

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,)	
)	
)	Civil Action No. 19-cv-05957
)	
Plaintiff,)	
v.)	Hon. John Z. Lee
)	
NORTHRIDGE HOLDINGS, LTD., ET AL.,)	
)	Magistrate Judge Susan E. Cox
Defendants.)	
)	

**NOTICE OF CLAIMS BAR DATE AND PROCEDURES FOR
SUBMITTING A PROOF OF CLAIM**

**TO: ALL CLAIMANTS AND ADMINISTRATIVE CLAIMANTS OF THE NORTHRIDGE
RECEIVERSHIP ENTITIES**

PLEASE TAKE NOTICE OF THE FOLLOWING¹:

On November 4, 2020 the United States District Court for the Northern District of Illinois, Eastern Division (the “Court”) entered an order in the above-captioned case (the “Bar Date Order”)² establishing **February 5, 2021 at 11:59 p.m. (Central Standard Time)** as the deadline (the “Claims Bar Date”) for Claimants, including certain Administrative Claimants to submit a completed and signed Proof of Claim Form under penalty of perjury, together with supporting documentation (a “Proof of Claim”), against the Receivership Defendants in the above-captioned case and all the specified subsidiaries and/or majority owned affiliates they control.³

¹ Capitalized terms shall have the meaning as defined herein or if not defined herein, then as set forth in the claims motion (Dkt. # 169).

² Dkt. # 217.

³ The following Northridge Entities (or their predecessors in interest) are now part of and comprise the Receivership Estate: Northridge Holdings, Ltd.; Amberwood Holdings, L.P.; Brookstone Investment Group, Ltd., Eastridge Holdings, Ltd.; Guardian Investment Group, Ltd.; Southridge Holdings, Ltd.; Unity Investment Group, I Ltd.; and affiliates, including but not limited to 610 Lincoln Limited Partnership; 610 Lincoln Trust #13741; 5097 Elston Limited Partnership; 5528 Hyde Park Limited Partnership; 106 Surrey Limited Partnership; 106 Surrey Trust #14029; 561 Deere Park Circle Limited Partnership; 149 Mason Limited Partnership; 149 Mason Trust #12655; 139 Austin Limited Partnership; Azlan Group, LLC; Cornerstone II Limited Partnership; G&C Family Limited Partnership; Mueller Painting & Decorating Limited Partnership; Paragon Group Limited Partnership; Ridgeview Group I Limited Partnership; Timber Lake Apartments, LLC; Arbor Limited Partnership; Kings Circle Limited Partnership; Hawthorne Limited Partnership; Timber Lake Shared Appreciation Limited Partnership; Timber Lake Shared Appreciation Illinois Limited Partnership; Town Square Management I, Ltd.; Willow Creek Ventures Limited Partnership; Parkway Bank and Trust Company, Land Trust Number 14106; Harris Bank, N.A., Land Trust Number HTB1786; Midtown Two Unit H1003 Partnership, LLC; and Timberwood Recreational Center, Inc..

1. WHAT IS THE CLAIMS BAR DATE?

The Claims Bar Date is the date by which the individuals and entities described below must submit a Proof of Claim with the Receiver's Claims Agent in the manner indicated below. The Claims Bar Date is **February 5, 2021, at 11:59 p.m. (Central Standard Time)**, and all Proofs of Claim, together with supporting documentation, must be timely submitted to the Receiver's Claims Agent as set forth below.

Please note that any Proof of Claim not timely submitted or in the proper form will be subject to disallowance, which means you would not be eligible to receive any distribution from a Court-approved distribution plan.

2. WHO NEEDS TO SUBMIT A PROOF OF CLAIM?

Except as expressly set forth below in Sections 3 and 4, ALL individuals and entities (including, without limitation, partnerships, corporations, joint ventures, estates, trusts, and governmental units or authorities) that believe they possess a Claim (including an Investor Claim or an Administrative Claim), a potential or claimed right to payment, or a potential claim of any nature, against any of the Northridge Entities and believe that they are owed money by, or are entitled to a distribution from, the Receivership Estate, must submit a Proof of Claim (each a "Claimant" or "Administrative Claimant").

A Claim is any (a) potential or claimed right to payment, whether or not such right is based in equity or by statute, reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) a potential or claimed right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

An Investor Claim is a Claim against any Northridge Entity based on an investment transaction in, with, or through a Northridge Entity, including but not limited to transactions based on or related to: (a) promissory notes or other money loaned to a Northridge Entity, or (b) investments (by subscription or otherwise) in a Northridge Entity.

A General Creditor Claim is a Claim against a Northridge Entity that is not an Investor Claim.

An Administrative Claim is a Claim based on: (a) the provision of goods or services for the benefit of the Receivership Estate or at the request of the Receiver beginning on or after September 12, 2019, which remains unpaid, (b) any taxes arising from or attributable to tax periods beginning on or after September 12, 2019, including those that may be asserted by federal, state, local or other governmental entities or authorities, which remain unpaid, (c) an uncashed check issued on or after September 12, 2019 for a refund on account of a healthcare account receivable overpayment or student loan account receivable overpayment or any other overpayment, or (d) any current, future or contingent contractual obligations (including indemnification obligations) arising from any contract entered into by or on behalf of the Receivership Estate.

This notice is being sent to many individuals and entities that have had some relationship or have done business with a Northridge Entity. The fact that you have received this notice does not necessarily mean that you are a Claimant or Administrative Claimant, that you have a valid Claim,

or that the Court or the Receiver believes you have a Claim against a Northridge Entity or the Receivership Estate.

3. WHO DOES NOT NEED TO SUBMIT A PROOF OF CLAIM?

The following additional Claimants do not need to submit a Proof of Claim Form: (a) Professional Claimants, (b) the Receiver's property manager, (c) Northridge Entities' employees for post-receivership amounts (incurred on or after September 12, 2019) incurred in the ordinary course with respect to their employment, and (d) Intercompany Receivership Claimants among and between the Northridge Entities.

4. NOTICE OF RECEIVER'S INITIAL DETERMINATION

The Notice of Receiver's Initial Determination is a separate notice, with instructions and attachments sent to certain Investor Claimants who the Receiver has determined, in his sole and absolute discretion, are entitled to an Allowed Claim Amount. The attachment[s] to each Notice of Receiver's Initial Determination includes additional instructions, information and amounts that together constitute the Receiver's initial determination of the Allowed Claim Amount. The Allowed Claim Amount remains subject to further review (and potential objection) by the Receiver and subject to the terms and conditions of a Court approved distribution plan. The Notice of Receiver's Initial Determination is included with this Notice of Claims Bar Date for those Claimants who the Receiver intends to receive it. If one is not included, it means the Receiver has chosen not to provide one to you.

5. DO YOU NEED TO SUBMIT A PROOF OF CLAIM FORM IF THE RECEIVER SENT A NOTICE OF RECEIVER'S INITIAL DETERMINATION TO YOU?

If you **AGREE** with the information and amounts in the attachments to the Notice of Receiver's Initial Determination, then NO you do not need to submit a Proof of Claim. Please check the "agree" box on the response form attached to the Notice of Receiver's Initial Determination and return to the Claims Agent as instructed in the Notice of Receiver's Initial Determination.

If you **DISAGREE** with the information or amounts in the attachments to the Notice of Receiver's Initial Determination please contact the Receiver's professionals (as set forth on Receiver's Website: northridgereceiver.alixpartners.com) or by calling (888) 369-8932 so that we may determine if any adjustment to the proposed Allowed Claim amount is warranted.

If you **DISAGREE** with the information or amounts in the attachments to the Notice of Receiver's Initial Determination and want to assert a Claim that is different, then you **MUST** timely and properly submit a Proof of Claim Form, including supporting documents as set forth in this Notice.

Carefully review the Notice of Receiver's Initial Determination, the instructions and attachments for further information.

If you are receiving this Notice and did not receive a Notice of Receiver's Initial Determination, you **MUST** timely and properly submit a Proof of Claim Form, including supporting documents as set forth in this Notice.

6. WHAT ARE THE CONSEQUENCES OF NOT TIMELY AND PROPERLY SUBMITTING A PROOF OF CLAIM?

ANY CLAIMANT (INCLUDING AN ADMINISTRATIVE CLAIMANT AND INVESTOR) WHO IS REQUIRED TO SUBMIT A PROOF OF CLAIM, BUT THAT FAILS TO DO SO IN A TIMELY MANNER OR IN THE PROPER FORM, SHALL (a) BE FOREVER BARRED, ESTOPPED, AND ENJOINED TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW FROM ASSERTING, IN ANY MANNER, SUCH CLAIM AGAINST (i) ANY NORTHRIDGE ENTITY, (ii) THE RECEIVERSHIP ESTATE OR ITS ASSETS, AND (b) NOT RECEIVE ANY DISTRIBUTION FROM THE RECEIVERSHIP ESTATE OR HAVE STANDING TO OBJECT TO ANY DISTRIBUTION PLAN PROPOSED BY THE RECEIVER. FURTHER, THE RECEIVER SHALL HAVE NO FURTHER OBLIGATION TO PROVIDE ANY NOTICES TO YOU ON ACCOUNT OF SUCH CLAIM AND THE RECEIVERSHIP ESTATE IS DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM.

7. WHERE CAN I GET A COPY OF THE PROOF OF CLAIM FORM?

For your convenience, enclosed with this notice is a Proof of Claim Form. Copies of this Notice of Claims Bar Date and the Proof of Claim Form can also be obtained from the Receivership Website: (northridgereceiver.alixpartners.com).

8. HOW DO I SUBMIT MY PROOF OF CLAIM FORM?

A properly completed and signed Proof of Claim Form, together with supporting documentation, must be timely submitted to the Receiver's Claims Agent by (i) mail or courier service addressed to mail addressed to Northridge Holdings, 2807 Allen Street, Box 377, Dallas, Texas 75204, such that if sent by courier service, it is delivered to the Claims Agent no later than the Claims Bar Date, or if sent by mail is postmarked no later than the Claims Bar Date; or (ii) electronic mail addressed to NorthridgeInvestors@alixpartners.com.

It is recommended that you submit your Proof of Claim by certified or registered mail and retain evidence that the Proof of Claim was actually sent. **All Proofs of Claim must be received by the Claims Agent on or before the Claims Bar Date, or if mailed, postmarked by the Claims Bar Date, to be deemed timely.**

Proofs of Claim should not be filed with the Court, or sent to the Receiver, his legal counsel, retained professionals, or otherwise delivered to the Receivership Entity, and any Proof of Claim so filed or sent will not be considered properly submitted.

9. SUPPORTING DOCUMENTS

If you **AGREE** with the information and amounts in the attachments to the Notice of Receiver's Initial Determinations, then, in addition to not needing to submit a Proof of Claim, you do not need to provide any supporting documents.

Each submitted Proof of Claim shall include and attach documents that support the Proof of Claim. Such documentation may include, but is not limited to: copies of personal checks, cashier's checks, wire transfer advices, and other documents evidencing the investment of funds; copies of each signed investment contract; copies of all agreements, promissory notes, purchase orders, invoices, itemized

statements of running accounts, contracts, court judgments, mortgages, security agreements, evidence of perfection of lien; and other documents evidencing the amount and basis of the Claim.

As applicable, supporting documentation must also include a chronological accounting of any withdrawals made by or payments received from any Northridge Entity, whether such payments were denominated as the return of principal, interest, commissions, finder's fee, or otherwise, indicating the date and amount of each withdrawal or payment.

Please include your name on every document that you submit.

DO NOT SEND ORIGINAL DOCUMENTS.

It is the responsibility of Claimants and other interested parties to keep the Receiver apprised with a current email and mailing address in order to receive notices or other communication from the Receiver or the Receivership Estate. A link to the Change of Information Form can be found on the Receivership Website: (northridgereceiver.alixpartners.com) or you may call the hotline telephone number provided on the Website.

Each Proof of Claim will have to satisfy certain minimum standards in order to establish a Claim and be eligible to receive a distribution pursuant to a Court-approved distribution plan. Accordingly, the more directly relevant information a Proof of Claim provides, the easier it will be for the Receiver to validate the Proof of Claim.

If such supporting documentation is not available, in an addendum that is attached to your Proof of Claim Form, please explain why it is not available.

PLEASE **DO NOT** SUBMIT THE FOLLOWING TYPES OF DOCUMENTS WITH THE PROOF OF CLAIM FORM UNLESS REQUESTED BY THE RECEIVER OR THE CLAIMS AGENT: (a) marketing brochures and other marketing materials received from any Northridge Entity, (b) routine or form correspondence received from a Northridge Entity, (c) copies of pleadings on file in this case or other cases related to the Receivership or the Receivership Estate, and (d) other documents received from the Receivership Estate that do not reflect specific information concerning the existence or amount of a Claim.

10. REQUESTS FOR ADDITIONAL INFORMATION AND NOTICES OF DEFICIENCY

If after receiving a Proof of Claim the Receiver determines that he needs additional information to process a Claim, the Receiver or his Claims Agent may contact you by telephone, mail or email to request such additional information.

Prior to the filing of an objection with the Court seeking to disallow a Claim, the Receiver may in his sole and absolute discretion send to you, by email or mail to the physical address provided on your Proof of Claim Form, a written Notice of Deficiency that specifically identifies the information required to assess and process the Claim. Should the Receiver determine he needs additional information from anyone who was sent a Notice of Receiver's Initial Determination, the Receiver may send a Notice of Deficiency to that recipient. The Notice of Deficiency will further state that the Claim will be disallowed without the Receiver having to file an objection to the Claim if the additional information is not provided to the Receiver within **thirty** (30) calendar days of the date of the Notice of Deficiency.

11. COOPERATION

The Court has directed all parties to cooperate with the Receiver to the maximum extent possible to achieve swift resolution of disputes concerning Claims without the need for a determination by the Court.

12. CONSENT TO JURISDICTION

If you submit a Proof of Claim in this case or agree with the proposed Allowed Claim Amount set forth in the Notice of Receiver's Initial Determination, you consent to the jurisdiction of the Court for all purposes and agree to be bound by its decisions, including, without limitation, a determination as to the extent, validity, priority and amount of any Claim you assert against the Receivership Estate. In submitting a Proof of Claim, you agree to be bound by the decisions of the Court as to the treatment of your Claim in a Court-approved distribution plan.

Additionally, with respect to Investors (as set forth in the Proof of Claim Form and the Notice of Receiver's Initial Determination), submission of a Proof of Claim in this case and any Investor who agrees with the proposed Allowed Claim Amount set forth in the Notice of Receiver's Initial Determination, shall be deemed a representation by such Investor that: (a) none of the funds Investor invested in the Receivership Entities and that Investor claims a right to recover originated from the Receivership Entities, Glenn Mueller or any of Mr. Mueller's family or any entity owned or controlled by Mr. Mueller or any of Mr. Mueller's family; (b) the distribution on account of Investor's claim (if any) will not be shared in any way with Mr. Mueller, a member of Mr. Mueller's family, an entity owned or controlled by Mr. Mueller or a member of his family or in any way for the benefit of Mr. Mueller or his family; and (c) the Proof of Claim represents the full extent of the Receivership Estate's liability to the Claimant.

13. RESERVATION OF RIGHTS

The Receiver reserves the right to dispute, or assert offsets or defenses as to the extent, validity, priority, or otherwise against, any amounts asserted in any Proof of Claim or against the initial Allowed Claim Amount of any recipient of a Notice of Receiver's Initial Determination, including but not limited to the manner in which accounts will be aggregated and treated under a Court approved distribution plan. Nothing set forth in this notice, the Proof of Claim, or the Notice of Receiver's Initial Determination shall preclude the Receiver from objecting to any Proof of Claim, on any grounds. Subject to the approval of the Court, the Receiver retains the sole and absolute right to propose a plan of distribution.