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October 20, 2026

BY ECF

The Honorable Rachel P. Kovner
United States District Judge
Eastern District of New York
United States Courthouse
225 Cadman Plaza East
Brooklyn, NY 11201

Re: *SEC v. GPB Capital Holdings, LLC, et al.*, No. 21-cv-00583 (E.D.N.Y.)

Dear Judge Kovner:

We represent the Court-appointed receiver, Joseph T. Gardemal III, in the above-referenced matter. Pursuant to Paragraph 45 of this Court's December 8, 2023 order establishing the Receivership in this matter, we are respectfully submitting Receiver Joseph T. Gardemal III's Eighth Status Report, for the Period July 1, 2026, through September 30, 2026 ("Eighth Status Report"). The Eighth Status Report is attached to this letter as **Exhibit A**.

Respectfully submitted,

HOGAN LOVELLS CADWALADER US LLP

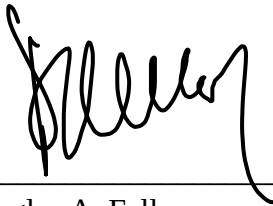
By: 
Douglas A. Fellman
Counsel to Joseph T. Gardemal III, Receiver

Exhibit A

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-against-

**GPB CAPITAL HOLDINGS, LLC;
ASCENDANT CAPITAL, LLC;
ASCENDANT ALTERNATIVE
STRATEGIES,
LLC; DAVID GENTILE;
JEFFRY SCHNEIDER; and
JEFFREY LASH,**

Defendants.

**RECEIVER JOSEPH T. GARDEMAL III'S EIGHTH STATUS REPORT,
FOR THE PERIOD JULY 1, 2026, THROUGH SEPTEMBER 30, 2026**

Joseph T. Gardemal III was appointed the Receiver (“Receiver”) of GPB Capital Holdings, LLC (“GPB” or the “Company”) and the Receivership Entities¹ pursuant to the Order Appointing Receiver and Imposing Litigation Injunction, entered on December 8, 2023. See *SEC v. GPB Capital Holdings, LLC, et al.*, No. 21-cv-00583 (E.D.N.Y. Dec. 8, 2023), Dkt. No. 187 (the

1 The “Receivership Entities” are Armada Waste Management GP, LLC (fka GPB Waste Management GP, LLC); Armada Waste Management, LP (fka GPB Waste Management, LP); Armada WM SLP, LLC (fka GPB WM SLP, LLC); GPB Auto SLP, LLC; GPB Automotive Income Fund, LTD.; GPB Automotive Income Sub-Fund, LTD.; GPB Automotive Portfolio, LP; GPB Capital Holdings, LLC; GPB Cold Storage, LP; GPB H2 SLP, LLC; GPB H3 SLP, LLC; GPB Holdings II, LP; GPB Holdings III GP, LLC; GPB Holdings III, LP; GPB Holdings Qualified, LP; GPB Holdings, LP; GPB NYC Development, LP; GPB NYCD SLP LLC; GPB SLP, LLC; and Highline Management Inc.

“Receivership Order”). This Eighth Status Report (“Eighth Status Report” or “Report”) is submitted pursuant to paragraph 45 of the Receivership Order. By way of summary, the Receivership Estate consists of, among other things, the Receivership Entities and their holdings, including all assets, property, rights, and interests owned or controlled by those entities. As of September 30, 2026, the current cash² balance of the Receivership Estate was \$710,575,657.³

Since Mr. Gardemal’s appointment as Receiver, and before that in his capacity as Monitor, his number one priority has been to maximize returns to the investors of GPB and to distribute such proceeds as expeditiously as possible. In that regard, the Receiver recognizes that investors are greatly interested in when the next distribution will occur. Based on the work and progress achieved by the Receiver and his team to date, the Receiver reports that as soon as two major claims against the Receivership Estate are resolved, he anticipates making a very substantial second distribution to investors.

The first of these claims is the class action against GPB that is pending in federal court in Texas. The good news is that a settlement of this litigation has been agreed to with the plaintiffs, though the settlement requires court approval. The federal court in New York, in which the Receivership is established, has already approved the Receiver’s entry into this settlement, and a motion for approval remains pending before the Texas federal court.

² For the purposes of this Report, the term “cash” refers to both cash and cash equivalents, unless otherwise specified. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash (e.g., treasury bills, commercial paper, and money market funds). Cash reported at Receivership Entities does not include cash at portfolio companies or non-reporting entities of approximately \$5.7 million.

³ All financial data is calculated as of September 30, 2026.

The second set of claims consists of a group of state Attorney General and state regulatory body enforcement actions pending against GPB and other defendants. The Receiver has been in advanced discussions with the states in an effort to resolve these enforcement proceedings as to GPB and has argued that these state actions against GPB should be resolved without requiring GPB to pay any money or incur any other financial obligations. Because it is hoped that the states would direct any financial recovery from GPB to the victims, rather than to state coffers, the Receiver has made clear that any monies the states might seek from GPB are monies that will ultimately be returned to the victims anyway, and that these enforcement actions against GPB now serve only to cause the Receivership Estate to incur legal fees and impede the Receiver's ability to make the next distribution, all to the detriment of the victims. If the states agree to resolve and terminate their enforcement actions against GPB without requiring financial payments or financial obligations, then this second potential liability against GPB will have been eliminated as well, along with the class action, and that will clear the way for a substantial second distribution to GPB investors.

While the Receiver cannot predict the timing of the final approval of the class action settlement or resolution of the state enforcement actions against GPB, which would not extend to defendants in those proceedings other than GPB itself, the Receiver and his team are doing everything possible to achieve these resolutions as soon as possible in order that the next distribution can occur promptly thereafter.

This Report, which covers the period from July 1, 2026, through September 30, 2026, provides an accounting of the Receivership Estate and discusses certain actions the Receiver has taken or will take pursuant to the Receivership Order to prudently manage the assets entrusted to him.

I. Background

A. Procedural History

On February 4, 2021, the United States Securities and Exchange Commission (the “SEC”) filed a civil law enforcement action against GPB, Ascendant Capital, LLC (“Ascendant Capital”), Ascendant Alternative Strategies, LLC (“AAS”), David Gentile (“Gentile”), Jeffry Schneider (“Schneider”), and Jeffrey Lash (“Lash”) (collectively, the “Defendants”) in the United States District Court for the Eastern District of New York (the “SEC Complaint”).⁴

The SEC Complaint alleged that the Defendants perpetrated a fraudulent securities scheme that raised more than \$1.7 billion for at least five limited partnership funds from approximately 17,000 retail investors.⁵ The limited partnership funds acquired various portfolio companies (the “GPB Portfolio Companies”) that were operated by GPB.⁶ Specifically, the SEC Complaint alleged that while GPB had told investors it consistently paid an 8% annualized distribution, as well as periodic “special distributions” ranging from 0.5% to 3%, from the funds generated by the operations of the GPB Portfolio Companies, in reality, GPB used investor funds to pay distributions when the operating funds were insufficient.⁷ Further, the SEC Complaint alleged that the Defendants concealed the truth from investors by manipulating financial statements for two of the limited partnership funds to give the false appearance that the portfolio company income was sufficient to fund the investor distributions.⁸ The SEC Complaint also alleged that GPB and

⁴ Complaint, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 1.

⁵ SEC Complaint ¶¶ 2-3.

⁶ SEC Complaint ¶ 2.

⁷ SEC Complaint ¶¶ 2-4.

⁸ SEC Complaint ¶ 4.

Ascendant Capital deceived investors about fees and compensation paid to Gentile, Schneider, and Ascendant Capital, and failed to disclose Gentile's and Schneider's conflicts of interest in executing acquisitions because of undisclosed fees.⁹ Finally, the SEC Complaint alleged that GPB impeded former employees from communicating directly with the SEC and retaliated against a known whistleblower who raised concerns about GPB's use of investor funds to make distribution payments to investors.¹⁰

On the basis of this alleged conduct, the SEC charged that the Defendants (other than Lash) had violated antifraud provisions of Section 17(a) of the Securities Act of 1933 (the "Securities Act"), and Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 (the "Exchange Act").¹¹ The SEC also alleged that GPB and Gentile violated antifraud provisions of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (the "Advisers Act"), and that GPB violated Section 206(4) of the Advisers Act.¹² The SEC also alleged that GPB violated whistleblower-protection and reporting and disclosure requirements under Sections 21F and 12(g) of the Exchange Act.¹³ The SEC further alleged that Gentile and Schneider aided and abetted certain antifraud violations by the entity defendants pursuant to Section 15(b) of the Securities Act, and Section 20(e) of the Exchange Act.¹⁴ Finally, the SEC alleged various aiding and abetting antifraud violations by Lash.¹⁵ The SEC sought permanent injunctions against each Defendant,

⁹ SEC Complaint ¶ 5.

¹⁰ SEC Complaint ¶ 7.

¹¹ SEC Complaint ¶¶ 9-14.

¹² SEC Complaint ¶¶ 9, 12.

¹³ SEC Complaint ¶ 9.

¹⁴ SEC Complaint ¶¶ 12-13.

¹⁵ SEC Complaint ¶ 14.

disgorgement of Defendants' ill-gotten gains, together with prejudgment interest, and civil penalties.¹⁶

On February 4, 2021, the same day that the SEC filed its civil enforcement action, the United States District Court for the Eastern District of New York unsealed a grand jury indictment charging Gentile, Schneider, and Lash with conspiracy to commit securities fraud, conspiracy to commit wire fraud, and securities fraud, and Gentile and Lash with wire fraud (the "Indictment").¹⁷ Specifically, the Indictment alleged that between 2015 and 2018, Gentile, Schneider, Lash, and others engaged in a scheme to defraud investors and prospective investors in GPB investment funds through material misrepresentations and omissions relating to, among other things: (a) the source of funds used to pay monthly distribution payments to investors in several of the GPB investment funds, including GPB Holdings, LP, ("Holdings I"), and GPB Holdings II, LP ("Holdings II"), and (b) the revenue generated by Holdings I in 2014 and GPB Automotive Portfolio, LP ("Automotive Portfolio") in 2015.¹⁸ The Indictment alleged that in furtherance of this fraudulent scheme, Gentile, Schneider, Lash, and others made material misrepresentations and omissions to investors and prospective investors in certain of the GPB investment funds.¹⁹

On February 8, 2021, the SEC moved for the appointment of an independent monitor (the "Monitor") to oversee the operations of GPB and its affiliates.²⁰ On February 12, 2021, now-

¹⁶ SEC Complaint ¶ 17.

¹⁷ See Unsealing Order, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 5; Indictment, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 1.

¹⁸ Indictment ¶ 15.

¹⁹ Indictment ¶ 16.

²⁰ Plaintiff's Application for Order to Show Cause, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 10.

Receiver Joseph T. Gardemal III was appointed as the Monitor over GPB pursuant to an order entered by the Honorable Margo K. Brodie, United States District Judge for the Eastern District of New York (the “Initial Order”).²¹ GPB consented to the Initial Order.²² On April 14, 2021, the Initial Order was amended (the “Amended Order,” and together with the Initial Order, the “Monitor Order”).

The Monitor Order provided that, among other things, the Monitor had the power to approve or disapprove: any proposed material corporate transactions by GPB, Highline Management, Inc. (“Highline”), the GPB Funds,²³ or the GPB Portfolio Companies;²⁴ any extension of credit by GPB, Highline, the GPB Funds, or the GPB Portfolio Companies; any material change in business strategy by GPB, Highline, the GPB Funds, or the GPB Portfolio Companies; any material change to compensation of any executive officer, affiliate, or related party of GPB, Highline, the GPB Funds, or the GPB Portfolio Companies; any retention by GPB, Highline, the GPB Funds, or the GPB Portfolio Companies of any management-level professional; any decision to resume distributions to investors in any of the GPB Funds, consistent with the investment objectives of the GPB Funds; and any decision to prepare for, file, or cause to be filed, any bankruptcy or receivership petition for GPB or its affiliates.²⁵ The Monitor Order also

²¹ Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 23.

²² See SEC’s Letter re: Application for Order to Show Cause to inform Court of parties’ agreement to terms of proposed Order Appointing Monitor, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 21.

²³ As defined in Exhibit B to the Amended Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 39.

²⁴ As defined in Exhibit A to the Amended Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 39.

²⁵ Amended Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 39 ¶ 6.

provided that if the Monitor believes GPB is in some way not materially in compliance with the terms of this Order, upon notice of noncompliance to GPB, GPB shall have ten business days in which to cure any claimed material noncompliance (the “Cure Period”) and that, “[i]f GPB does not comply with the above provisions and does not make requested changes within the Cure Period, upon motion of the SEC resulting in a Court Order, the Monitorship shall convert to a Receivership.”²⁶

B. Conversion from Monitorship to Receivership

On May 29, 2022, Mayer Brown LLP, in its capacity as counsel to GPB, informed the Monitor that Gentile had documents delivered to the Company reflecting that Gentile had purported to take actions, as of May 27, 2022, (i) expanding the number of managers of the Company from one to four and appointing each of Rick Murphy, Michael Fasano, and Matt Judkin as managers, and (ii) amending the limited liability company agreement of the Company to, among other things, provide for new compensation arrangements with respect to non-employee managers (collectively, the “May 27, 2022 Purported Actions”).²⁷

On May 31, 2022, the Monitor provided formal notice to GPB that the May 27, 2022 Purported Actions, among other things, violated Sections 6(d) and 6(e) of the Monitor Order (the “Material Non-Compliance”), which meant that the Company had ten business days in which to cure the Material Non-Compliance, and that if such cure did not occur within ten business days,

²⁶ Amended Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 39 ¶ 21.

²⁷ SEC’s Memorandum of Law in Support of Its Motion for an Order Appointing a Receiver and Imposing a Litigation Injunction, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 89 at 5; Declaration of the Monitor, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 90 ¶ 18.

then the Monitorship would be converted to a Receivership pursuant to Sections 20 and 21 of the Monitor Order.²⁸

On June 13, 2022, following the notice provided by the Monitor and pursuant to the remedies provided for in Section 21 of the Monitor Order, the SEC filed a motion to request the conversion of the Monitorship to a Receivership as a result of the continuing violations of the Monitor Order.²⁹ On July 1, 2022, GPB filed a memorandum in response to the SEC's motion for the appointment of a receiver, stating that the Company consented to the relief sought by the SEC.³⁰ On July 28, 2023, the Honorable Vera M. Scanlon, United States Magistrate Judge for the Eastern District of New York, issued a Report and Recommendation that recommended that the SEC's motion to convert the Monitorship to a Receivership and for the imposition of a litigation injunction be granted.³¹

On September 8, 2023, Gentile and Schneider filed objections to Magistrate Judge Scanlon's Report and Recommendation with Chief Judge Margo K. Brodie, the District Court

²⁸ Declaration of the Monitor, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 90 ¶ 22. See also Amended Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 39 ¶ 20 (If the Monitor believes GPB is in some way not materially in compliance with the terms of this Order, upon notice of noncompliance to GPB, GPB shall have 10 business days in which to cure any claimed material noncompliance (the "Cure Period")); ¶ 21 ("If GPB does not comply with the above provisions and does not make requested changes within the Cure Period, upon motion of the SEC resulting in a Court Order, the Monitorship shall convert to a receivership. GPB shall be afforded an opportunity to oppose any such application by the SEC before conversion to a receivership.").

²⁹ Plaintiff's Application for Order to Show Cause, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 88.

³⁰ Defendant GPB's Memorandum in Response to the SEC's Motion for an Order Appointing a Receiver and Imposing a Litigation Injunction, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 101.

³¹ Report and Recommendation, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 157 at 33.

Judge overseeing the SEC case.³² Two weeks later, on September 22, 2023, the SEC and GPB filed responses to the objections, in which they asked Chief Judge Brodie to reject the objections and accept Magistrate Judge Scanlon's recommendations.³³

On December 7, 2023, Chief Judge Brodie entered an Order adopting the Report and Recommendation.³⁴ The next day, Chief Judge Brodie entered the Receivership Order, which (i) converted the Monitorship into a Receivership and converted Mr. Gardemal's role from Monitor to Receiver over GPB and related entities, and (ii) imposed a litigation injunction.³⁵ On December 12, 2023, Gentile, and on December 13, 2023, Schneider and Ascendant Capital, appealed the Receivership Order to the United States Court of Appeals for the Second Circuit.³⁶ On December 14, 2023, upon motion by Gentile, Schneider and Ascendant Capital, Chief Judge Brodie temporarily stayed the Receivership Order so that the parties could seek a stay pending appeal from the Second Circuit.³⁷ On December 21, 2023, Gentile, Schneider and Ascendant Capital filed

³² Defendant's Objection, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 167; Defendant's Objection, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 168.

³³ Notice by SEC, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 170; Notice by GPB, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 171.

³⁴ Memorandum & Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 186.

³⁵ Receivership Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 187.

³⁶ Notice of Appeal, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 188; Notice of Appeal, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 191.

³⁷ Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. N/A (December 14, 2023).

a motion to stay the Receivership Order with the Second Circuit, which the SEC did not oppose.³⁸ The Second Circuit entered its own stay on May 14, 2024.³⁹

While the appeal of the Receivership Order was pending, the criminal trial of Gentile and Schneider commenced on June 12, 2024. On August 1, 2024, following an eight-week jury trial, Gentile and Schneider were found guilty of securities fraud, conspiracy to commit securities fraud, and conspiracy to commit wire fraud.⁴⁰ Gentile was also convicted on two counts of wire fraud.⁴¹ On May 9, 2025, Judge Rachel P. Kovner sentenced Gentile and Schneider principally to seven years in prison and six years in prison, respectively.⁴² On November 14, 2025, Gentile surrendered to the Bureau of Prisons to serve his sentence.⁴³ However, on November 26, 2025, President Donald J. Trump issued an executive grant of clemency, which resulted in a commutation of Gentile's sentence with "[n]o further fines, restitution, probation, or other conditions."⁴⁴ On January 14, 2026, Schnieder surrendered to the Bureau of Prisons to serve his sentence.⁴⁵

On August 30, 2024, in light of the guilty verdicts against Gentile and Schneider, the SEC filed a motion in the Second Circuit requesting that the Court lift the stay of the Receivership

³⁸ Defendants' Unopposed Motion to Stay Order Pending Appeal, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 18.

³⁹ Order, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 71.

⁴⁰ Jury Verdict, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 472; Jury Verdict, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 473.

⁴¹ *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 472.

⁴² Judgment, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF Nos. 596, 598.

⁴³ See November 21, 2025 Letter to Court from A. Riviere-Badell, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 655.

⁴⁴ Donald J. Trump, "Executive Grant of Clemency – David Gentile" (President of the United States, Washington, DC, November 26, 2025).

⁴⁵ See January 15, 2026 Letter to Court from G. Colton, *USA v. Gentile, et. al.*, Case No. 21-cr-00054 (E.D.N.Y.), ECF No. 663.

Order, which Gentile and Schneider opposed.⁴⁶ On September 17, 2024, the Second Circuit referred the SEC's motion to lift the stay to the panel of Second Circuit judges assigned to determine the merits of the appeal and directed expedited oral argument, which was held on November 6, 2024.⁴⁷

On December 3, 2024, the Second Circuit affirmed the Receivership Order and lifted the stay, thereby requiring the Receiver to implement the receivership pursuant to the Receivership Order.⁴⁸

On April 8, 2025, the District Court approved the Receiver's proposed Distribution Plan in its entirety, which the Receiver had previously submitted to the Court as required by the Receivership Order.⁴⁹

On May 8, 2026, the case was reassigned to Judge Rachel P. Kovner for all further proceedings. Chief Magistrate Judge Vera M. Scanlon remains as the magistrate.

⁴⁶ SEC's Motion to Lift Stay of the Orders Appointing a Receiver, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 76; Opposition to Motion, SEC's Motion to Lift Stay of the Orders Appointing a Receiver, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 79; Letter Regarding Joining in Support of Opposition, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 80.

⁴⁷ Motion Order, SEC's Motion to Lift Stay of the Orders Appointing a Receiver, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 82; Motion Order, SEC's Motion to Lift Stay of the Orders Appointing a Receiver, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 92.

⁴⁸ Summary Order and Judgment, SEC's Motion to Lift Stay of the Orders Appointing a Receiver, *SEC v. GPB Capital Holdings, LLC*, No. 23-08010 (2d Cir.), ECF No. 93.

⁴⁹ Memorandum and Order, *SEC v. GPB Capital Holdings, LLC, et. al.*, Case No. 21-cv-00583 (E.D.N.Y.), ECF No. 271 (April 8, 2025).

II. Summary of Operations for the Receiver⁵⁰

In the third quarter of 2026, the Receiver has continued to focus on and prioritize the protection, preservation, and maximization of distributable proceeds for investors, while also complying with the Receivership Order and the Distribution Plan (the “Plan”). This includes adhering to provisions related to, among other things, accounting, banking, insurance, asset control, and litigation management, as well as implementation of the Distribution Plan. The following is a non-exhaustive summary of the actions taken by the Receiver between July 1, 2026, and September 30, 2026:

- 1) Continued to analyze and respond to numerous inquiries from investors and investor representatives regarding, among other matters, distributions, the claims process, check issues, transfers, and settlements.
- 2) Continued to manage the claims process established by the Distribution Plan by (i) reviewing newly filed late claims, including claims from various non-investor claimants, (ii) preparing and issuing responses, requests for information, and objections to or denials of claims, (iii) preparing and issuing responses for a separate claims process for investors in the Cayman-based GPB Automotive Income Fund, Ltd. (“AIF”), (iv) continuing to identify AIF investors who are represented by banks and nominees, and (v) working with AIF directors on the claims process for offshore funds and a fee dispute.
- 3) Continued implementation of transfer procedures and related documentation to facilitate investor-broker settlements requiring partnership interest transfers by (i) reviewing all

⁵⁰ Unless otherwise indicated, capitalized terms not defined in this Eighth Status Report have the meaning given to such terms in the Distribution Plan.

transfer-related documentation for completeness and approval, (ii) attending to transfer-specific questions from investors and brokers, and (iii) developing procedures for uncompleted transfers.

- 4) Continued the implementation of distribution procedures for investor-broker settlements that did not require a transfer of partnership interests to prevent “double recoveries” by analyzing circumstances where investor-broker settlements covered multiple investments, including GPB funds, and preparing responses to settling parties, including initiating recoupment when necessary.
- 5) Continued determination of accounting / tax allocations for investors in transferred accounts.
- 6) Continued to review and facilitate transfers related to a fund-of-funds that invested in GPB partnerships by (i) verifying and confirming accuracy of fund-of-funds investor data, (ii) communicating status updates to fund-of-funds investors, and (iii) preparing forms and other documentation necessary to facilitate potential future distributions by the appropriate GPB partnerships directly to the fund-of-fund investors.
- 7) Updated and timely filed Form 8-K related to the quarterly report of the Receiver.
- 8) Continued to analyze claims notice forms for class action settlements in lawsuits brought on behalf of certain investors related to Receivership Entities, including analysis of effects on potential future distributions.
- 9) Continued to respond to objections raised by various parties in a class action lawsuit.
- 10) Pursuing cost-effective resolution with a broker-dealer in a significant class action lawsuit.
- 11) Investigated certain claim filing issues in a significant class action lawsuit.

- 12) Continued to manage the distribution check cashing process, by reissuing checks for individuals with address changes, reissuing checks for non-US bank custodians, and assessing voided checks, among other issues. Additionally, developed and implemented procedures to verify the information of investors whose checks remained uncashed, reducing the number of outstanding checks.
- 13) Continued to update the Frequently Asked Questions (“FAQ”) and Letters to Investors sections of the Claims Agent website, as needed, to reflect developments in the Receivership, including information regarding the distribution process.
- 14) Continued to actively manage the Receivership Estate’s portfolio of Treasury Bill investments, which has a current annual yield to maturity of approximately 4% through March 11, 2027.
- 15) Continued to manage three new interest-bearing bank accounts yielding approximately 3.7% on an annualized basis to further diversify Receivership Assets and mitigate risk.
- 16) Negotiated higher interest rates and monthly fee reductions for balances maintained in certain operating accounts, resulting in increased interest income and lower costs for the Receivership Estate.
- 17) Negotiated interest rate increases on balances maintained in escrow accounts, resulting in additional interest income for the Receivership Estate.
- 18) Continued the wind down of various portfolio companies.
- 19) Continued to work with counsel to pursue a judgment in the Arkansas Bankruptcy Court relating in part to a settlement that GPB Holdings II, LP negotiated with a former portfolio company.

- 20) Continued to work with counsel in Puerto Rico to domesticate a U.S. judgment in order to obtain additional recoveries for the Receivership Estate.
- 21) Continued to work with counsel to support and advance recovery efforts on behalf of the Receivership Estate, including (i) coordination with retained experts in support of damages analyses, and (ii) collection and analysis of information relevant to expert submissions.
- 22) Continued efforts to restructure the corporate governance to facilitate the realization of approximately \$600,000 related to the shutdown of AMR Automotive Reinsurance Ltd. This includes facilitating appropriate regulatory filings to complete the transactions.
- 23) Researched ownership of certain deposits associated with GPB Prime insurance policies and facilitated their receipt by the Receivership Estate.
- 24) Facilitated the receipt of historical manufacturer rebates from previously disposed automotive dealerships.
- 25) Continued efforts to secure the release of \$100,000 from escrow related to the procurement of tax clearance certificates from a 2020 automotive dealerships sale.
- 26) Facilitated the receipt of a tax refund, totaling approximately \$223,000, related to GPB Automotive Portfolio, LP.
- 27) Reviewed and analyzed indemnification expenses and historical insurance policy payments for potential recoveries to the Receivership Estate.
- 28) Continued to review and attend to advancement demands from relevant parties consistent with the procedures established by the Delaware courts and the Eastern District of New York.
- 29) Negotiated and executed renewals with the Fund Accounting Services provider, resulting in savings of approximately \$29,000 per month.

30) Continued to wind down the Prime Automotive Group 401(k) plan.

31) Continued diligence with Corporation Service Company and CT Corp in anticipation of dissolving additional dormant entities.

32) Continued to evaluate and terminate unnecessary vendor relationships to reduce Receivership expenses.

III. Snapshot of Certain Asset and Expense Balances

As of September 30, 2026, the amount and nature of balances for cash on hand, unencumbered funds, and accrued administrative expenses are as follows:

Table 1 - Snapshot of Certain Asset and Expense Balances		
No.	Item	Balance as of 9/30/2026
1	Cash on Hand	\$ 710,575,657
2	Unencumbered Funds	\$ -
3	Accrued Administrative Expenses	\$ 16,273,754

A. Cash on Hand

Cash on hand represents the portion of Receivership Assets held in cash and cash equivalents. As of September 30, 2026, the total amount of cash on hand is \$710,575,657⁵¹

⁵¹ Cash reported at Receivership Entities does not include cash at portfolio companies or non-reporting entities of approximately \$5.7 million.

B. Unencumbered Funds

Unencumbered funds refer to assets that are not subject to any claims, liens, or obligations. As of September 30, 2026, there are no unencumbered funds as all Receivership Assets are currently subject to investor and creditor claims.

C. Accrued Administrative Expenses

Accrued administrative expenses for the Receivership Estate include costs associated with the management, preservation, and liquidation of the Receivership Entities and Assets. These expenses encompass legal fees, accounting services, and other costs necessary to support the Receivership Estate. This total includes the legal fee advancement obligations of the Receivership Entities related to ongoing criminal and civil proceedings. As seen in **Exhibit C – Accrual Summary**, as of September 30, 2026, the total accrued administrative expenses amount to \$16,273,754.

IV. Overview of Receipts and Disbursements

In accordance with the requirements set forth in the Receivership Order, the following section provides an overview of the Receivership's receipts and disbursements during the reporting period. As detailed in **Table 2 – Summary of Receipts and Disbursements**, the Receivership

Estate had total receipts of approximately \$7.6 million and total disbursements of \$3.4 million for the reporting period.

Table 2 - Summary of Receipts and Disbursements			
Item	Quarter (7/1 - 9/30/2026)		Receivership Duration (12/3/2024 - 9/30/2026)
Beginning Cash Balance	\$	706,311,479	\$ 1,116,692,690
Total Receipts		7,626,650	60,407,568
(Total Disbursements)		(3,362,472)	(466,524,600)
Ending Cash Balance	\$	710,575,657	\$ 710,575,657

A comprehensive schedule of all receipts and disbursements made by the Receiver during the reporting period is attached as **Exhibit A – Detailed Schedule of Receipts and Disbursements**. Additionally, a record of the payments made to Ordinary Course Professionals (“OCPs”) during the reporting period is included as **Exhibit B – List of Payments to OCPs**.

V. Overview of Receivership Assets

The Receiver has conducted a thorough review and assessment of all assets held by the Receivership Entities. This section provides a description of all known Receivership Assets. The assets encompass various categories such as cash, investments, real estate holdings, and other tangible and intangible assets.

As shown below, **Table 3 – Summary of All Known Receivership Assets**⁵² provides an overview of Receivership Assets as of September 30, 2026:

Table 3 - Summary of All Known Receivership Assets		
No.	Asset	Estimated and Unaudited Value as of September 30, 2026
1	Cash on Hand - Receivership Entities	\$ 710,575,657
2	Cash on Hand - Portfolio Companies	\$ 5,672,753
3	Debt Investments	Undisclosed
4	Equity Investments	Undisclosed
5	Escrow Proceeds	\$ 11,145,068

A. Cash on Hand

As of September 30, 2026, and as described above, the Receivership Estate holds significant cash assets across various funds and portfolio companies. The total cash on hand across all these entities amounts to \$710,575,657 at Receivership Entities and \$5,672,753 at portfolio companies and non-reporting entities, totaling \$716,248,410.

B. Debt Investments

The Receivership Estate holds an unsecured debt investment in real estate located in Tampa, Florida. This asset is intended for future sale and, therefore, its estimated and unaudited

⁵² Total Receivership Assets do not include the estimated and unaudited values of assets intended for future sale. This exclusion is made to preserve flexibility in potential negotiations and value maximization strategies for the Receivership Estate.

value is not disclosed at this time to maintain flexibility in negotiations and to support value maximization strategies for the Receivership Estate and investors.

C. Equity Investments

The Receivership Estate holds the remaining portfolio of GPB's minority equity investments, primarily in the healthcare and hospitality industries. These assets are intended for future sale, and therefore, their estimated and unaudited value are not disclosed at this time to maintain flexibility in negotiations and to support value maximization strategies for the Receivership Estate and investors.

The list of equity investments held as of September 30, 2026, is presented below in **Table 4 – List of Equity Investments:**

Table 4 - List of Equity Investments			
No.	Investment Holder	Asset Type	Investment Description
1	GPB Holdings II, LP	Minority Equity Investment	Hotel Internet Services
2	GPB Holdings II, LP	Minority Equity Investment	Guided Therapeutic
3	GPB Holdings II, LP	Minority Equity Investment	Theragen

D. Escrow Proceeds

The Receivership Estate holds escrow accounts for three Receivership Entities, with a total cash balance of \$11,145,068, restricted for specific purposes. **Table 5 – List of Escrow Proceeds**

below provides a detailed list of the escrow proceeds associated with each of the Receivership Entities.

Table 5 - List of Escrow Proceeds		
No.	Asset Holder	Balance as of September 30, 2026
1	GPB Holdings II, LP	\$ 10,995,068
2	GPB Automotive Portfolio, LP	100,000
3	GPB NYC Development, LP	50,000
Total		\$ 11,145,068

VI. Summary of Liquidated and Unliquidated Claims

The Receivership Estate is actively managing unliquidated claims, with no liquidated claims currently in existence. Unliquidated claims involve amounts that are yet to be determined and often require further legal action or negotiation. The Receiver is diligently working to assess, resolve, and recover on these claims to maximize the Receivership Estate's value for the benefit of investors, creditors and other stakeholders.

A summary of unliquidated claims held by the Receivership Estate is shown below.⁵³

Table 6 - Summary of Unliquidated Claims			
No.	Receivership Entity	Claim Description	Estimated and Unaudited Value as of September 30, 2026
1	GPB Automotive Portfolio, LP	Dibre Litigation	TBD
2	GPB Automotive Portfolio, LP	J. Magnone Litigation	
3	GPB Holdings II, LP	Aliantza Litigation	
4	GPB Holdings II, LP	Health Right Litigation	
5	GPB Holdings II, LP	Reps and Warranty Claim - Health Prime	
6	GPB Holdings, LP	Dibre Litigation	

VII. Receiver's Recommendation for Continuation of Receivership

In light of the current activities of the Receivership Estate, including continued implementation of the Distribution Plan, ongoing asset recovery efforts, pending and anticipated legal actions and proposed settlements, the management of claims, and the return of funds to investors, the Receiver recommends that the Receivership continue. Maintaining the Receivership will allow for the orderly administration of the Receivership Estate, maximization of the value of assets, and fair treatment of investors, creditors, and other stakeholders. Continuation of the Receivership is therefore essential for the effective resolution of these outstanding issues, the implementation of the Distribution Plan, and the best possible outcome for the Receivership Estate and investors.

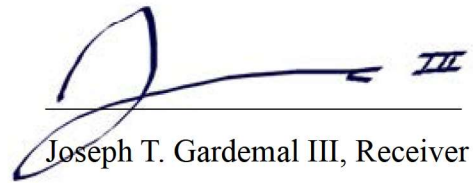
⁵³ The estimated value of unliquidated claims is not disclosed in this Eighth Status Report as the amounts are yet to be determined and are subject to ongoing legal review, negotiation, and resolution.

VIII. Conclusion

WHEREFORE, Joseph T. Gardemal III, as Court-Appointed Receiver, respectfully submits this Eighth Status Report.

Dated: October 20, 2026
Washington, D.C.

Respectfully submitted,



Joseph T. Gardemal III, Receiver

Exhibit A

Detailed Schedule of Receipts and Disbursements

For the Quarter-Ended September 30, 2026, and Cumulative Totals Since December 3, 2024

Exhibit A - Detailed Schedule of Receipts and Disbursements

Item	Quarter (7/1 - 9/30/2026)	Cumulative for Receivership Estate
Cash Receipts		
Interest Income	\$ 6,026,650	\$ 55,858,830
Portfolio Company Contributions	1,600,000	4,548,738
Total Cash Receipts	\$ 7,626,650	\$ 60,407,568
Cash Disbursements		
Disbursements to Investors	\$ -	\$ (400,000,000)
Indemnification/Advancement Expenses Paid to Vendors	(1,583,492)	(26,288,663)
Receiver Expenses Paid to Vendors	-	(14,350,123)
Payroll	(907,818)	(9,991,298)
Other Expenses	(810,702)	(10,386,008)
Other Legal Expenses	(60,460)	(5,508,507)
Total Cash Disbursements	\$ (3,362,472)	\$ (466,524,600)
Beginning Fund Bank Cash Balance ¹⁾	\$ 706,311,479	\$ 1,116,692,690
Net Cash Flow	4,264,178	(406,117,032)
Ending Bank Cash Balance ¹⁾	\$ 710,575,657	\$ 710,575,657

1) Reflects the bank cash balance (excluding check float) of the Receivership Entities, excluding cash held at portfolio companies and legal entities not 100% owned by the Receivership Entities, totaling approximately \$5.7 million.

Exhibit B

Payments to Ordinary Course Professionals⁵⁴

For the Quarter-Ended September 30, 2026, and Cumulative Totals Since December 3, 2024

Ordinary Course Professional	Quarter (7/1 - 9/30/2026)	Cumulative for Receivership Estate
Allen Overy Shearman Sterling US LLP	\$ -	\$ 57,782
Almada Consulting	-	5,100
Automatic Data Processing, Inc.	60,090	422,177
Baker Tilly International Ltd.	5,850	20,475
Berkeley Research Group, LLC (BRG)	-	2,331
Calderwood	16,380	175,377
Cole-Frieman & Mallon LLP	-	4,394
Corporation Service Company (CSC)	2,082	36,615
Crowe LLP	5,000	10,000
CT Corp	-	1,054
EisnerAmper LLP	-	1,149,750
Epiq Corporate Restructuring LLC	-	1,218,699
Foley & Lardner LLP	-	44,608
Grant Thornton Advisors LLC	-	522,766
Herrick Feinstein LLP	-	67,478
Heyman Enerio Gattuso & Hirzel LLP	-	370,574
Hunton Andrews Kurth LLP	-	450,271
Kingfisher Management Limited	-	18,870
KPMG LLP	-	2,879,479
Leeward Management Limited	-	26,073
Maples Fund Services (Cayman) Limited	-	356,745
Marshall Advisors LLC	13,213	18,563
Mayer Brown LLP	-	6,315,609
Maynard Nexsen PC	2,923	4,364
McConnell Valdes LLC	19,880	51,711
McGuireWoods LLP	-	106,670
Morgan, Lewis & Bockius, LLP	-	552,151
Mourant Ozannes (Cayman) LLP	12,710	34,525
Pardo Jackson Gainsburg & Shelowitz, PL	4,042	102,813
Paychex, Inc	1,005	8,112
Potter Anderson & Corroon LLP	-	2,347
Quattlebaum, Grooms & Tull PLLC	-	33,105
Reeves & Brightwell LLP	1,715	15,030
SGC Associates LLP	-	10,000
Toppan Merrill LLC	1,312	36,156
TransPerfect Legal Solutions	545,099	2,794,761
Vistra Group Holdings S.A.	910,211	3,018,744
Walkers (Cayman) LLP	-	42,259
Total	\$ 1,601,510	\$ 20,987,536

⁵⁴ In accordance with the Receivership Order and other orders of the Court, payments to Automatic Data Processing, Inc., Calderwood, EisnerAmper LLP, KPMG LLP, Maples Fund Services (Cayman) Limited, TransPerfect Legal Solutions, and Vistra Group Holdings S.A. were made directly to the respective vendors and not through the fee application process.

Exhibit C

Accrual Summary

For the Quarter-Ended September 30, 2026

Receivership Entity	Accounting Fees	Legal indemnification	Legal - other	Receiver	Admin Fees	Compensation	Total
Armada Waste Management, LP	\$ 93,720	\$ 55,949	\$ -	\$ 54,278	\$ 40,273	\$ -	\$ 244,220
GPB Automotive Portfolio, LP	148,286	2,780,651	434,407	2,782,234	169,673	22,471	6,337,721
GPB Cold Storage, LP	77,964	406,729	-	385,619	32,396	-	902,708
GPB Holdings II, LP	627,408	3,234,744	-	3,113,397	137,152	-	7,112,701
GPB Holdings, LP	151,545	-	1,261,523	-	144,161	-	1,557,230
GPB NYC Development, LP	85,834	1,198	-	200	31,942	-	119,174
Total	\$ 1,184,757	\$ 6,479,271	\$ 1,695,930	\$ 6,335,727	\$ 555,599	\$ 22,471	\$ 16,273,754