

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY**

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**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**BRENDA SMITH, BROAD REACH  
CAPITAL, LP, BROAD REACH  
PARTNERS, LLC, and BRISTOL  
ADVISORS, LLC,**

**Defendants.**

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**C. A. No. 2:19-cv-17213 (MCA)**

**ORDER REGARDING RECEIVER KEVIN DOOLEY KENT'S FIRST  
OMNIBUS MOTION FOR ORDER RESOLVING DISPUTED NON-  
INVESTOR CREDITOR CLAIMS**

**THIS MATTER**, having come before the Court on the filing of the Receiver, Kevin Dooley Kent's First Omnibus Motion for Order Resolving Disputed Non-Investor Creditor Claims (ECF No. 254) ("First Omnibus Motion"), and upon consideration of all submissions filed in response and in reply thereto at ECF Nos. 255, 256, 257, 258, and 263, the Receiver's update to the Court provided on March 7, 2024 regarding the status of the disputed claims and his efforts to resolve them, and the hearing that took place on March 13, 2024, **IT IS HEREBY ORDERED and DECREED** that the First Omnibus Motion is **GRANTED IN PART and DENIED IN PART**, as follows:

**A. Richard Galvin/Galvin Investment Company, LLC**

The Receiver is in active settlement negotiations with Richard Galvin and his entities, including Galvin Investment Company, LLC (“GIC”), in an effort to resolve both the Receiver’s affirmative lawsuit against them, captioned *Kent v. Galvin, et al.*, No. 2:21-cv-13102 (D.N.J.) (“Kent v. Galvin Matter”), and GIC’s 50+ million creditor claim asserted against the Receivership Estate. Accordingly, as to the creditor claim submitted by GIC set forth at Exhibits A and B to the Receiver’s First Omnibus Motion, the First Omnibus Motion is dismissed without prejudice.

**B. Southern Minerals Group**

The Receiver and Southern Minerals Group (“SMG”) have resolved SMG’s creditor claim asserted against the Receivership Estate. Accordingly, as to the creditor claim submitted by SMG set forth at Exhibit E to the Receiver’s First Omnibus Motion, the First Omnibus Motion is **DENIED AS MOOT**. SMG’s non-investor creditor claim is now confirmed in the amount of \$160,000.00 for purposes of the Receivership claims process.

**C. William McCormack**

The Estate of William McCormack (“McCormack”) has agreed to withdraw its creditor claims asserted against the Receivership Estate. Accordingly, as to the creditor claims submitted by McCormack set forth at Exhibits H and I to the Receiver’s First Omnibus Motion, the First Omnibus Motion is **GRANTED**. McCormack does not have a claim for purposes of the Receivership claims process.

**D. Scott Koppenheffer**

Scott Koppenheffer (“Koppenheffer”) has agreed to withdraw his creditor claim asserted against the Receivership Estate. Accordingly, as to the creditor claim submitted by Koppenheffer set forth at Exhibits K and L to the Receiver’s First Omnibus Motion, the First Omnibus Motion is **GRANTED**. Koppenheffer does not have a claim for purposes of the Receivership claims process.

**E. Industrial and Commercial Bank of China Financial Services LLC (“ICBCFS”)**

The Receiver’s First Omnibus Motion, as it relates to the creditor claims submitted by ICBCFS set forth at Exhibit M to the First Omnibus Motion, is **DENIED WITHOUT PREJUDICE** as premature. The Receiver may renew his request for a determination regarding ICBCFS’ claims in the future. All rights, claims and defenses of each Receiver and ICBCFS are hereby reserved regarding the validity, amount, reasonableness, creditor status, and priority of the ICBCFS

claims, and ICBCFS' ability to exercise set-off rights on the balance of funds held in certain clearing deposit accounts.

**F. CMCC Development Group, LLC**

CMCC Development Group, LLC ("CMCC") has agreed to withdraw its creditor claims asserted against the Receivership Estate. Accordingly, as to the creditor claim submitted by CMCC set forth at Exhibit N to the Receiver's First Omnibus Motion, the First Omnibus Motion is **GRANTED**. CMCC does not have a claim for purposes of the Receivership claims process.

**G. Alpha Capital Trading Group LLC ("Alpha Capital")**

The Receiver's First Omnibus Motion, as it relates to the creditor claims submitted by Alpha Capital set forth at Exhibit P to the First Omnibus Motion, is **GRANTED WITHOUT PREJUDICE**, due to Alpha Capital's failure to present sufficient evidence in support of its claim. The Receiver has agreed to give Alpha Capital access to the Document Repository established in accordance with the Order Approving Creation of Document Repository and Protective Order issued on September 2, 2021. (ECF No. 118). If Alpha Capital is able to locate additional evidence or documentation in support of its claim, it shall present that additional evidence and documentation to the Receiver within thirty (30) days from the date of entry of this Order. All rights, claims and defenses of each Receiver and Alpha Capital are hereby reserved regarding the validity, amount, creditor status (as a non-

investor creditor, investor creditor, or otherwise), and priority of the Alpha Capital claim, including rights to appeal any future final order as to these issues.

**H. Internal Revenue Service**

The Internal Revenue Service (“IRS”) has to date declined to formally participate in the Receivership claims process. The Receiver is working separately with the IRS in an effort resolve its claims, and will submit that proposed resolution to the Court at the appropriate time. The Receiver will update the Court on the status of negotiations in the next quarterly status report, if not sooner.

**BY THE COURT:**



DATE: 3/28/24

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HONORABLE MADELINE COX ARLEO  
UNITED STATES DISTRICT JUDGE