

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
ORLANDO DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

Case No. : 6:16-CV-02123-Orl-31DCI

v.

J. WILLIAM ENTERPRISES, LLC, a Florida  
limited liability company, also d/b/a PRO  
TIMESHARE RESALES;

PRO TIMESHARE RESALES OF FLAGLER  
BEACH, LLC, Florida limited liability company;

JESS KINMONT, individually and as an officer  
of J. WILLIAM ENTERPRISES, LLC and PRO  
TIMESHARE RESALES, LLC;

and

JOHN P. WENZ, JR., individually and as an  
officer of PRO TIMESHARE RESALES OF  
FLAGLER BEACH, LLC,

Defendants.

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**EIGHTH INTERIM REPORT OF RECEIVER BRIAN A. MCDOWELL**  
(covering the period from July 1, 2017 through July 28, 2017)

Brian A. McDowell, as Permanent Receiver (“Receiver”) of J. William Enterprises, LLC (“JWE”) and Pro Timeshare Resales of Flagler Beach, LLC (“Pro Timeshare Flagler”) (JWE and Pro Timeshare Flagler are collectively referred to as the “Receivership Defendants”), and pursuant to this Court’s Order dated January 4, 2017 (Doc. No. 61), by and through his undersigned counsel, files this Eighth Interim Report of Receiver (“Eighth Report”).

**I. ACCOUNTS, RECEIPTS, AND DISBURSEMENTS.**

The Receiver's total receipts to date and disbursements for the period of July 1, 2017 through July 28, 2017, are as follows:

Total Receipts:	\$ 2,312,639.29
Disbursements from all Prior Periods:	\$ 317,490.62
Disbursements for Period of July 1, 2017 through July 28, 2017:	\$ 1,791.76
Current Balance:	\$ 1,993,356.91

An itemization of disbursements for the period covered by this Eighth Report is attached as **Exhibit A**.<sup>1</sup>

**II. RECEIVER'S ACTIVITIES**

**a. Defendant John P. Wenz's Motion for Release of Untainted Assets**

On July 12, 2017, the Receiver filed his Supplemental Response to Defendant John P. Wenz's ("Wenz") Motion for Release of Untainted Assets (the "Supplemental Response") (Doc. No. 130). The Supplemental Response detailed the Receiver's position on Wenz's frozen assets following his depositions of Wenz and his accountant, Paulette Smith. Subsequently, on July 18, 2017, the FTC and Wenz filed a Stipulation to Release \$75,000.00 to Wenz (the "Stipulation") (Doc. No. 135). As reflected in the Stipulation, the FTC and Wenz agreed to a modification of the asset freeze to effect the release of \$75,000.00 to Wenz from his SunTrust Brokerage Account. As a result of the Stipulation,

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<sup>1</sup> Seaside Account Number xxxxxx0309 related to JWE and Kinmont, and Seaside Account Number xxxxxx7799 related to Pro Timeshare Flagler and Wenz (collectively, the "Receivership Accounts").

the hearing on the Motion scheduled for July 19, 2017 was cancelled.

**b. Property Insurance for Bunnell Office**

Upon confirmation from Wenz that the building located at 106. S. Anderson St., Bunnell, FL 32110 was not insured, the Receiver insured the property for loss up to \$235,375.00. The policy includes \$225,375.00 in coverage for the office building, and \$10,000.00 in coverage for business personal property located therein. The total cost of the policy was \$1,934.69, and covers the period from July 19, 2017 through July 19, 2018.

**c. Deposition of FTC Investigator Michael Liggins**

On July 18 and July 19, 2017, counsel for JWE conducted the deposition of FTC investigator Michael Liggins. The deposition was held at the Receiver's office, and counsel for the Receiver observed the deposition.

**d. Continued Preservation and Recovery of Assets of the Estate**

The Receiver is continuing to preserve the real property, physical assets, and electronically stored data of the Receivership Defendants. The Receiver intends to maintain the Receivership Defendants' former office properties through the pendency of the Receivership, and continues to store the office equipment and other business related assets at those office properties at no charge to the estate.

The Receiver is also still in the process of reviewing the financial records of the Receivership Defendants for the potential recovery of additional assets. If, upon review of all of the information available, the Receiver discovers any transfers that may be susceptible to avoidance actions, the Receiver will consider whether the pursuit of such actions would provide a material benefit to the Receivership Estate in light of the cost to

the estate to seek avoidance of the transfers.

Dated this 28<sup>th</sup> day of July, 2017.

Respectfully submitted,

/s/ Robert W. Davis, Jr.  
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*Counsel for Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 28<sup>th</sup> day of July, 2017, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF System, which will send electronic filing to all counsel of record.

/s/ Robert W. Davis, Jr.  
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<b>JWE Account History</b>				
<b>DATE HONORED</b>	<b>DESCRIPTION</b>	<b>DEPOSITS</b>	<b>WITHDRAWALS</b>	<b>BALANCE</b>
	Beginning Balance as of June 30, 2017			\$1,978,143.58
7/3/2017	Check to Santa Cruz Property Owners Association (quarterly dues)		\$751.99	\$1,977,391.59
7/3/2017	Check to Santa Cruz Capital Contribution (quarterly contribution)		\$58.24	\$1,977,333.35
7/24/2017	Check to The Hartford (fee for Receiver's Bond)		\$100.00	\$1,977,233.35
7/26/2017	Check to Spectrum Business (for June and July)		\$608.52	\$1,976,624.83
<b>Pro Timeshares Flagler Account History</b>				
<b>DATE HONORED</b>	<b>DESCRIPTION</b>	<b>DEPOSITS</b>	<b>WITHDRAWALS</b>	<b>BALANCE</b>
	Beginning Balance as of June 30, 2017			\$17,005.09
7/17/2017	Check to Florida Power and Light		\$136.73	\$16,868.36
7/24/2017	Check to City of Bunnell, Florida - Utilities		\$136.28	\$16,732.08