IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

COMMODITY FUTURES TRADING COMMISSION, **Plaintiff,**	§	
v.	§	CASE NO.: 1:22-cv-01266-RGA
FIRST STATE DEPOSITORY COMPANY, LLC, ARGENT ASSET GROUP, LLC, AND ROBERT LEROY HIGGINS, **Defendants.**	§	

THE RECEIVER'S THIRTEENTH STATUS REPORT

Kelly M. Crawford, as the court-appointed Receiver ("Receiver"), submits the following Thirteenth Status Report pursuant to this Court's *Order Granting Plaintiff's Motion for an Ex Parte Statutory Restraining Order, Appointment of a Temporary Receiver, and Other Equitable Relief* [Docket No. 12] (the *"SRO"*).[1] The Receiver's Initial Status Report, filed on November 29, 2022, covered the first 60 days of the receivership [D.I. 44]. The Receiver's Second Status Report covered the two month period from November 30, 2022 through January 31, 2023 [D.I. 93]. The Receiver's Third Status Report covered the period from February 1, 2023 through May 31, 2023 [D.I. 119]. The Receiver's Fourth Status Report covered the period from June 1, 2023 through June 10, 2023 [D.I. 129]. The Receiver's Fifth Status Report covered the period from June 11, 2023 through August 4, 2023 [D.I. 157]. The Receiver's Sixth Status Report covered the period from August 5, 2023 through November 3, 2023 [D.I. 167]. The Receiver's Seventh Status

[1] The *SRO* was continued in force by an *Order of Preliminary Injunction, Appointment Of A Receiver And For Other Equitable Relief Against Defendants* entered by the Court on December 2, 2022 [D.I. 57]. The Receiver requests the Court to take judicial notice of the pleadings on file in this lawsuit.

Report covered the period from November 4, 2023 through December 4, 2023 [D.I. 172]. The Receiver's Eighth Status Report covered the period from December 4, 2023 through January 17, 2024 [D.I. 185]. The Receiver's Ninth Status Report covered the period from January 18, 2024 through April 8, 2024 [D.I. 198]. The Receiver's Tenth Status Report covered the period from April 8, 2024 through July 11, 2024 [D.I. 208]. The Receiver's Eleventh Status Report covered the period from July 12, 2024 through October 10, 2024. [D.I. 213]. The Receiver's Twelfth Status Report covered the period from October 11, 2024 through January 14, 2025 [D.I. 219]. This Receiver's Thirteenth Status Report covers the four month period from January 15, 2025 through May 15, 2025.

I.

DISTRIBUTING HOLDINGS TO DEPOSITORS

Pursuant to the *Claims and Distribution Order*, the Receiver and his team completed the distribution of holdings to First State Depository ("FSD") depositors or their custodians. Distributions of metals, foreign currency, and other holdings valued at approximately $63,896,305 were made to 1,761 depositors or their custodians. This process began in the middle of April, 2023 and continued until November 23, 2023.

II.

CLAIMS AND INTERIM DISTRIBUTION

On January 12, 2024, the Receiver filed a *Motion to Approve Third Revised Claims Report* [D.I. 183](the "Third Revised Claims Report"). The Third Revised Claims Report reflected changes in the categories of claims for certain claimants, the amount of claim for certain claimants, and the addition of 195 late filed claims. On January 16, 2024, the Court entered *an Order Granting the Receiver's Motion to Approve Third Revised Claims Report.* The Third Revised

Claims Report was used by the Receiver for distribution of monies available to the approved claimants pursuant to the distribution plan previously approved by the Court. A copy of the Third Revised Claims Report is posted on the receivership website, www.fsdreceivership.com and was mailed to each claimant with a revised or late filed claim.

On July 29, 2024, the Receiver filed his *Motion for Interim Distribution* [D.I. 211] requesting authority to distribute $2,601,401 to the approved claimants pursuant to the distribution plan approved by the Court. The Motion included a summary of the revenue and expenses of the receivership as of June 30, 2024. On October 2, 2024, the Court entered an *Order Granting The Receiver's Motion for Interim Distribution (the "Distribution Order")* [D.I. 212].

The Receiver issued checks to the approved claimants based upon the Distribution Order. A significant number of replacement checks had to be issued by the Receiver because the IRA custodian of the claimant changed since the time the claim was filed with the Receiver. As of May 15, 2025, all interim distribution checks have been deposited, except for 38 totaling $32,939.98. The balance remaining in the receivership account as of May 15, 2025 is $312,732.15.

III.

LIQUIDATION OF RECEIVERSHIP ASSETS

On March 9, 2023, the Court approved the Receiver's proposed procedures for the liquidation of the assets in receivership [D.I. 109]. On October 10, 2023, the Court approved the Receiver's proposed procedures for the sale of precious metals in receivership [D.I. 163]. The most significant assets remaining in receivership are those of Defendant Argent Asset Group, LLC ("Argent"). The Receiver divided the inventory into the following categories: 1) coins to be deposited with a bank at face value; 2) precious metals and proofs to be sold based on spot value;

3) specialty coins; and 4) other collectables. During the period covered by this Thirteenth Status Report, the Receiver sold coins as follows:

A. Proceeds from Consignment Sale of Coins

The Receiver placed a number of coins that are part of the Argent collection on consignment with Delaware Valley Rare Coin Co., Inc. ("DVRC") for a 10% consignment fee. The Receiver received $48,978 on or about April 20, 2025, from DVRC for the sale of the coins listed on **Exhibit A** attached hereto. With the exception of three boxes of commemorative and miscellaneous coins, the remainder of the Argent collection of coins are on consignment with DVRC for sale with an estimated value of approximately $25,000. The three boxes of commemorative and miscellaneous coins are on consignment with Lewellyn Barker, a coin dealer in Texas who will be paid a 20% commission. These coins have an estimated value of approximately $5,000 to $7,000.

B. Sale of Precious Metals

The Receiver sold a gold coin to Dallas Gold and Silver Exchange for $2,823 and sold precious metals to Dillon Gage for a total of $14,070.84. The sales were shown in the Receiver's Fifteenth and Sixteenth Notices of Sale of Precious Metals [D.I. 221 and 223]. In addition, on April 25, 2025, the Receiver had numerous miscellaneous items that contained silver refined by Dillon Gage and Dillon Gage paid the receivership $14,126.69, as shown on the Settlement Report attached hereto as **Exhibit A**.

IV.

THE HIGGINS CRIMINAL TRIAL

In Criminal Action No. 22-44 (MN), before Judge Noreika, the DOJ prosecuted Defendant Higgins for a number of crimes, including crimes related to the theft of the gold, silver, and other metals from customer holdings at First State Depository, LLC. The jury trial began on October 15, 2024 and concluded on October 24, 2024. The Receiver, the Receiver's accountant, and a number of First State Depository customers testified at the trial. The jury found Defendant Higgins guilty on all counts. The Court remanded Defendant Higgins into custody and he is currently incarcerated, awaiting sentencing. His sentencing was originally scheduled for March 4, 2025, was postponed until May 21, 2025, and most recently was postponed again until June 18, 2025. The Receiver made a number of requests to the criminal counsel for Defendant Higgins to allow the Receiver to talk with Defendant Higgins prior to his sentencing in hopes of obtaining his cooperation and information regarding the whereabouts or disposition of the millions in stolen gold, silver, and other precious metals. To date, the Receiver's requests have been ignored.

V.

HIGGINS' HOUSE

Shortly before the receivership, Higgins filed Chapter 13 bankruptcy in the Eastern District of Pennsylvania, Case No. 22-12021. Motions to Dismiss the bankruptcy were filed by the Chapter 13 Trustee, as well as by other creditors, including the Commodity Futures Trading Commission ("CFTC"). Higgins' bankruptcy was dismissed on August 22, 2024, because Higgins' debts disqualified him from Chapter 13 protection.

Higgins owns a house at 100 Applegate Drive, West Chester, Pennsylvania 19382 (the "House"). Without bankruptcy court approval, Higgins added his wife to the title to the house. There is no mortgage on the house, but the house is subject to judgment liens and other debts.

The Receiver obtained three appraisals of the House, which show the House has an average appraised value of $968,333. The House is subject to a judgment lien in favor of David Gottlieb, Disbursing Agent for the Bankruptcy Estate of SAIF, Inc. ("Gottlieb") that was filed prior to the receivership. In addition, the House is subject to a judgment lien filed by the Parker Trust. The Receiver has been negotiating with Gottlieb about entering into a Settlement Agreement with Gottlieb in which the Receiver will assign his interest in the House and agree to a lifting of the stay of the receivership to allow Gottlieb to foreclose its lien on the House, in exchange for Gottlieb paying to the receivership estate the sum of $75,000. Those negotiations have been going on for more than 30 days. If an agreement is reached, the agreement will be submitted to the Court for approval.

VI.

ATTEMPTS BY THE RECEIVER TO IDENTIFY AND RECOVER ADDITIONAL ASSETS

On September 29, 2023, the Receiver filed a Complaint against West Hills Capital, LLC and Joseph Unger to recover more than a million dollars in commissions paid by First State Depository that the Receiver contends were fraudulent conveyances. The lawsuit was filed in the United States District Court for the District of Delaware, Case No. 1-23-cv-01076-RGA. The Defendants waived service.

The Defendants contacted the Receiver and claimed to have insufficient assets to hire an attorney to defend the lawsuit. The Receiver provided the Defendants with a Sworn Statement of Financial Condition form to complete. Defendant West Hills Capital, LLC completed the

statement and provided it to the Receiver. The Defendant Joseph Unger initially agreed to provide a Sworn Statement of Financial Condition to the Receiver but has since refused.

The Defendants informed the Receiver they asserted a claim against the Defendants' insurance company under an insurance policy that insured against business loss. The Defendants indicated a desire to use proceeds received from the insurance company, if any, to fund a settlement of the Receiver's lawsuit. In March, the Receiver spoke with Defendant Unger and the attorney retained by Defendant West Hills Capital to pursue the insurance claim. Defendant Unger provided the Receiver with a copy of the Sworn Statement in Proof of Loss submitted to the insurance company showing an estimated total loss exceeding a million dollars. In light of the pending insurance claim and the Defendants' professed intent to use proceeds received from the insurance claim to fund a settlement with the Receiver, the Receiver and the Defendants stipulated to a stay of the lawsuit until May 29, 2024.

Prior to the expiration of the stay, on May 20, 2024, the Defendant Unger filed a Motion to Dismiss the Complaint [D.I. 9]. The Receiver filed his Response to the Motion to Dismiss the Complaint on June 3, 2024 [D.I. 13]. The Motion to Dismiss was denied without prejudice by the Court. [D.I. 16].

Defendants Unger and West Hills Capital retained new counsel, who filed a Partial Motion to Dismiss on May 1, 2025 [D.I. 22]. On May 14, 2025, the Receiver filed his First Amended Complaint against Unger and West Hills Capital. [D.I. 23].

Pursuant to the Receiver's Third Claims Report approved by the Court, the Receiver will use the net proceeds recovered from the lawsuit, if any, to pay those claimants in the Compromised category who were part of the Silver Lease Program.

VII.

DURATION OF RECEIVERSHIP

In order to close the receivership, the Receiver needs to complete the following:

1. Sell the remainder of the Argent collection of coins that are now on consignment with DVRC and a Texas coin dealer;
2. Determine the disposition of the Receiver's interest in Higgins' House through a settlement with Gottlieb or otherwise;
3. Pursue the fraudulent conveyance claims against West Hills Capital and Joseph Unger and recover funds to distribute to the Silver Lease Claimants.
4. Complete the investigation of any leads received by the Receiver as to the whereabouts of the gold, silver, and other precious metals stolen by Higgins from the depository.
5. File the 2024 tax return for the receivership estate.
6. Determine if sufficient monies remain in the receivership estate to make a final distribution to claimants, and if so, make the distribution.
7. File a motion to close the receivership.

Respectfully submitted on May 16, 2025.

ASHBY & GEDDES, P.A.

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EXHIBIT A

DILLON GAGE EST. 1976 METALS DIVISION

Report Created Date (CST): 05/09/2025 09:39:50 AM
Date Received: 04/25/2025
Due Date: 04/30/2025
Purchase Number: 10-PO640144

Dillon Gage Refinery
11210 Zodiac Lane
Dallas, TX 75229
USA

SETTLEMENT REPORT
LOT 419692

Customer Information

Number: 668336
Name: First State Depository
Address: 500 N Akard, Ste 2700 ATTN: Kelly Crawford, Receiver
Dallas, TX 75201
USA

Settlement Information

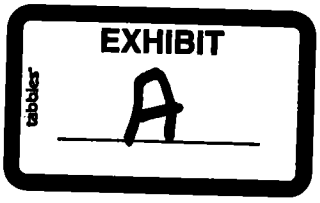
Gross Weight: 1071.851
Net Weight: 954.100
Stone Weight: 0.000
Description: Ag clean
Cust Lot # / Desc:

Metal Type	After Melt Weight	Purity	Fine Weight	Value
SILVER	954.100	56.79%	541.833	$17,739.61

After Settlement:
541.833 oz of SILVER @ $32.74 on 05/07/2025

Fees

	%	Resulting Charge
Au Ag Assay:		$30.00
Ag Refining:	20.00%	$3,547.92
Wire:		$35.00



Total Metal Value: $17,739.61
Total Fee: $3,612.92

Settlement: $14,126.69
Advanced Total: $0.00
Order Total: $0.00

Balance: $14,126.69