	of Claimants Investors Paid This Reporting Period		
	of Claimants Investors Paid Since Inception of Fund		

Receiver:
 y:
 Title
 Date