

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

**UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,**

Plaintiff,

V.

**AGRIDIME LLC, JOSHUA LINK, and
JED WOOD,**

Defendants.

Civil Action No. 4:23-cv-1224-P

RECEIVER'S QUARTERLY STATUS REPORT FOR THE PERIOD ENDING JUNE 30, 2025

Steve Fahey, in his capacity as the Court-appointed Receiver (“Receiver”) for the Estates of the Receivership Defendants,¹ submits the following Quarterly Status Report for the Period Ending June 30, 2025 (this period will be referred to as “Q2 2025” herein), and would respectfully show the Court as follows:

I. INTRODUCTION

The Court appointed the Receiver in this case because the Court found that a receiver was necessary and appropriate for the purposes of marshaling and preserving assets of the Receivership Defendants that are attributable to funds derived from investors, held in constructive trust for the Receivership Defendants, were fraudulently transferred by Receivership Defendants, and/or may be includable as assets of Receivership Defendants. (ECF No. 15 at 1.) Among other things, the Order Appointing Receiver (the “Order” or “Receivership Order” herein) requires that the

¹ “Receivership Defendants” are Agridime LLC, Joshua Link, and Jed Wood. (ECF No. 15, ¶¶ 1-2.)

Receiver submit a full report and accounting of the Receivership Estate reflecting, to the best of the Receiver's knowledge as of the period covered by the report, the existence, value, and location of all Receivership Property and the extent of liabilities, including (a) a summary of the operations of the Receiver, (b) the amount of cash on hand, (c) a schedule of all of the Receiver's receipts and disbursements (to be attached as Exhibit A to the Quarterly Status Report), (d) a description of all known Receivership Property, (e) a description of liquidated and unliquidated claims held by the Receivership Estate, (f) a list of all known creditors with their addresses and the amounts of their claims, (g) the status of Creditor Claims Proceedings, after such proceedings have been commenced, and (h) the Receivers' recommendation for a continuation or discontinuation of the receivership and the reasons for the recommendations. (*Id.*, ¶¶ 54-55.)

II.

QUARTERLY STATUS REPORT FOR THE PERIOD ENDING JUNE 30, 2025

A. Brief summary of the operations of the Receiver.

The following is not intended to be an exhaustive list of each activity performed by the Receiver during the second quarter of 2025; rather, this summary identifies key activities engaged in by the Receiver in Q2 2025 and provides a brief description of those activities.

1. Efforts to Remedy Purchaser's Breach of Asset Purchase Agreement

As documented more fully in the Receivership's Status Report on Closing of Asset Sale (ECF No. 149), the North Dakota investment group that had executed an asset purchase agreement with the Receivership on October 7, 2024, failed to close the asset purchase by the May 14, 2025 closing date. On June 3, 2025, the Court set a show cause hearing for June 26, 2025, and ordered the investment group to appear at the hearing and explain why it had failed to close the purchase. The investment group failed to appear at the hearing, and as a sanction the Court ordered that the purchaser pay \$82,121.72 to the Receivership's counsel at Wick Phillips LLC by July 31, 2025, to

compensate the Receivership for the attorney's fees expended to facilitate the asset purchase agreement. (ECF No. 163.)

In an Order dated June 27, 2025, the Court granted the Receivership the express authorization to take steps to discover facts concerning potential claims against the North Dakota investment group and its principal, Mr. Wiley Bice, including by issuing subpoenas for documents and/or testimony. (ECF No. 160.) The Court further ordered that the Receivership had the express authorization to enter into negotiations with the North Dakota investment group and Mr. Bice to resolve the breach of contract dispute and, if such negotiations failed, file a lawsuit in Fort Worth federal court to litigate the failed purchaser's acts and omissions in connection with the asset purchase agreement. (*Id.*)

2. Winding Down the Operations of American Grazed Beef

In Q2 2025, the Receivership continued to operate the American Grazed Beef entity in order to sell down Agridime's meat inventory in a commercially reasonable manner and in preparation for the anticipated sale of this entity's assets, as described in section II(A)(1), above. As provided under the asset purchase agreement, the new company had been focused on running its business as efficiently as possible while the proposed sale was pending, including maintaining a bare-minimum number of employees needed to operate the business day-to-day and focusing solely on the sale of meat already in the company's inventory. With the purchaser's breach of the asset purchase agreement and failure to appear at the Court's show cause hearing on June 26, 2025, the Court ordered on June 27, 2025, that the Receivership had the express authorization to immediately winddown the operations of American Grazed Beef, LLC, and to market and sell the assets of the Receivership Estate, including any personal and real property of Agridime and/or American Grazed Beef, LLC, without further court approval. (ECF No. 161.)

Pursuant to this court order, the Receivership is marketing the remaining meat inventory of American Grazed Beef, LLC, to several potential purchasers in Arizona and Texas. The Receivership is aiming to complete these potential sales by the end of August 2025. In addition, the Receivership is seeking to sell Agridime's ten parcels of real estate in Kansas and Illinois, and its inventory of business and farm equipment, in Q3 2025.

3. Ongoing Claw Back Efforts

Based on groundwork laid in Q1 2025 – including the preparation of various legal demand letters and the compilation of amounts owed to the Receivership – the Receivership began claw back efforts in Q2 2025 against those individuals who received Ponzi profits from Agridime and exited the cattle investment contract scheme, and from those who earned sale commissions in Ponzi proceeds from Agridime for participating in the sale of the cattle contracts. Such efforts potentially could recover substantial amounts of Ponzi proceeds for the receivership estate and thereby assist in effectuating an equitable distribution plan. It is important to note that the overwhelming sentiment conveyed by those individuals receiving demand letters is one of cooperation with the Receivership's efforts. The Receivership appreciates this positive dialogue, and more than 155 “net winners” already have remitted funds totaling more than \$424,909.86 to the Receivership to resolve the claims against them.

Receivership counsel continues to engage with attorneys representing several “net winners” who owe six-and-seven-figure amounts for Ponzi proceeds received from Agridime before the scheme collapsed in December 2023. Receivership counsel are using their best efforts to resolve such claims without resorting to litigation, and aim to complete such pre-suit negotiations by the close of Q3 2025.

4. Continued Correspondence with Investor Victims regarding Amounts Owed

In Q4 2024, the Receivership sent correspondence to each investor victim with an individualized calculation of the amount owed to him or her and allowing each investor a 30-day period to bring discrepancies to the Receivership's attention. In Q1 and Q2 2025, the Receivership corresponded with hundreds of victims regarding these loss amounts. Some victims had not received the Receivership's initial loss calculation correspondence due to email issues (chiefly, certain email programs sending the Receivership's email to the "spam" folder due to an attached letter), and the Receivership focused on getting these investors their loss calculations. The Receivership answered many questions about investor victims' individualized calculations and conducted negotiations with a few investors who highlighted discrepancies in their calculations to the Receiver.

5. Negotiated Resolution of Lawsuit Filed Against Agridime by Commodity Futures Trading Commission (CFTC)

In Q2 2025, the Receivership and CFTC resolved a lawsuit filed by the CFTC against Agridime in the case pending in the Northern District of Texas, Fort Worth Division, styled *Commodity Futures Trading Commission v. Agridime LLC et al.*, and numbered 4:24-cv-0424-P. In relevant part, Agridime agreed to pay restitution in the amount of \$102,936,904 for violations of the Commodity Exchange Act ("CEA"), 7 U.S.C. §§ 1-26, and CFTC Regulations, 17 C.F.R. Pts. 1-190 (2024), specifically Section 6(c)(1) of the CEA, 7 U.S.C. § 9(1), and CFTC Regulation 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2024). The parties agreed that this restitution amount shall be deemed satisfied by the Receivership's collection efforts and ultimate distributions to victim investors. (ECF No. 44.)

B. The amount of cash on hand in the estate.

The amount of cash on hand in the Receivership Estate as of June 30, 2025, was \$2,585,692.55.

C. A schedule of all of the Receiver's receipts and disbursements.

Exhibit A (attached) contains the receipts and disbursements of Agridime LLC and American Grazed Beef, LLC, as operated by the Receiver from April 1, 2025, through June 30, 2025.

D. A description of all known Receivership Property.

As of June 30, 2025, Agridime LLC's assets included several pieces of real property in Kansas and Illinois, a collection of farm and business office equipment used in the day-to-day operation of the business, and an inventory of frozen meat stored at company warehouses in Arizona, Texas, and Kansas. The Receiver has catalogued these assets for the Court below and in an attached exhibit.

- **Agridime's Real Property:** The following real estate is owned by Agridime LLC, which appears to be free and clear of any mortgages. Because licensed appraisers have not been engaged to appraise all of Agridime's properties at this time, this report uses the value placed on the property on Agridime's balance sheet:
 - Buildings in Hope, Kansas (23 E. 2nd Ave., 9 E. 2nd Ave., 125 N. Main St., 100 Block N. Park St.) – combined value of \$240,575.33 on Agridime's balance sheet as of December 13, 2023.
 - 6 W. Main St., Herrington, Kansas – value of \$18,847.05
 - 620 W. Main St., Herrington, Kansas – value of \$500,000
 - 106 N. Broadway St., Herrington, Kansas – value of \$38,923.39
 - 12 N. Broadway St., Herrington, Kansas – value of \$33,996.89
 - 2400 Block 400 Ave., Herrington, Kansas and 700 Block S. 5th St., Herrington, Kansas – value of \$278,906.50
 - Cedar Valley Farms, Abingdon, Illinois – value of \$750,000
- **Agridime's Equipment:** A list of office and farm equipment and vehicles owned by Agridime is hereby incorporated by reference to Exhibit A, pp. 36-39, of the Asset Purchase Agreement (ECF No. 121).
- **Leasehold interests:**

- 6440 Oak Grove Road, Fort Worth, Texas 76134 – Agridime is a lessee under a 60-month term;
- Shoppa’s – Agridime is the lessee of various warehouse equipment, such as forklifts and pallet jacks.
- Toyota Commercial Finance – Agridime is the lessee of various warehouse equipment, such as forklifts and pallet jacks.

E. A description of liquidated and unliquidated claims held by the Receivership Estate.

As noted earlier, the Receivership Estate has started efforts to claw back (1) amounts paid to certain investors who received net profit from their investments in Agridime, and (2) commission payments made to individuals who facilitated the sale of cattle investment contracts to others. The total amount owed to the Receivership from these two categories of “net winners” is approximately \$15 million.

The Receivership is also analyzing claims against individuals and/or entities who participated in the furtherance of the Ponzi scheme. The Receivership is currently not able to quantify these potential claims.

The Receivership is analyzing a potential suit for unpaid insurance proceeds following denial of a claim for property loss due to equipment failure in the Arizona warehouse. The value of the claim is approximately \$600,000.

Finally, the Receivership is preparing the filing of a federal court lawsuit against the asset-sale purchaser for actual and consequential damages to the Receivership Estate in connection with the purchaser’s breach of the asset-purchase agreement. The Receivership is engaging in pre-suit negotiations with the purchaser’s legal counsel to resolve the dispute, but if such efforts are unsuccessful the Receivership anticipates filing suit in Q3 2025. While the calculation is preliminary, the value of this claim is expected to exceed \$11 million in benefit of the bargain damages alone.

F. A list of all known creditors with their addresses and the amounts of their claims.²

The known creditors of Agridime include, as general categories, all cattle contract investor victims, all ranchers with unresolved “retained ownership” contracts with Agridime,³ landlords, and several other creditors demanding payments for goods and services provided to Agridime before the Receivership assumed control of the business. The list of cattle contract investor victims and other creditors from Q3 2024 is largely unchanged⁴, and thus is hereby incorporated by reference from Exhibit B to the Receiver’s Initial Status Report. (ECF No. 96.)

Additionally, several additional entities have made claims/demands that have been disputed by the Receivership as to validity and/or amount, as follows:

- Agridime landlord SCRS Fort Worth Industrial, LLC has made a demand against Agridime for \$748,985.21 in past-due rent (ECF No. 154-6);
- Cattle Empire, LLC and Brookover Feed Yards, Inc., two of the feed lots with cattle placed in Agridime’s name, assert claims totaling approximately \$1.1 million in related cattle financing and feed costs for the “retained ownership” cattle;
- Creditors Adjustment Bureau, Inc., identified as a collection agency and assignee of Stripe, Inc., a payment processing company utilized by Agridime before the Receivership, made a demand for \$123,191.61;
- O’Reilly Ventures asserts a 3% equity ownership interest in Agridime, and thus asserted a claim to 3% of the proceeds of the previously-approved asset sale; and
- TW Highpoint Owner, L.L.C. and Transwestern Ventures, LLC have made a demand for \$4,901,685.50, alleged due under a lease purportedly executed in 2023 by the prior owners of Agridime.

² The Receivership notes that this list is strictly provided to comply with the Court’s order, and is, therefore, not meant as an acknowledgement by the Receivership as to the legal validity of an asserted claim or the legal creditor status of any individuals or entities listed herein and/or in Exhibit B to the Receiver’s Initial Status Report. Accordingly, the Receivership expressly reserves the right to dispute any asserted claims made by any of the individuals or entities identified herein and/or in Exhibit B to the Initial Status Report.

³ The United States Department of Agriculture’s Packers & Stockyards Division contends certain ranchers have priority claims under federal statutes.

⁴ Creditors Wiebe Construction, Inc. and Lucky’s Roofing and Construction have settled their claims against Agridime since the Initial Status Report, and thus are no longer creditors of the company.

Although still being calculated and revised, the current amount of investor-victim claims totals approximately \$102 million, and the retained owner rancher claims total approximately \$1.9 million.

Finally, the Receiver notes that neither the Receiver nor his retained professionals, including his counsel and forensic accountants, have been paid for services provided to the Receivership since Q2 of 2024 due to the ongoing financial obligations of Agridime and American Grazed Beef.⁵

G. The status of Creditor Claims Proceedings.

No Creditor Claims Proceedings have been commenced as of June 30, 2025. The forensic accounting experts retained by the Receivership have reconciled the books and records of Agridime and prepared a draft comprehensive list of all investors and the amount owed to each on their respective cattle contract investments. In Q4 2024, the Receivership completed the process of providing each investor with an accounting of the amount owed and allowing investors 30 days in which to communicate with the Receivership regarding any discrepancies. In both Q4 2024 and Q1 and Q2 2025, the Receivership engaged in amicable negotiations with many investors regarding discrepancies in the amounts that the Receivership believed were owed. In particular, the Receivership found that in the last six months of 2023, it appears that several cattle contracts were entered into by company management – and money received from investors – but the contracts were not provided to the company’s Fort Worth headquarters personnel for entry into a contract database. The Receivership believes that all (or substantially all) of these unaccounted-for contracts have now been identified and are reflected in the company’s records, and the affected investors have been credited with the amounts due to them from their pending investments.

⁵ While the Receivership court granted the Receiver’s 2024 Second Quarter Fee Application (ECF No. 129), payment for these services has not yet been made due to ongoing financial obligations of Agridime and American Grazed Beef.

H. The Receivers' recommendation for a continuation or discontinuation of the receivership and the reasons for the recommendations.

The Receiver recommends that the Receivership continue for several reasons, as detailed below.

First, the Receivership continues to communicate with Agridime investors in effort to establish the precise amount owed to each investor, and a cumulative total of all amounts owed to the entire class of Ponzi scheme victims. While the Receivership believes that all investor victims have been notified of the loss attributed to them, as noted earlier it is possible that due to email issues a very small number of investor victims may not have received the correspondence addressed to them. Indeed, communications with what were believed to be "net winners" has revealed additional investor victims. Accordingly, the Receivership has not yet put a hard deadline on how long investor victims have to contest the amount owed to them, and the Receivership continues to correspond with investor victims who have questions about their loss.

Second, the Receivership began intensive efforts to claw back any improper transfers of Ponzi scheme profits to investors and salespersons in Q2 2025, based on a thorough accounting finalized in Q1 2025. The Receivership anticipates that this effort will continue through Q3 2025. The Receivership also continues to investigate damages claims against third parties that could benefit the Receivership estate and the investor victims.

Third, the Receivership continues to manage the maintenance and sale of Agridime's frozen meat supply through both retail and wholesale distribution channels. Unfortunately, with the purchaser's breach of the asset purchase agreement for the sale of the assets of Agridime and American Grazed Beef, the Receivership has pivoted to intensive efforts to sell the company's remaining physical assets in Q3 2025.

Fourth, the Receivership hopes to initiate legal action in Q3 2025 against a North Dakota-based investment group for breach of the parties' asset purchase agreement. The suit will seek

substantial actual, consequential, and punitive damages against the investment group for the harm caused by its misrepresentations and failure to close the purchase of Agridime's assets.

Dated: July 30, 2025.

Respectfully submitted,

RECEIVER STEPHEN P. FAHEY

/s/ Stephen P. Fahey

Stephen P. Fahey, as Court Appointed Receiver

State Bar No. 24101249

steve@sfaheyllaw.com

LAW OFFICE OF STEVE FAHEY, PLLC

640 Taylor Street, Ste. 1200

Fort Worth, Texas 76102

Telephone: (682) 301-0330

CERTIFICATE OF SERVICE

This is to certify that on July 30, 2025, a true and correct copy of the foregoing instrument was filed and served on all counsel of record through the Court's CM/ECF filing system.

/s/ Stephen P. Fahey

Stephen P. Fahey