

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
	:	Civil Action File No.
Plaintiff,	:	1:12-CV-1996-TWT
v.	:	
	:	
BENJAMIN DANIEL DEHAAN AND	:	
LIGHTHOUSE FINANCIAL	:	
PARTNERS, LLC,	:	
	:	
Defendants.	:	

STATUS REPORT OF RECEIVER AND HIS COUNSEL

To: the Honorable Thomas W. Thrash Jr., Chief Judge of the United States District Court for the Northern District of Georgia

As set forth in the recently filed Motion by the Receiver for Approval of Plan for Administration of Claims and Distribution of Proceeds and Memorandum of Law in Support Thereof (the “Motion to Distribute”), the Receivership Estate assets have been fully administered. As the Court is aware, the major, potential recovery for the Estate consisted of litigation (the “Litigation”) involving malpractice and breach of contract claims against the former professionals of Lighthouse, which has been dismissed with prejudice by this Court and the dismissal has been affirmed on appeal by the Eleventh Circuit.

The remaining funds in the Estate are approximately \$420,000.00 and the proposed, allowed, non-administrative claims of investors and creditors are approximately \$7.6 million. The Receiver has also filed a Ninth and Final Fee Application for Award and Payment of Fees and Reimbursement of Expenses (the “Final Fee Application”) seeking approval for the payment of reduced professional fees exclusive of time and expenses incurred by the Receiver and his professionals (the “Receiver Team”) related to pursuit of the Litigation. The Receiver Team is not seeking compensation for approximately \$250,000.00 of time and expenses incurred during the last two years in the administration of the Estate. In the event that the Court approves the substantially reduced final fees sought as expenses of the administration of the Estate, per the Plan of Distribution, the remaining funds are to be distributed to the investors and creditors pro rata resulting in an estimated distribution of approximately 3 cents on the dollar to allowed claims. Should the Court approve the Plan of Distribution and allow the payment of the administrative expenses and final distribution to creditors, the Receiver has prepared a Motion Seeking: Approval of a Final Report, Discharging and Releasing the Receiver and His Professionals, and Entry of an Order Closing the Estate. The closing of the Estate has been delayed until the Receiver and the IRS were able to resolve tax issues arising from the failure to file a tax return in 2009, the failure to make a subchapter S election, and the conclusion of the IRS audit of Lighthouse for 2012.

Unfortunately, the principal of Lighthouse, Defendant Benjamin D. DeHaan, presently incarcerated, used the money obtained from investors pursuant to the Ponzi scheme operated through Lighthouse to cover market losses during a significant recession, operating expenses of a financially failing Lighthouse, and to acquire personal assets of very little value. Without a substantial recovery from the professionals of Lighthouse, the Estate, despite the best efforts of the Receiver and his professionals, ultimately contained very few assets of realizable value. The clawback claims asserted by the Receiver were met with evidence of factual defenses not previously known to the Receiver and resulted in less than substantial amounts of recoveries; there were very few investors who were net winners in the Lighthouse Ponzi scheme.

Should the Court have additional questions concerning the status or administration of the Estate, the Receiver and his counsel will be available to respond at the anticipated hearings on the Motion to Distribute and Final Fee Application when scheduled by the Court.

Respectfully submitted, this the 28th day of March, 2016.

/s/

S. Gregory Hays, Receiver for Lighthouse
Financial Partners, LLC, Defendant

CERTIFICATE OF COMPLIANCE

This is to certify that to the best of my knowledge this document has been prepared with one of the font and point selections approved by the Court in LR 5.1B, pursuant to LR 7. Specifically, the above-mentioned document has been prepared using Times New Roman font, 14 point.

This, the 28th day of March, 2016.

Respectfully submitted,

/s/

James C. Frenzel
Georgia Bar No. 276830
Counsel for S. Gregory Hays, Receiver for
Defendant, Lighthouse Financial Partners,
LLC

Of Counsel:
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Defendants.	:	
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CERTIFICATE OF SERVICE

This is to certify that I have this day served a true and correct copy of the STATUS REPORT OF RECEIVER AND HIS COUNSEL in a sealed envelope by first class mail with postage adequate to insure delivery to the parties indicated below:

Edward G. Sullivan, Esq.
U.S. Securities and Exchange Commission
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