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Diane A. Thompson*

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

vs.

**AMERICAN PENSION SERVICES, INC.,
a Utah corporation, and CURTIS L.
DeYOUNG, an individual,**

Defendants.

**RECEIVER'S MOTION FOR
AUTHORIZATION TO FILE
LIQUIDATION PLAN ON AUGUST 22,
2014 AND MEMORANDUM IN
SUPPORT**

Case No.: 2:14-CV-00309-RJS-DBP

**Judge Robert J. Shelby
Magistrate Judge Dustin B. Pead**

Diane Thompson, the Court-Appointed Receiver, by and through undersigned counsel, respectfully moves the Court for entry of an order authorizing the Receiver to file her proposed Liquidation Plan on August 22, 2014.

INTRODUCTION

The Court entered an Order Appointing Receiver, Freezing Assets and Other Relief [Dkt. No. 9] on April 24, 2014 (“Receivership Order”). On April 25, upon direction from the Court, and with the assistance from the U.S. Marshal’s office, the Receiver seized control of APS. However, this has not been a typical receivership where the Receiver simply steps in, shuts down the business, terminates all employees, identifies all assets, liquidates the assets, makes disbursements to creditors and files a final report. APS is a Utah based company with approximately 5,500 individual clients nationwide. In seizing control of the Receivership Estate (as defined in the Receivership Order), the Receiver was faced with the task of not only marshaling all assets of the Receivership Defendants, but taking over and managing a business in which clients relied upon APS to complete self-directed IRA investments as a third-party administrator.

Pursuant to paragraphs 56 and 57 of the Receivership Order, the Receiver is required to develop a plan for the fair, reasonable, and efficient recovery and liquidation of all remaining, recovered, and recoverable Receivership Property (the “Liquidation Plan”) within ninety (90) days after entry of the Receivership Order. (*See* Receivership Order at ¶¶ 56-57). Under the Receivership Order, the Liquidation Plan is currently due on July 23, 2014. The Receiver seeks approval to extend the deadline for filing the Liquidation Plan for a number of reasons.

First, due to the almost three month delay in holding the preliminary injunction hearing, which is scheduled for July 23, 2014, and due Curtis DeYoung’s motion to dissolve the Receivership Order, the Receiver initially deemed it reasonable and prudent to defer expending valuable time and resources in drafting a liquidation plan until the Court ruled on the pending

motions. Second, due to the complexity of APS's business and the interplay between the funds missing from the commingled APS Master Trust Account, the existence of approximately 5,500 current individual IRA client accounts which hold investments valued in excess of \$360 million, the difficulty in determining the value of these assets, and the poor and/or inadequate documentation maintained by APS, the Receiver has had difficulty in determining what is the most fair and reasonable approach to take as part of an overall liquidation of APS. The Receiver has not sat idle. She has reached out to experts in the industry for guidance. She recently completed a meeting of a cross-section of APS clients to gather valuable information on their views related to the means and methods for recovering misappropriated funds and determining the most fair and equitable way to liquidate APS. She has also scheduled meetings with recognized third party administrators who have expressed an interest in acquiring APS's business and/or offering their services to APS clients, which may drastically impact the proposed Liquidation Plan.

Third, although the Receiver has given serious consideration to the form of the proposed Liquidation Plan, the mechanisms that need to be instituted to implement a plan have proven challenging. Although she has actively sought to identify and seize all assets of the Receivership Defendants, DeYoung has been less than cooperative in complying with the Receivership Order by providing a detailed list of all assets of the Receivership Estate. Additionally, each APS client provides a unique and independent hurdle as some are long-time clients of APS, while others only recently signed up with APS and deposited funds into the commingled APS Master Trust Account only to find these funds frozen. There are also approximately 7,500 former APS clients who have left APS and likely received one hundred percent of their investment upon terminating their

relationship with APS. Likewise, the APS clients' investments vary between all cash, cash and hard assets, cash and soft assets, hard assets, and/or soft assets. How best to deal with these variables has proven difficult when it comes to establishing and developing a fair and equitable plan. There is also interplay between each client and the impact of what the Receiver proposes will have with regard to the Internal Revenue Service. The Receiver is meeting with representatives of the Internal Revenue Service to address these issues. Moreover, in addition to APS, the Receiver also seized control of American Pension Services 401K, Inc. ("APS 401K"). This entity was created in approximately 2009. Some of APS 401K's clients rolled over from APS in which their funds were deposited into the commingled APS Master Trust Account, while others who became clients after 2009 did not have any funds deposited into the APS Master Trust Account. The Receiver intends to treat the APS 401K customers fairly and equitably in the Liquidation Plan.

In short, the Receiver simply needs an additional thirty (30) days to develop a fair and equitable Liquidation Plan. Developing a Liquidation Plan without all necessary information is difficult if not impossible because while each method is equitable in its own way, courts have emphasized that the unique "facts of a given case will dictate which method would be the most equitable." See *CFTC v. Barki, LLC*, No. 3:09cv106-MU, 2009 WL 3839389 *2 (W.D.N.C. Nov. 12, 2009) (emphasis added) (citing *S.E.C. v. Byers*, 637 F.Supp.2d 166, 182 (S.D.N.Y. 2009)).

Accordingly, the Receiver respectfully moves the Court to extend the time to file a Liquidation Plan by thirty (30) days, or until August 22, 2014.

I. THE RECEIVER HAS DILIGENTLY PERFORMED HER DUTIES UNDER THE RECEIVERSHIP ORDER.

1. This action began on April 24, 2014, when the SEC filed a Complaint seeking an *ex parte* temporary restraining order against American Pension Services, Inc. (“APS”) and Curtis L. DeYoung (“DeYoung”) and appointment of a receiver. That same day, the Court granted the SEC’s Motion and entered a Temporary Restraining Order and Order Accelerating Discovery [Docket No. 8] (“TRO”), as well as an Order Appointing Receiver, Freezing Assets and Other Relief [Docket No. 9] (“Receivership Order”), which appointed Diane Thompson as Receiver.

2. The Receivership Order provides that “[t]he Receiver is authorized, empowered and directed to develop a plan for the fair, reasonable, and efficient recovery and liquidation of all remaining, recovered, and recoverable Receivership Property (the “Liquidation Plan”). The order requires that “[w]ithin ninety (90) days of the entry date of this Order, the Receiver shall file the Liquidation Plan in the above-captioned action, with service copies to counsel of record.” (Receivership Order at ¶¶ 56-57.) At the time the Receivership Order was entered, it was anticipated that a preliminary injunction hearing would be conducted and a preliminary injunction issued long before the 90-day deadline to present a Liquidation Plan to the Court.

3. On May 6, 2014, the SEC filed its Motion for Preliminary Injunction and Memorandum in Support Thereof [Docket No. 38] (“Motion for Preliminary Injunction”), which sought entry of a Preliminary Injunction and extension of the relief provided by the TRO. At the request of DeYoung and his attorneys, the hearing on the SEC’s Motion for Preliminary Injunction has been continued and the TRO extended on four separate occasions because of due process and other considerations. First to May 8, 2014 [Docket No. 24], then to May 22, 2014 [Docket No. 41], then to June 27, 2014 [Docket No. 78], and now to July 23, 2014.

4. The Receiver understands her duties stem from the Receivership Order.

However, due to the delay in holding the preliminary injunction hearing, as well as DeYoung's Motion to Dissolve Temporary Restraining Order and Suspend or Dissolve Order Appointing Receiver [Docket no. 66] (the "Motion to Dissolve"), she has been careful to minimize expenses and believed it unwise to devote the significant resources necessary to develop a full Liquidation Plan in the event that the Court were to deny the Motion for Preliminary Injunction and grant the Motion to Dissolve.

5. Instead, the Receiver focused her immediate efforts on seizing and marshaling all of the Receivership Defendants' assets, identifying and freezing all of the Receivership Defendants' accounts, putting into place business operations and protocols which were lacking due to DeYoung's neglect, notifying all financial institutions and brokerage firms with whom the Receivership Defendants conducted business, securing and freezing all APS accounts, recovering personal assets from the DeYongs and related parties, securing and maintaining the business premises of APS, continuing the daily operations at APS, answering APS clients' questions and inquiries, establishing a website to answer their frequently asked questions, approving client transactions that conform with the requirements set forth in the Court's Clarifying Order dated May 21, 2014, preparing and mailing over 5,000 5498 Forms to the Internal Revenue Service and APS clients as required by IRS regulations, and generally overseeing APS's business operations.

6. The Receiver's team, accompanied by the U.S. Marshal, was also required to seek assistance from the Court to gain entry to DeYoung's personal residence for the purpose of imaging all computers and electronic devices and to take an inventory of all assets and

documents located within the residence. After inventorying the contents of the house and speaking with neighbors and other interested persons, the Receiver discovered that DeYoung had (i) destroyed over 200 emails and hidden APS documents in an off-site storage unit, (ii) loaded a 30-foot trailer with a piano and other personal property subject to the Receivership Order and hidden the trailer, (iii) used his wife and former APS employee Dean Becker to attempt to hide nearly \$200,000.00 in newly-created LLC accounts, and (iv) attempted to hide and then sell for \$10,000.00 an antique car and Coca-Cola collectibles (“Collectibles”) that had been ordered frozen by the Receivership Order.

7. As a result of these violations, the Receiver obtained a Writ of Seizure [Docket No. 48] on May 15, 2014 [Docket No. 55], whereby the Receiver took possession of the Collectibles, obtained over 175 boxes of documents that DeYoung previously claimed did not exist, and confirmed that all known financial accounts held by DeYoung and his wife were frozen, including personal credit cards that the DeYoung’s had been using in violation of the Receivership Order.

8. The Receiver has also located additional homes owned by DeYoung or legal entities controlled by him, including two homes and an office building located in Utah, and a vacation cabin in Idaho. The Receiver’s team has recorded *lis pendens* against the properties to prevent them from being sold until the Receiver is able to seize and sell the properties, including by foreclosure sale if necessary. The Receiver is continuing to investigate additional properties and assets that may be owned by the DeYoungs and/or entities controlled by them, and has issued subpoenas to a number of entities and individuals who likely have information regarding such assets, including family members, employees, accountants, tax preparers, etc.

9. In addition to recovering assets from the DeYoungs, the Receiver has learned that DeYoung's former business associates Michael Memmott, Jr., Michael Memmott Sr. and various entities owned by them (the "Memmotts") owe substantial amounts of money to the APS Defendants and APS Clients. The Receiver has subpoenaed the Memmotts for production of documents and has noticed their depositions to determine the nature and value of all accounts and how to proceed so as to recover all outstanding funds. The Memmotts have not cooperated with the Receiver in providing documents subpoenaed. Nor have they cooperated in making themselves available for depositions. The Receiver continues to aggressively pursue the Memmotts because of their apparent integral involvement with APS and DeYoung.

10. Pursuant to paragraph 47 of the Receivership Order, the Receiver has also been diligently evaluating and investigating the manner in which the financial and business affairs of the Receivership Defendants were conducted and, after obtaining leave of this Court, will be filing such actions and legal proceedings she deems necessary and appropriate, including but not limited to insurance claims, banking claims, fraudulent transfer claims, and such other relief from this Court as may be necessary to enforce the Receivership Order.

11. Having reopened for business and having established a new website and dedicated email for client questions, the Receiver has also been inundated with hundreds of requests to approve investment transactions, as well as phone calls and emails requesting guidance on which transactions would be approved, taken her away from the development of a Liquidation Plan.

12. The Receiver also undertook a major operational compliance filing with the Internal Revenue Service by preparing and providing IRS Form 5498 for all current APS clients. The Form 5498 is an IRS form which indicates the amount of each APS client's IRA

contribution and the “fair market value” of each account. It is required to be filed by the trustee or issuer of the IRA to report contributions, including any catch-up contributions, required minimum distributions, and the fair market value of the account.

13. To balance the APS clients’ desire to continue investing their assets against the need to preserve assets and operational cash balances, on May 15, 2014, the Receiver filed a Motion and Memorandum Supporting Clarification Regarding Order Appointing Receiver, Freezing Assets, and Other Relief [Docket No. 54], seeking clarification regarding the types of transactions that could be approved consistent with the Receivership Order.

14. On May 21, 2014, the Court granted the motion and entered an Order Clarifying Order Appointing Receiver, Freezing Assets, and Other Relief [Docket No. 79] (“Clarifying Order”). With the Clarifying Order in place, the Receiver began the time-intensive task of preparing revised direction letters to be submitted by the APS clients to request the Receiver to approve a transaction. The direction letters instruct the Receiver to either buy, sell or transfer assets for the following types of transactions:

- Brokerage accounts,
- Coin, precious metals, and foreign currencies
- Entities such as LLCs;
- Real estate;
- Secured and unsecured promissory notes
- Public stock offerings
- General buy and sell direction letters for transactions that do not fall into the above categories.

Due to the nature of self-directed investing, most transactions are relatively complex, fact intensive, and require a significant amount of time and coordination with third parties, as well as resources to review prior to approval.

15. Since May 21, 2014, the Receiver and her team have spent hundreds of hours explaining the Clarifying Order to APS clients and reviewing direction letters submitted by APS clients to ensure that they comply with the terms of the Clarifying Order. As of result of these measures, the Receiver has been able to approve many of the hundreds of transactions that have been requested, which has significantly diminished any harm suffered by APS clients whose accounts would be completely frozen otherwise. It has also conferred the additional advantage of helping the Receiver to understand the vast network of complicated transactions that clients will be requesting in the future, and how a liquidation plan might negatively or positively impact such transactions.

Efforts Undertaken To Determine a Fair and Equitable Liquidation Plan

16. To determine the most fair, reasonable and efficient Liquidation Plan, the Receiver has analyzed a vast number of court cases that have addressed how to most fairly allocate assets and losses in similar receiverships.¹ Based on the cases reviewed, there is no clear method that is employed in designing a liquidation plan. Rather, each case involves its own unique circumstances that must be taken into consideration and this case is no different.

17. The Receiver is considering, however, a number of different options or combination of approaches, including (a) a pro-rata allocation of loss, which may use the gross

¹ These cases include: *CFTC v. Walsh*, 712 F.3d 735 (2d Cir. 2013); *S.E.C. v. Huber*, 702 F.3d 903 (7th Cir. 2012); *In re Bernard L. Madoff Inv. S.E.C.*, 654 F.3d 229 (2d Cir. 2011); *S.E.C. v. Wealth Mgmt. LLC*, 628 F.3d 323 (7th Cir. 2010); *S.E.C. v. Orgel*, 407 F. App'x 504 (2d Cir. 2010); *S.E.C. v. Elliott*, 953 F.2d 1560, 1564 (11th Cir. 1992); *S.E.C. v. Credit Bancorp, Ltd.*, 290 F.3d 80 (2d Cir. 2002); *S.E.C. v. Forex Asset Mgmt. LLC*, 242 F.3d 325 (5th Cir. 2001); *CFTC v. Topworth Int'l, Ltd.*, 205 F.3d 1107 (9th Cir. 1999); *United States v. Durham*, 86 F.3d 70 (5th Cir. 1996); *CFTC v. Wilson*, 2013 WL 3776902 (S.D. Cal. July 17, 2013); *S.E.C. v. Illaramendi*, 2013 WL 6385036 (D. Conn. 2013); *In re Receiver*, 2011 WL 2601849 (D.S.C. July 1, 2011); *S.E.C. v. Kaleta*, 2011 WL 6016827 (S.D. Tex. 2011); *S.E.C. v. Parish*, 2010 U.S. Dist. LEXIS 11757 (D.S.C. Feb. 10, 2010); *CFTC v. Barki, LLC*, 2009 WL 3839389 (W.D.N.C. Nov. 12, 2009); *S.E.C. v. Byers*, 637 F.Supp.2d 166 (S.D.N.Y. 2009); *CFTC v. Eustance*, 2008 WL 471574 (E.D. Penn. 2008); *CFTC v. Equity Financial Group*, 2005 WL 2143975 (D.N.J.); *S.E.C. v. Drucker*, 318 F. Supp. 2d 1205 (N.D. Ga. 2004); *S.E.C. v. Qualified Pensions, Inc.*, 1998 WL 29496 (D.D.C. Jan. 16, 1998); *CFTC v. Richwell Int'l Ltd.*, 163 B.R. 161 (N.D. Cal. 1994); *S.E.C. v. P.B. Ventures*, 1991 WL 269982 (E.D.Pa. Dec. 11, 1991).

investment method, last statement method, the modified net investment method, or the rolling-over approach, and (b) tracing of the loss to individual APS clients.

18. The Receiver has discovered that selecting the proper method of allocation is a difficult task, because even though each method is equitable in the abstract, it may have unintended consequences depending on the facts of each case. For this reason, courts have consistently emphasized that selecting the proper distribution plan is a fact intensive inquiry because “the facts of a given case will dictate which method would be the most equitable.” *See CFTC v. Barki, LLC*, No. 3:09cv106-MU, 2009 WL 3839389 at * 2 (W.D.N.C. Nov. 12, 2009) (emphasis added) (citing *S.E.C. v. Byers*, 637 F.Supp.2d 166, 182 (S.D.N.Y 2009)). Additionally, the financial formulas governing each method are often complicated, and may require extensive calculations to test out the actual application of the formula and to determine which method is the most equitable given the unique facts of the case.

19. Adding complexity to the development of the a plan of liquidation are several operational factors:

- a. First, upon review of the assets carried by APS clients, the Receiver has discovered that the assets held by the clients take many forms, including cash, entity interests, real estate holdings, notes receivable, stocks, currency & hard metals, bonds and other assets of various forms. Attached hereto as Exhibit 1 is a Summary of Assets of the APS clients as of April 25, 2014.
- b. Second, in regards to the APS client assets, their assets consist of (a) cash only; (b) cash and assets only; or (c) assets only.

- c. Third, in addition to APS, the Receiver seized control of American Pension 401K Services, Inc. (“APS 401K”). This entity was created in approximately 2009. Some of APS 401K’s clients rolled over from APS in which their funds were deposited into the commingled APS Master Trust Account, while others who became clients after 2009 did not have any funds deposited into the APS Master Trust Account.
- d. Fourth, depending on how the Receiver proposes to determine the potential loss allocated to each APS client as of a given date will ultimately impact the nature and scope of the Liquidation Plan. Her analysis will need to take into consideration each individual client’s asset mix and how that asset mix will be dealt with when viewed in the totality of the plan.
- e. Finally, there is the interplay between each client and the impact of what the Receiver ultimately proposes will have with regards to the types of IRA accounts and the Internal Revenue Service.

II. THE RECEIVER NEEDS THIRTY (30) ADDITIONAL DAYS TO FORMULATE A FAIR AND EQUITABLE LIQUIDATION PLAN

For the reasons explained herein, submitting a Liquidation Plan at this point would be premature, divert limited resources, and cause confusion rather than clarity. Therefore, the Receiver merely needs and requests an additional thirty (30) days to finish developing a fair and equitable Liquidation Plan, which she will submit on or before August 22, 2014. The additional time is required because she continues to gather information regarding the value of the APS clients’ investments. She is also acquiring information and input from a cross-section of APS clients about their respective views and needs, which will be considered and incorporated into

the proposed plan. She also needs to complete discussions with potential third-party administrators who may be willing to purchase APS's business and/or act as a third-party administrator for the APS clients, which will benefit APS clients. She is also communicating with the Internal Revenue Service to assure that she does not propose a plan that negatively impacts the APS clients.

1. Assessing the Fair Market Value of APS Clients' Accounts.

APS records indicate that there are approximately 5,500 accounts with approximately \$360 million in total assets administered by APS. These assets take many forms, real estate, promissory notes, securities, limited liability memberships, cash and "other assets" to name a few. A significant challenge for the Receiver is determining the value of these assets and when to value them. The Receiver is considering using April 25, 2014 (the day she seized APS) as the starting point for determination of value. However, APS clients have voiced concerns over this due to the fact that their assets have not been correctly valued and may be either over valued or undervalued. The issue became more pronounced after sending out the Form 5498 in May 2014, following this filing, many APS investors have expressed concerns that the Form 5498 is inaccurate. In some cases, investors have explained that a particular investment has lost value, such as real estate or an unpaid promissory note. In other cases, the investors are concerned their assets were fraudulently or improperly accounted for prior to the Receiver's appointment on April 24, 2014. Still other APS clients insist that because of their diligence, they should not share in any loss.

Before a Liquidation Plan can be proposed or implemented, the Receiver must determine an effective method by which to measure the fair market value of APS clients' accounts and the

assets contained therein. The Receiver believes that until this can be determined with any certainty, any Liquidation Plan would be fraught with problems. However, the Receiver is also concerned about the time and expense of asking approximately 5,500 plus investors to provide a fair market valuation report because it would be both labor and time intensive, with uncertain results. APS clients may be inclined to over or under value their assets in an attempt to minimize their loss. The re-valuation process would likely take months, as the Receiver would need to prepare a mailing to approximately 5,500 clients, provide clients adequate time to respond to the Receiver's inquiry, and collect, review and process the responses. Hence, the Receiver believes the most efficient and equitable approach may be to value the assets as of the date of the Receiver's seizure of the company on April 25, 2014.

2. Investor Conference Calls.

Earlier today, July 18, 2014, the Receiver, counsel and accountants participated in conference call with approximately 20 investors who represent a cross-section of investors with different amounts and types of assets administered by APS. The call allowed the Receiver to hear from those who will be directly affected by a liquidation plan and what is important to them moving forward. Considering the issue from the viewpoint of the APS investors is an essential component of developing a plan that is fair and equitable to all parties, and will hopefully generate support for the plan ultimately proposed to this Court. *See, e.g., CFTC v. Walsh*, 712 F.3d 735, 742-43 (2nd Cir. 2012) (district court approved the Receiver's proposed claims administration procedure in which (a) investors and other interested persons would be invited to submit to the court proposals for the distribution of money collected by the Receiver, (b) the

CFTC and the SEC would then express their views as to an appropriate distribution plan, and (c) the Receiver would then submit its distribution plan).

The investors expressed a number of concerns, including the need for fairness and expediency. They also revealed that there are a number of different points of view on what the Liquidation Plan should look like and who the Receiver should be pursuing in terms of recovery of the lost monies, including those who knew or should have known of the misappropriation of funds. Also, some expressed a willingness to share in the loss, while others suggested that because they were diligent in managing their investments away from cash, they should not bear the loss of those who were less diligent. Then there were investors who became clients of APS within the last couple of years, who either immediately reinvested their rollover funds and/or have simply left their IRA investment in cash. The comments of these APS clients reinforced the Receiver's concern that all APS clients and creditors be dealt with fairly and equitably and that a more complex plan may be necessary.

3. Meetings with Interested Buyers

Since taking over APS, the Receiver has been contacted by several prospective third-party administrators that have expressed interest in either acquiring APS's business or making their services available to APS clients interested in moving their accounts. The Receiver has received a number of inquiries in which APS clients want to move their accounts. The Receiver has precluded clients from moving their accounts until the Court considers a Liquidation Plan due to the uncertainty regarding how the loss will be allocated to all APS clients. On Monday, June 21, 2014, the Receiver will meet with seven different entities and an investment banker who have expressed an interest in APS. The Receiver has waited until now to consult with any

potential buyers because she needed to first understand the nature and valuation of the business, and because she needed to get APS fully operational prior to considering any sale to a third-party. Because the sale of APS to a third party would drastically impact the nature of a Liquidation Plan, it must be resolved prior to a plan being proposed.

4. Determine which Distribution Method Would be Most Equitable to the Facts of this Case.

Once the Receiver finishes gathering the information identified above, she will apply the unique set of facts here to the various distribution methods that other receivers have adopted in similar cases -- selecting the most fair and equitable plan. Without first obtaining this information, it is difficult if not impossible to develop a plan because while each method is equitable in its own way, “the facts of a given case will dictate which method would be the most equitable.” *See CFTC v. Barki, LLC*, No. 3:09cv106-MU, 2009 WL 3839389 at * 2 (W.D.N.C. Nov. 12, 2009) (emphasis added) (citing *S.E.C. v. Byers*, 637 F.Supp.2d 166, 182 (S.D.N.Y. 2009)). The Receiver has already come a long way and is close to having the necessary information to finalize the liquidation plan. The Receiver is confident that she will be able to present the Court with a fair and equitable Liquidation Plan on August 22, 2014.

CONCLUSION

For the foregoing reasons, the Receiver respectfully requests that the Court enter an Order granting her an additional 30 days, or until August 22, 2014, to present a Liquidation Plan to the Court.

DATED this 18th day of July, 2014.

/s/ Mark R. Gaylord
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Diane A. Thompson

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of July, 2014, I caused a true and correct copy of the foregoing **RECEIVER'S MOTION FOR AUTHORIZATION TO FILE LIQUIDATION PLAN ON AUGUST 22, 2014 AND MEMORANDUM IN SUPPORT** to be delivered as follows:

Through the CM/ECF System for the U.S. District Court.

Hand Delivery

U.S. Mail, postage prepaid

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/s/ Lori D. Brown

EXHIBIT 1

AMERICAN PENSIONS SERVICES, INC.
SCHEDULE OF ASSETS
AS OF APRIL 25, 2014

Note 1 - The asset descriptions and asset values shown below were compiled from data contained in the APS Trust accounting system as of April 25, 2014. The Receiver and her professionals do not guarantee the accuracy of the categories and their related values.

Note 2 - The cash balance shown was based on the data contained in the APS Trust accounting system. The receiver has determined that the aggregate cash balance shown in the APS Trust accounting system is overstated by approximately \$24,600,000. The methodology for allocation of this shortfall has yet to be determined.

Note 3 - The assets shown below are grouped in categories based on the asset descriptions contained in the APS Trust accounting system.

Asset Category	Asset Description	Total by Asset Description	Subtotal by Asset Category
CASH	Cash	\$ 50,653,871.05	
CASH	CD	50,751.77	
CASH	Money Market	296,455.27	\$ 51,001,078.09
ENTITY INTEREST	Joint Venture	564,022.51	
ENTITY INTEREST	Limited Partnership	20,061,645.10	
ENTITY INTEREST	LLC	111,703,792.85	132,329,460.46
NOTE RECEIVABLE	Mortgage Note	1,397,293.79	
NOTE RECEIVABLE	Promissory Note	61,292,634.19	
NOTE RECEIVABLE	Trust Deed	533,000.00	
NOTE RECEIVABLE	Trust Deed Note	39,994,400.29	103,217,328.27
STOCKS	Brokerage Account	4,956,678.53	
STOCKS	Mutual Fund	72,441.43	
STOCKS	Stock	14,963,629.17	19,992,749.13
REAL ESTATE	Real Property	40,365,941.43	
REAL ESTATE	REIT	1,032,044.49	41,397,985.92
CURRENCY & METALS	Bullion	32,523.48	
CURRENCY & METALS	Coins	884,396.14	
CURRENCY & METALS	Currency	2,036,724.63	2,953,644.25
BONDS	Bond	247,646.89	
BONDS	Debenture	407,237.74	654,884.63
OTHER	Annuity	100.00	
OTHER	Annuity Assignment	246,260.94	
OTHER	Assignment	464,629.83	

AMERICAN PENSIONS SERVICES, INC.
SCHEDULE OF ASSETS
AS OF APRIL 25, 2014

OTHER	Assignment of Note	610,064.85	
OTHER	Cash Balance	2,838.90	
OTHER	C-Corp	55,000.00	
OTHER	Contract	2,355,010.30	
OTHER	Domain Name	5,162.50	
OTHER	Escrow Account	27,629.47	
OTHER	Foreign Exchange Mrk	23.76	
OTHER	Judgment	51,156.71	
OTHER	Land Trust	14,607.50	
OTHER	Lease	103,288.07	
OTHER	Loan Agreement	340,556.00	
OTHER	Miscellaneous	147,080.55	
OTHER	Mobile Home	115,947.68	
OTHER	Oil Lease	202,057.68	
OTHER	Option	9,941.43	
OTHER	PPM	1,493,340.53	
OTHER	Purchase Agreement	102,500.00	
OTHER	Real Estate Option	413,484.80	
OTHER	Stock Options	40,684.25	
OTHER	Sub Debenture	1.00	
OTHER	Tax Deed	56,320.61	
OTHER	Tax Lien	27,749.31	
OTHER	Tax Lien Certificate	1,546.12	
OTHER	Tax Sale	41,473.81	
OTHER	Warrant	500.00	
OTHER	Water Shares	82,160.25	
OTHER	Non-Recourse Loan	2,968,868.82	
OTHER	Viatical	219,029.22	
OTHER	Consolidated Notes	100,000.00	
OTHER	Oil & Gas Venture	698,477.69	
OTHER	Land Contract	355,753.27	
OTHER	Claim	1,118,467.22	
OTHER	Claim SEC Receiver	26,599.27	
OTHER	Rescission Offer	2,259,752.70	14,758,065.04
	Total Assets	\$ 366,305,195.79	\$ 366,305,195.79