

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. Franklin U. Valderrama
)	
NORTHRIDGE HOLDINGS, LTD., ET)	
AL.,)	Magistrate Judge Keri L. Holleb
)	Hotaling
Defendants.)	
_____)	

RECEIVER’S MOTION FOR AUTHORITY TO MAKE
ADDITIONAL INTERIM DISTRIBUTIONS

N. Neville Reid, not individually, but solely as the Court-appointed receiver (the “Receiver”) for the Estate of Defendant Northridge Holdings, Ltd. and its related entities and affiliates as more particularly set forth in the Receivership Order (as defined herein) (collectively, the “Receivership Defendants,” and the assets of such entities as more particularly set forth therein, the “Receivership Assets,” and such estate the “Receivership Estate” and such administration, the “Receivership”), and pursuant to the powers vested in him by the *Order Appointing Receiver* entered by the Court on September 12, 2019 as amended [Dkt. No. 22, 108, 215] (collectively, the “Receivership Order”) and the Claims Procedure Order (defined below), hereby moves (the “Motion”) for entry of an order substantially in the form attached hereto as **Exhibit A**, authorizing the Receiver to make additional interim distributions. In support of the Motion, the Receiver states as follows:

BACKGROUND & RELIEF SOUGHT

A. Claims Procedures Motion and Distribution Plan Motion

1. On August 13, 2020, the Receiver filed his *Motion for Order (1) Fixing Claims Bar Date; (2) Approving Claims Procedures and Claims Forms; (3) Approving Notices; and (4) Approving the Pooling of Receivership Entities' Assets for Distribution Purposes* (the "Claims Procedure Motion").¹ Dkt. No. 169. On November 4, 2020, the Court entered an order granting the Claims Procedure Motion (the "Claims Procedure Order"). Dkt. No. 217. Pursuant to the Claims Procedure Order, all potential claimants were provided notice of the Claims Bar Date and Claims Procedures. *See* Dkt. No. 227.

2. On July 22, 2021, the Receiver filed his Motion for an Order Approving Distribution Plan and Certain Other Related Relief (the "Distribution Plan Motion"). Dkt. No. 272. On September 9, 2021, the Court entered an order granting the Distribution Plan Motion (the "Distribution Plan Order"). Dkt. No. 288.

3. On December 16, 2021, Receiver filed his Motion for an Order Authorizing Amendments to Distribution Plan (the "Distribution Plan Amendment Motion"). Dkt. No. 306. On January 18, 2022, the Court entered an order granting the Distribution Plan Amendment Motion (the "Distribution Plan Amendment Order"). Dkt. No. 313.

B. Additional Interim Distribution Authority

4. As set forth in the Distribution Plan Order, the Receiver was (a) authorized to make an interim distribution of \$10 million; and (b) authorized, but not directed, to make an additional distribution or multiple distributions up to an additional \$25 million. *Distribution Plan Order* at ¶¶ 15-16. Additionally, prior to making additional interim distributions, the Distribution Plan

¹ All capitalized terms not specifically defined herein shall have the meanings ascribed in the Claims Procedure Motion.

Order required the Receiver to file a notice of same. *Id.* at ¶ 16.

5. Since the entry of the Distribution Plan Order, the Receiver made the first interim distribution of \$10,000,000.00 and then properly noticed and made six additional interim distributions as follows:

Distribution	Distribution Amount
Second Interim Distribution	\$5,000,000.00
Third Interim Distribution	\$2,500,000.00
Fourth Interim Distribution	\$1,351,315.22
Fifth Interim Distribution	\$8,400,000.00
Sixth Interim Distribution	\$2,400,000.00
Seventh Interim Distribution	\$4,000,000.00
<u>Total</u>	<u>\$23,651,315.22</u>

6. The Receiver seeks to make an additional interim distribution in November 2025 in the amount of \$1,500,000.00. Making this distribution would exceed the Receiver's current authority of \$25,000,000.00 (i.e. the limit of the Receiver's authority under the Distribution Plan Order).

7. As a result of the foregoing, the Receiver seeks entry of an Order authorizing additional interim distributions and raising the Receiver's authority to make additional interim distributions from \$25 million to \$30 million. Any final distribution, however, would still be subject to the Court's order that a final motion be filed approving same. *Distribution Plan Order* at ¶ 16.

NO OBJECTION BY THE SEC

8. Counsel for the SEC has indicated that the SEC does not object to the relief requested herein.

WHEREFORE, the Receiver respectfully requests that the Court grant (a) this Motion and enter the Proposed Order in a form substantially as attached hereto as **Exhibit A**, and (b) all other or further relief that is just and proper.

Dated: October 1, 2025

N. Neville Reid, Receiver

By: /s/ Ryan T. Schultz

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EXHIBIT A

Proposed Order

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. Franklin U. Valderrama
)	
NORTHRIDGE HOLDINGS, LTD., ET AL.,)	Magistrate Judge Keri L. Holleb Hotaling
Defendants.)	
)	
)	

**ORDER GRANTING RECEIVER’S MOTION FOR AN ORDER AUTHORIZING
AMENDMENTS TO DISTRIBUTION PLAN**

Upon consideration of the Receiver's Motion For Authority to Make Additional Interim Distributions (the “Motion”) ¹, any responses or objections to the Motion, and any reply in support of the Motion, this Court finds that: the relief requested in the Motion is in the best interests of the Receivership Estate, potential Claimants, and all other parties; the Court having further found that notice of the Motion was good and sufficient under the particular circumstances and that no other or further notice need be given; and based upon the record herein and after due deliberation, it is hereby **ORDERED THAT:**

1. The Motion is GRANTED.
2. The Receiver is authorized (but not directed) to make additional interim distributions;
3. The Receiver’s authority to make additional interim distributions shall be increased from \$25 million to \$30 million.

¹ Capitalized terms not herein defined shall have the meaning ascribed to them in the Motion.

4. Any final distribution, however, would still be subject to the Court's order (Dkt. No. 288) that a final motion be filed approving same.

5. The Receiver is authorized to take all actions necessary to effectuate the relief granted in this Order.

6. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated this ___ day of _____, _____.
Chicago, Illinois

Hon. Franklin U. Valderrama