

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

REX VENTURE GROUP, LLC  
d/b/a ZEEKREWARDS.COM, and  
PAUL BURKS,

Defendants.

Civil Action No. 3:12 cv 519

**RECEIVER'S MOTION FOR ORDER  
ADMINISTRATIVELY CLOSING CASE**

Matthew E. Orso, the Court-appointed Successor Receiver for Rex Venture Group, LLC d/b/a ZeekRewards.com (the "Successor Receiver" or the "Receiver") by and through his undersigned counsel, respectfully files this Motion (the "Motion") seeking an order of this Court authorizing the Receiver to administratively close the case. In support of the Motion, the Receiver states as follows:

1. Defendants Rex Venture Group, LLC ("RVG") and Paul Burks (the "Defendants") operated a large Ponzi and pyramid scheme (the "Scheme"). As a result of the Scheme, on August 17, 2012, the Securities and Exchange Commission ("SEC") commenced a civil enforcement action against the Defendants alleging various violations of securities laws. (Doc. No. 2).

2. Kenneth D. Bell (the "Initial Receiver") was appointed as the Receiver for the estate of Rex Venture Group, LLC d/b/a ZeekRewards.com (the "RVG Estate"). (Doc. Nos. 4 & 21). On May 22, 2019, Judge Bell, the Initial Receiver, was confirmed as a United States District Judge,

and thereafter Matthew E. Orso became the Court-appointed Successor Receiver for Rex Venture Group, LLC d/b/a ZeekRewards.com. (Doc. No. 739). For purposes of this Motion, the actions of the Initial Receiver and Successor Receiver are both referred to generally throughout as actions of the Receiver.

3. Since the Receiver's appointment, he has (i) pursued litigation against those who created and operated the Scheme, (ii) pursued litigation against certain of RVG's "net winners," (iii) recovered assets from certain financial institutions resulting from RVG's payment processing relationships, (iv) settled with NewBridge Bank in the amount of \$10,000,000 in connection with claims of the RVG Estate against NewBridge Bank for continuing to provide banking services to RVG, (v) traced and recovered millions in assets hidden by an individual assisting the Defendants in RVG's last few months of existence, (vi) sold certain judgments obtained in the class action against net winners for a sum in excess of \$10 million, and (vii) distributed more than \$356,945,857.66 in assets of the RVG Estate to holders of allowed claims through four interim distributions.<sup>1</sup>

4. As this Court is aware, the Receiver has been working toward the final resolution and closing of the RVG Estate and has made significant progress. All material litigation affecting the receivership has been resolved.<sup>2</sup>

5. Further, the Receiver and his team have worked diligently to return as much of the money lost by the victims of the Scheme as quickly and efficiently as possible, as outlined above. The Receiver has filed contemporaneously herewith a motion seeking the Court's authorization to

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<sup>1</sup> The Receiver previously made (i) an initial interim partial distribution to certain claimants in 2014, (ii) a second interim partial distribution to certain claimants in 2015, (iii) a third interim partial distribution to certain claimants in 2017, and (iv) a fourth interim partial distribution to certain claimants in 2020.

<sup>2</sup> The Receiver is currently working to dispose of a collateral challenge in Florida state court to the already final judgment of this Court regarding liability in the net winner class action. This state-court declaratory judgment action is the only current litigation of the receivership.

make a fifth and final distribution to distribute the remaining RVG Estate assets to the holders of allowed claims.

6. In light of the substantial resolution of all material litigation affecting the receivership and the impending final distribution, the Receiver believes that the only remaining acts for the Receiver to complete are ministerial and, as such, all matters requiring the participation or oversight of the Court have been resolved. Accordingly, the Receiver believes it is time to administratively close the receivership while the Receiver completes the administration of the RVG Estate in accordance with the mandates of the receivership and makes the final distribution.

WHEREFORE, the Receiver respectfully requests entry of an order substantially in the form attached hereto as **Exhibit A** (the “Order”) by this Court, administratively closing this case.

Dated: October 6, 2021

/s/ Matthew E. Orso

Matthew E. Orso (NC Bar No. 42409)

*Court-appointed Receiver*

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**CERTIFICATE OF SERVICE**

I hereby certify that on this date, I have electronically filed the foregoing with the Clerk of Court using the CM/ECF system, which will send copies to counsel of record registered to receive electronic service. Additionally, all entities that have provided e-mail addresses and fully submitted Claims on the Claim Portal shall be served a copy of this Motion via electronic mail.

This the 6th day of October, 2021.

*/s/ Matthew E. Orso* \_\_\_\_\_

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**[proposed] ORDER ADMINISTRATIVELY CLOSING CASE**

This matter is before the Court upon the Receiver's Motion for Order Administratively Closing Case (the "Motion"). The Motion seeks an order of this Court authorizing the Receiver to administratively close the case.

After reviewing and considering the Motion, and upon all of the proceedings had before this Court, and for good cause shown, the Motion is hereby GRANTED.

IT IS HEREBY FOUND, DETERMINED, ORDERED, ADJUDGED, AND DECREED,  
AS FOLLOWS:

1. The notice of the Motion sent via electronic mail to all entities that have provided e-mail addresses and fully submitted Claims on the Claim Portal constitutes good and sufficient notice of the Motion and all the relief sought therein.
2. The Motion is GRANTED.
3. The receivership and this case are hereby administratively closed, effective as of

October [ ], 2021, while the Receiver completes the administration of the RVG Estate (as such term is defined in the Motion) in accordance with the mandates of the receivership and makes the final distribution.

4. The Receiver and its agents are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

Signed:

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Graham C. Mullen  
United States District Judge