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 FIFTEENTH STATUS REPORT

Kelly M. Crawford, as the court-appointed Receiver ("Receiver"), submits the following Fifteenth 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 Report covered the period from November 4, 2023 through December 4, 2023 [D.I. 172]. The Receiver's

[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.

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]. The Receiver's Thirteenth Status Report covered the period from January 15, 2025 through May 15, 2025. The Receiver's Fourteenth Status Report covered the period from May 15, 2025 through September 2, 2025. This Receiver's Fifteenth Status Report covers the 6 month period from September 3, 2025 through March 3, 2026.

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.

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 reported in the previous Status Report, as of September 2, 2025, all interim distribution checks were deposited, except for 22 checks outstanding totaling $16,393.40. Since that time, none of the outstanding checks have been deposited. Accordingly, the checks are stale and the Receiver placed a stop payment order on the checks. The balance remaining in the receivership account as of February 27, 2026 is $239,287.38.

III.

THE HIGGINS CRIMINAL TRIAL

In Criminal Action No. 22-44 (MN), before Judge Noreika, the Department of Justice 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.

The Receiver was subpoenaed to appear at Higgins' sentencing hearing on June 17, 2025. At the conclusion of the proceedings, the Court sentenced Higgins to a term of 65 years and ordered that he make restitution in the amount of $65 million. The prosecutors called Higgins' theft of metals the largest theft from a depository in the history of the United States. Higgins is currently incarcerated at the Ottis Federal Correctional Institution in Ottis, New York. He appealed the conviction to the Third Circuit Court of Appeals (USCA 25-2209) and the appeal is currently being briefed.

IV.

WHAT REMAINS TO BE DONE IN THE RECEIVERSHIP?

There are only three assets that remain to be liquidated in the receivership before the Receiver can make a final distribution to approved claimants and close the receivership: Higgins' house; the Receiver's fraudulent conveyance claims against West Hills Capital and Joe Unger; and a forfeiture claim.

A. Higgins' House

During the pendency of the receivership, the Receiver was unable to take any action regarding the house owned by Defendant Higgins at 100 Applegate Drive, West Chester, Pennsylvania 19382 (the "House") because Defendant Higgins was in bankruptcy. Specifically, 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.

While in bankruptcy, and 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. After months of negotiation, the Receiver and Gottlieb entered into a Settlement Agreement in which the Receiver assigned his interest in the House and agreed 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 upon a sale of the House. The Settlement Agreement was approved by the Court on September 17, 2025 [D.I. 230].

On February 10, 2026, Gottlieb obtained permission from the United States Bankruptcy Court in the Southern District of California to reopen the bankruptcy proceeding of SAIF, Inc. to allow Gottlieb to proceed with the foreclosure of the House. The Receiver's role at this point is to simply monitor Gottlieb's foreclosure of Higgins House and insure receipt of payment of $75,000 from the sale of the House pursuant to the settlement agreement.

B. Receiver's Fraudulent Conveyance Claim

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 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.

On May 20, 2024, the Defendant Unger filed a *pro se* 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]. The Defendants filed an Answer to the First Amended Complaint on June 20, 2025 [D.I. 26]. On August 8, 2025, the Court entered a Scheduling Order setting the case for a jury trial on March 15, 2027 [D.I. 29].

Since that time, the Receiver and Defendants exchanged limited discovery, but agreed to mediate the lawsuit the week of April 6, 2026.

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.

C. Seeking the Recovery of a Criminal Forfeiture

The Receiver learned of a criminal forfeiture proceeding of approximately $83,000 that is payable to Certified Asset Management, an entity owned by Defendant Higgins. The Receiver submitted a claim to the monies on behalf of the receivership and is awaiting a determination regarding the claim.

V.

OTHER ACTIVITIES OF THE RECEIVER

In January, 2023, as the Receiver was investigating the disposition of metals by Higgins from First State Depository, the Receiver took the deposition of Warith Deen Muhammad ("Muhammad") of Niagara Gold and Silver, LLC, a metals dealer. Muhammad was later indicted by the U.S. Attorneys Office for the Eastern District of Virginia of wire fraud relating to a precious metals Ponzi scheme.[2] The Receiver was subpoenaed by the Department of Justice to testify at the criminal trial of Muhammad on January 29, 2026. The Receiver, at no cost to the receivership, testified at the jury trial of Muhammad, regarding the deposition the Receiver took of Muhammad, the relationship between Higgins and Muhammad, the claims process in the receivership, and the failure of Muhammad to file a claim in the receivership. The jury convicted Muhammad and he now faces up to 20 years in prison.

[2] *United States of America v. Warith Deen Muhammad,* Case No. 1:25-CR-284-RDA in the United States District Court for the Eastern District of Virginia.

VI.

DURATION OF RECEIVERSHIP

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

1. Obtain $75,000 pursuant to the Receiver's Settlement Agreement with Gottlieb regarding the disposition of the Receiver's interest in Higgins' House.
2. Pursue the fraudulent conveyance claims against West Hills Capital and Joseph Unger and recover funds to distribute to the Silver Lease Claimants.
3. Pursue collection of monies payable to Certified Asset Management in a criminal forfeiture proceeding.
4. Determine the monies available in the receivership estate to make a final distribution to claimants and make the distribution. If the receivership receives $75,000 from a sale of Higgins' house, or $83,000 from the forfeiture proceeding regarding Certified Asset Management, the Receiver anticipates there would be more than $300,000 remaining in the receivership account, after expenses, to make a final distribution to the approved claimants, other than the Silver Lease Claimants. If the Receiver recovers monies from his fraudulent conveyance claim against Unger and West Hills Capital, the Receiver would make a final distribution to the approved Silver Lease Claimants.
5. File the tax return for 2025.
6. File a motion to close the receivership.

Respectfully submitted on March 5, 2026.

ASHBY & GEDDES, P.A.

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