

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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**THIRD INTERIM REPORT OF RECEIVER BRIAN A. MCDOWELL**  
(covering the period from January 28, 2017 through February 24, 2017)

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

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

Since the filing of the Second Report, the Receiver recovered an additional \$617,972.45 from brokerage accounts in the name of Kinmont held at TD Ameritrade (the “Kinmont Brokerage Accounts”), and \$508,866.22 from certain merchant reserve accounts related to JWE (the “Merchant Accounts”). An itemization of the Kinmont Brokerage Accounts and Merchant Accounts recovered by the Receiver is attached as **Exhibit A**.

Including the amounts stated above, the Receiver has recovered a total \$2,311,892.14 from, or for the benefit of, Defendants J. Williams Enterprises, LLC, d/b/a Pro Timeshares Resales (“JWE”), Pro Timeshare Resales of Flagler Beach, LLC (“Pro Timeshare Flagler”) (JWE and Pro Timeshare Flagler are collectively referred to as the “Receivership Defendants”), Jess Kinmont (“Kinmont”), and John P. Wenz, Jr. (“Wenz”) (Receivership Defendants, Kinmont, and Wenz are collectively referred to as “Defendants”) and deposited those amounts into the Receivership Accounts.<sup>1</sup> The Receiver’s total receipts and disbursements as of February 22, 2017, are as follows:

Receipts:	\$ 2,311,892.14
Disbursements:	\$ 212,881.96
Balance:	\$ 2,099,010.18

An itemization of receipts and disbursements is attached as **Composite Exhibit B**.

Additionally, counsel for Wenz has requested the lifting of the asset freeze with respect to certain specific assets. The Receiver is in the process of reviewing this request

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

to determine whether or not the assets and funds requested to be released are funds generated by the Receivership Defendants.

## **II. RECEIVER'S ACTIVITIES**

### **a. Termination of Business Activities and Notification of Customers of the Receivership Defendants of the Receivership**

The Receiver has terminated all business activities of the Receivership Defendants and continues the process of winding-up the businesses, and has cancelled or is in the process of cancelling accounts with all non-essential business vendors. The Receiver intends to only maintain those services essential to preserving JWE's former principal business location at 1607 S. SR 15-A, Suite 11, Deland, FL 32720 (the "Deland Premises") and Pro Timeshare Flagler's former principal business location at 105/106 S. Anderson St., Bunnell, FL 32110 (the "Bunnell Premises") through the pendency of this case.

In an effort to notify the Receivership Defendants' former customers of the receivership, the Receiver has modified the Receivership Defendants' website (<http://www.protimeshareresales.com>), the JWE Facebook page, and the voicemail system to notify consumers of the FTC's action and the appointment of the Receiver. The Receiver intends to keep the website and voicemail services active for a reasonable period of time to notify customers, and will then cancel them in order to avoid any unnecessary expenses to the receivership estate.

### **b. Preservation and Recovery of Assets of the Estate**

Since the filing of the Second Report, the Receiver is continuing to preserve the Deland Premises and Bunnell Premises, which are owned by JWE and Wenz, respectively. The Receiver still intends to maintain the properties through the pendency of the

Receivership. The Receiver continues to store the office equipment and other business related assets at those locations and is not incurring any rent charges to utilize them for storage. On February 20, 2017, the Receiver visited the Deland Premises and Bunnell Premises to observe the condition of each location. The Deland Premises and Bunnell Premises appeared to be in the same condition as they were on December 14, 2016, the date on which the Receiver took possession of the Deland Premises and Bunnell Premises.

The Receiver is also still in the process of obtaining and 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.

**c. Payment of Employees and Delivery of W2 Forms**

As of January 30, 2017, all outstanding claims for wages and compensation of Receivership Defendants' employees have been satisfied. Further, W2 Forms for all Receivership Defendants' employees were mailed on January 30, 2017. A few W2 Forms were returned to the Receiver as not deliverable. The Receiver subsequently located different mailing addresses for the majority of the affected employees and re-mailed the W2 Forms. However, the Receiver was unable to locate different addresses for four employees of the Receivership Defendants. Accordingly, the Receiver is holding those four W2 Forms until the correct mailing addresses can be obtained.

Dated this day 24<sup>th</sup> day of February, 2017.

Respectfully submitted,

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*Counsel for Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 24<sup>th</sup> day of February, 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, and served a copy via U.S. Mail to: John P. Wenz, Jr., 6 River Place, Palm Coast, FL 32164.

/s/Suzanne E. Gilbert  
Attorney

**EXHIBIT A**

Entity	Account Name & Number	Account Balance
TD Ameritrade	Jess Kinmont - 868-295432	\$605,700.37
TD Ameritrade	Jess Kinmont - 782-080169	\$12,272.08
Electronic Merchant Systems	Merchant Reserve Account	\$208,866.22
CardWorks Acquiring	Merchant Reserve Account	\$300,000.00

Pro Timeshares Flagler Account History				
DATE RECEIVED	Description	DEPOSITS	WITHDRAWALS	BALANCE
1/6/2017	Deposit from Pro Timeshares of Flagler Beach, LLC SunTrust Account	\$34,695.70		\$34,695.70
1/6/2017	Wire transfer to Paychex (employee payroll)		\$11,404.00	\$23,291.70
1/6/2017	Wire transfer fee		\$25.00	\$23,266.70
1/6/2017	Withdrawal (transfer to J. William Enterprises account in order to make J. William Enterprises payroll payment as quickly as possible)		\$23,007.30	\$259.40
1/9/2017	Account fee		\$35.00	\$224.40
1/25/2017	Check order		\$25.72	\$198.68
2/2/2017	Deposit (transfer from J. William Enterprises account to reconcile for the \$23,007.30 withdrawal on 1/6/2017 less Pro Timeshares Flagler related debits made from J. William Enterprises account)	\$17,525.29		\$17,723.97
2/21/2017	Withdrawal (transfer to J. William Enterprises account for Pro Timeshares Flagler payment to Florida Power & Light payment made from J. William Enterprises account)		\$169.21	\$17,554.76
2/21/2017	Check to Florida Power and Light		\$54.24	\$17,500.52

COMPOSITE EXHIBIT B

DATE RECEIVED	DESCRIPTION	DEPOSITS	WITHDRAWALS	BALANCE
1/4/2017	Deposit (cash and coins found at Deland location)	\$2,713.50		\$2,713.50
1/6/2017	Deposit (transfer from Pro Timeshares of Flagler Beach account in order to make J. William Enterprises payroll payment as quickly as possible)	\$23,007.30		\$25,720.80
1/6/2017	Wire transfer to Paychex (employee payroll)		\$25,695.80	\$25.00
1/11/2017	Deposit (from Wells Fargo account)	\$379,794.01		\$379,794.01
1/11/2017	Wire transfer fee		\$10.00	\$379,784.01
1/11/2017	Deposit (from Wells Fargo account)	\$507,874.56		\$887,658.57
1/11/2017	Wire transfer fee		\$10.00	\$887,648.57
1/12/2017	Deposit (from Wells Fargo account)	\$259,690.08		\$1,147,338.65
1/12/2017	Wire transfer fee		\$10.00	\$1,147,328.65
1/19/2017	Wire transfer to Paychex		\$551.00	\$1,146,777.65
1/19/2017	Wire transfer fee		\$25.00	\$1,146,752.65
1/19/2017	Check to John P. Wentz, Jr.		\$5,250.00	\$1,141,502.65
1/20/2017	Wire transfer to Paychex		\$2,038.30	\$1,139,464.35
1/20/2017	Wire transfer fee		\$25.00	\$1,139,439.35
1/20/2017	Check to Fisher Rushner for Attorney's Fees		\$50,000.00	\$1,089,439.35
1/24/2017	Payment to Duke Energy		\$430.53	\$1,089,008.82
1/25/2017	Check to former employee for reimbursement		\$200.00	\$1,088,808.82
1/25/2017	Wire transfer to Paychex		\$888.61	\$1,087,920.21
1/25/2017	Wire transfer fee		\$25.00	\$1,087,895.21
1/25/2017	Check order		\$25.72	\$1,087,869.49
1/25/2017	Payment to Bright House Networks		\$304.26	\$1,087,565.23
1/27/2017	Payment to Florida Power and Light (for Pro Timeshares Flagler)		\$77.36	\$1,087,487.87
1/27/2017	Payment to Bright House Networks (for Pro Timeshares Flagler)		\$154.65	\$1,087,333.22
2/1/2017	IRS Form 941 Payroll Taxes		\$277.30	\$1,087,055.92
2/2/2017	Deposit (\$1.67 from Wells Fargo Account; \$283.95 in refunds from FSDU regarding employee income withholding - funds to be remitted to the appropriate party at a later date)	\$285.62		\$1,087,341.54
2/2/2017	Deposit (from TD Ameritrade account)	\$12,272.08		\$1,099,613.62
2/2/2017	Wire transfer fee		\$10.00	\$1,099,603.62
2/2/2017	Deposit (from TD Ameritrade account)	\$605,700.37		\$1,705,303.99
2/2/2017	Wire transfer fee		\$10.00	\$1,705,293.99
2/2/2017	Withdrawal (transfer to Pro Timeshares Flagler account to reconcile for the \$23,007.30 deposit on 1/6/2017 less Pro Timeshares Flagler related debits made from J. William Enterprises account)		\$17,525.29	\$1,687,768.70
2/6/2017	Check to Florida Power and Light (for Pro Timeshares Flagler)		\$169.21	\$1,687,599.49
2/8/2017	Deposit (from CardWorks merchant reserve account)	\$300,000.00		\$1,987,599.49
2/8/2017	Wire transfer fee		\$10.00	\$1,987,589.49
2/10/2017	Check to less Kimmont		\$4,500.00	\$1,983,089.49
2/15/2017	Deposit (from Electronic Merchant Systems merchant reserve account)	\$208,866.22		\$2,191,955.71
2/15/2017	Wire transfer fee		\$10.00	\$2,191,945.71
2/21/2017	Deposit (transfer from Pro Timeshares Flagler account for Pro Timeshares Flagler payment to Florida Power & Light payment made from J. William Enterprises account)	\$169.21		\$2,192,114.92
2/21/2017	Deposit (reimbursement from Paychex for duplicate payment to employee less customary fees)	\$828.61		\$2,192,943.53
2/21/2017	Check to Holland & Knight LLP (payment of Receiver's Fees)		\$37,208.05	\$2,155,735.48
2/21/2017	Check to Holland & Knight LLP (payment of Attorney's Fees)		\$73,921.56	\$2,081,813.92
2/21/2017	Check to Bright House Networks (from Spectrum Business)		\$304.26	\$2,081,509.66

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