

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

UNITED STATES SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

ISC, INC., d/b/a INSURANCE SERVICE CENTER, and
THE ESTATE OF LOREN W. HOLZHUETER,

Defendants,

and

HONEFI, LLC, ARLENE HOLZHUETER, and
AARON HOLZHUETER,

Relief Defendants.

ORDER

15-cv-45-jdp

On February 9, 2018, a telephone status conference was held before District Judge James Peterson. Plaintiff United States Securities and Exchange Commission appeared by Timothy Leiman; defendants ISC, Inc. and the Estate of Loren Holzhueter appeared by Benjamin Glickson and Stephen Kravit; relief defendant Aaron Holzhueter appeared by Nicholas Hahn; receiver Michael Polsky appeared on his own behalf and by Lauren Stanley; interested party AVID Acquisitions LLC appeared by Mary Turke; interested party Larry Schneider appeared by Mark DesRochers and James Burnett; and the state court plaintiffs appeared by Patrick Schott and April Barker.

The court and the parties discussed four issues at the conference. First, the receiver informed the court that two tasks remain before the final distributions can be made and the receivership can be closed : (1) tax returns must be filed and accepted for ISC and Honefi; and (2) Schneider's claim for severance must be resolved. As to the first issue, the receiver

anticipated that the tax returns would be filed and accepted within about two months. As to the second issue, the parties will discuss the status of the claim. The SEC may file a motion to disallow the claim within the next few weeks.

Second, the parties discussed a lifting of the stay on the actions pending in state court. The parties anticipate filing a stipulation on that issue in the near future.

Third, the parties discussed whether it was appropriate for the receiver to be compensated for the work to resolve the dispute with AVID over the interpretation of the asset purchase agreement. Both the SEC and the receiver stated that it was. Before deciding the issue, the court asked the receiver to supplement his quarterly report with the expenses incurred in resolving the dispute.

Finally, the receiver noted his pending motion for fees for the period from October 1, 2017, to December 31, 2017. The court stated that it would grant the motion.

ORDER

IT IS ORDERED that

1. Receiver Michael Polsky's quarterly motion for fees, Dkt. 408, is GRANTED.
2. Polsky may have until February 23, 2018, to file a supplement to his quarterly report to identify the expenses incurred in resolving the dispute with AVID over the asset purchase agreement.

Entered February 9, 2018.

BY THE COURT:

/s/

JAMES D. PETERSON
District Judge