In the

United States Court of Appeals

For the Seventh Circuit

Nos. 25-2561, 25-2585, 25-2649, & 25-3185

ZHU ZHAI HOLDINGS LIMITED and PETER PUI TAK LEE,

Plaintiffs-Appellees,

and

JEANETTE IVANKOVICH,

Intervenor-Appellee,

v.

STEVEN IVANKOVICH,

Defendant-Appellant,

and

PILGRIM CARIBBEAN ISLE LLC, *et al.*,

Appellants.

Appeals from the United States District Court for
the Northern District of Illinois, Eastern Division.
No. 1:20-cv-04985 — **Sharon Johnson Coleman**, *Judge.*

ARGUED SEPTEMBER 25, 2026 — DECIDED OCTOBER 20, 2026

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Before BRENNAN, *Chief Judge*, and SCUDDER and TAIBLESON, *Circuit Judges*.

SCUDDER, *Circuit Judge*. In the process of seeking to collect on a default judgment against Steven Ivankovich, plaintiffs Zhu Zhai Holdings and Peter Pui Tak Lee issued citations on various entities to discover Ivankovich's assets. Facing a tangled web of entities, accounts, and assets relating to and surrounding Ivankovich, the district court appointed a Special Master to sort through the facts and post-judgment disputes. The Special Master then did just that, ultimately concluding that particular assets (once held in an escrow account as security for loans) belonged to Ivankovich, and not to one or another of the limited liability companies that laid claim to the same assets. Seeing no error in the Special Master's findings, which the district court adopted, we AFFIRM.

I

A

The underlying dispute involves unpaid loans extended by the plaintiffs to various entities for which Ivankovich guaranteed repayment. After Ivankovich "ignored the litigation," the district court entered default judgment for roughly $4.5 million, and we affirmed. See *Zhu Zhai Holdings Ltd. v. Ivankovich*, No. 21-3038, 2022 WL 1439396, at *1 (7th Cir. May 6, 2022).

Ivankovich again failed to pay. The plaintiffs then issued a number of citations to discover his assets and collect the judgment. Federal Rule of Civil Procedure 69(a) provides for enforcement of judgments and post-judgment discovery in accordance with "the procedure of the state where the court is located"—here, Illinois. Under Illinois law, judgment

creditors are "entitled to prosecute citations to discover assets" under 735 Ill. Comp. Stat. 5/2-1402(a).

The plaintiffs issued one such citation in January 2022 to Walker & Dunlop, a third-party lender that had previously extended about $97 million in loans to two entities that Ivankovich owned or operated—Alliance HTFL LLC and Alliance HTTX LLC—for the purchase of several properties in Florida and Texas. Ivankovich served as the guarantor of the loans. As part of the loan agreement, Walker & Dunlop escrowed about $1.5 million in funds to ensure payment of taxes and insurance for the properties in case the LLCs and Ivankovich defaulted on the loans.

In April 2022, Ivankovich's LLCs sold the Florida properties. The sale yielded enough funds to pay off the Walker & Dunlop loans in full, as well as around $35 million in excess proceeds. With the loans paid off, Walker & Dunlop no longer had an interest in the escrowed funds. In the normal course, Walker & Dunlop would have released the funds to the borrower, but with the plaintiffs' citation pending, it instead froze the previously-escrowed funds awaiting the result of the ongoing court proceedings.

Those proceedings proved to be complex and contentious. Ivankovich seems to own and manage a maze of LLCs, several of which intervened in the post-judgment proceedings. Those LLCs—the two Alliance LLCs, and five LLCs whose names all begin with the word "Pilgrim"—asserted that the previously-escrowed funds could not be used to satisfy the plaintiffs' $4.5 million default judgment, because those funds belonged to them and not Ivankovich. Both Walker & Dunlop and the Pilgrim LLCs moved to dismiss the citation, but the district court declined to do so. Facing a chorus of objections

by the multiple LLCs and entities surrounding or affiliated with Ivankovich, the district court made the wise decision to appoint a Special Master, retired U.S. Magistrate Judge Sidney I. Schenkier, to navigate the facts and determine ownership of the previously-escrowed funds.

In due course, Ivankovich's estranged wife, Jeanette Ivankovich, intervened in the district court, asserting that she too had a claim over the previously-escrowed funds. She agreed with the plaintiffs that the previously-escrowed funds belonged to Ivankovich, but asserted that she held a superior interest in at least $600,000 of the funds—the amount of child and spousal support that Ivankovich had failed to pay.

B

After a five-month discovery period and a two-day hearing on the question of whether the funds belonged to Ivankovich or the LLCs, the Special Master issued his report and recommendation, finding that, under Illinois law, the funds belonged to Ivankovich. The Special Master's conclusion was the fruit of substantial diligence, including thorough consideration of the record evidence and witness testimony presented by the parties—all conveyed in great detail and with substantial clarity in his report.

The Special Master explained that under the Illinois citation statute "[t]he judgment creditor has the burden of showing that a citation respondent has assets of the judgment debtor." *Kalmin v. Varan*, 216 N.E.3d 984, 992 (Ill. App. Ct. 2021). The provisions of the citation statute are to be "liberally construed." *Id.* In line with that liberal construction, the phrase "assets belonging to the judgment debtor" is treated

as "very open-ended." *Nat'l Life Real Est. Holdings, LLC v. Scarlato*, 83 N.E.3d 44, 55–56 (Ill. App. Ct. 2017).

From there the Special Master assessed whether the plaintiffs showed that the Walker & Dunlop previously-escrowed funds were assets belonging to Ivankovich. The Special Master first determined that the funds—absent the citation—would have suffered the same fate as the sales proceeds from the Florida properties in that both would be "released to the seller" and deposited in the Alliance HTFL account.

Finding Ivankovich's treatment of the sales proceeds to be "highly relevant" to the question regarding the funds before him, the Special Master detailed the "complete control" that Ivankovich exercised over those proceeds. In particular, Ivankovich transferred tens of millions of dollars out of the Alliance account and into accounts of two of his other LLCs. From those two accounts, he made payments for a personal credit card, a tennis club membership, rent on a family residence, expenses related to his personal yacht, and attorneys he had engaged in connection with his pending divorce proceedings. In the final tally, these personal expenditures ran more than $2.8 million dollars.

Even more, the Special Master saw no evidence that any third-party LLCs ever complained about Ivankovich's use of those funds for his personal purposes. These facts convinced the Special Master that "but for the freeze of the money held by Walker & Dunlop at the time of the sale of [the Florida] properties," Ivankovich would have exercised "complete dominion" over the previously-escrowed funds. Accordingly, the Special Master found that the funds were Ivankovich's and could be used to satisfy the outstanding default judgment.

In making these findings, the Special Master went out of his way to observe that "a lack of credibility permeated [Ivankovich's] testimony." What most troubled the Special Master was seeing documents executing critical transactions, plainly bearing Ivankovich's signature, only to hear Ivankovich testify—under oath—that he had no knowledge of or involvement in those transactions. In the Special Master's words, Ivankovich "was repeatedly evasive, combative or flippant, and exhibited a level of disrespect for the process that the Special Master rarely has seen in his 46 years of involvement in the legal profession."

The Special Master then turned to the LLCs' legal objections. Most relevant for our purposes, the LLCs argued that the plaintiffs were attempting to transfer liability from one of its members, Ivankovich, to the LLCs—a maneuver sometimes known as reverse corporate veil piercing. The LLCs contended that such a practice was impermissible under either Illinois law, the law of the forum, or Delaware law, the law of the state where the LLCs were incorporated. The Special Master saw this position as a "straw man" because under Illinois law, the plaintiffs would not be permitted to pierce the corporate veil in supplementary proceedings. The Special Master also underscored that the LLCs' position assumed a central fact at issue—that the assets in question belonged to the LLCs and not Ivankovich.

With the Special Master's finding that the previously-escrowed funds were Ivankovich's within the meaning of the Illinois citation statute, the only question that remained was whether Jeanette's interest in the funds was superior to the plaintiffs' judgment. The Special Master recommended further proceedings be conducted on this issue.

In an order entered on August 7, 2025, the district court accepted and adopted the Special Master's report and recommendation and directed him to hold those further proceedings. Three of the four appeals before us challenge this August 7 Order finding that the previously-escrowed funds belonged to Ivankovich. The Pilgrim LLCs filed two of those appeals, and the third came from Ivankovich himself.

Before the Special Master could evaluate whether Jeanette or plaintiffs' claims took precedence, however, the plaintiffs and Jeanette filed a joint motion to disburse the funds, stating that they had agreed to split the funds equally between them. The Pilgrim LLCs sought to stay disbursement pending the outcome of their appeals. The district court denied their motion in a November 14 Order, which eliminated the need for further proceedings and gave way to Jeanette and the plaintiffs' agreed-upon disbursement. The Pilgrim LLCs then filed a separate appeal of the November 14 Order, the last of the four consolidated appeals before us.

II

Our first obligation is to ascertain whether we have jurisdiction to entertain these appeals. Under 28 U.S.C. § 1291, we have jurisdiction to review "all final decisions" entered by the district court. For purposes of appeal, we treat post-judgment proceedings as "separate, free-standing lawsuits," and evaluate the finality of each separate proceeding. *MedLegal Sols., Inc. v. Premium Healthcare Sols., LLC*, 166 F.4th 657, 665 (7th Cir. 2026).

A post-judgment order reflects a final decision within the meaning of § 1291 if it "addresses all the issues raised in the motion that sparked the postjudgment proceedings." *Solis v.*

Current Dev. Corp., 557 F.3d 772, 776 (7th Cir. 2009). If all that remains by the terms of an order are "ministerial actions" by the court, "finality may exist." *MedLegal*, 166 F.4th at 665 (quoting *Star Ins. Co. v. Risk Mktg. Grp. Inc.*, 561 F.3d 656, 659 (7th Cir. 2009)). Put more directly, a decision is final under § 1291 if it "ends the litigation on the merits and leaves nothing for the court to do but execute the judgment." *Id.* at 664 (quoting *Ray Haluch Gravel Co. v. Cent. Pension Fund of Int'l Union of Operating Eng'rs & Participating Emps.*, 571 U.S. 177, 183 (2014)).

The November 14 Order satisfies that standard. The order served as a functional approval of the agreement between Jeanette Ivankovich and the plaintiffs to split the funds equally, reaffirming that the Pilgrim LLCs had no remaining stake in the funds. The order therefore resolved the remaining questions left unanswered in the court's August 7 Order and adjudicated all parties' rights in the contested funds. Because the Pilgrim LLCs timely filed their last appeal less than 30 days after the district court's entry of the November 14 Order, we have jurisdiction to hear at least one of these four consolidated appeals. See 28 U.S.C. § 2107(a); Fed. R. App. P. 4(a).

The other three appeals before us present a more complex scenario. Those appeals stem from the district court's August 7 Order, in which the district court adopted the Special Master's report and recommendation. By its terms, though, that order contemplated further proceedings on the merits of Jeanette's claim to the contested funds, more than a mere ministerial task. See *MedLegal*, 166 F.4th at 664. Still, any lack of finality in the August 7 Order is not dispositive. Had the Pilgrim LLCs appealed solely from the August 7 Order, we might have had to consider whether their premature appeals could

relate forward under Federal Rule of Appellate Procedure 4(a)(2). See *Brown v. Columbia Sussex Corp.*, 664 F.3d 182, 187–190 (7th Cir. 2011). But the Pilgrim LLCs' subsequent appeal of the November 14 Order secures our jurisdiction over their claims, so even if their other appeals related forward, they would only be duplicative and dismissed all the same. See *Harris v. Bellin Mem'l Hosp.*, 13 F.3d 1082, 1083 (7th Cir. 1994).

As to Ivankovich's sole appeal of the August 7 Order, which also appears to be premature, we conclude we lack jurisdiction on other grounds—his lack of standing. Article III limits a federal court's authority to the resolution of "Cases" or "Controversies." U.S. CONST. art. III, § 2. The doctrine of standing exists to enforce this limitation and requires "that any person invoking the power of a federal court must demonstrate standing to do so." *Hollingsworth v. Perry*, 570 U.S. 693, 704 (2013). The familiar "triad of injury in fact, causation, and redressability constitutes the core of Article III's case-or-controversy requirement." *Steel Co. v. Citizens for a Better Env't*, 523 U.S. 83, 103–04 (1998) (footnote omitted). "[S]tanding must be met by persons seeking appellate review, just as it must be met by persons appearing in courts of first instance." *Seila L. LLC v. Consumer Fin. Prot. Bureau*, 591 U.S. 197, 211 (2020).

The injury Ivankovich seeks to redress on appeal is unclear. He plainly lacks a financial stake in the outcome of the supplemental proceedings. Indeed, to assert that he has such a stake would, in essence, be asking us to affirm the district court's decision, an unusual request from an appellant. Put another way, Ivankovich might have standing to assert that the previously-escrowed funds are his, but such an assertion would be self-defeating because it would allow the plaintiffs

to recover those funds in partial satisfaction of the unpaid $4.5 million default judgment. And while Ivankovich makes vague reference to his fiduciary duties as the manager of the Pilgrim LLCs, he fails to identify how an adverse outcome results in injury personal to him. See *Spokeo, Inc. v. Robins*, 578 U.S. 330, 339 (2016) ("For an injury to be 'particularized,' it 'must affect the plaintiff in a personal and individual way.'" (quoting *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 561 n.1 (1992)). We dismiss Ivankovich's appeal for lack of subject matter jurisdiction.

III

For the appeals brought by the Pilgrim LLCs, two observations warrant emphasis at the outset. First, Ivankovich wove around himself an intricate web of limited liability companies whose roles and functions remain unclear from the record before us. Regardless, we need not untangle it all to decide these consolidated appeals. Second, the Special Master worked diligently to get to the heart of the issue presented—whether the previously-escrowed funds belonged to Ivankovich. In the final analysis, we see no abuse of discretion, clear error, or legal error in any aspect of his findings.

The Pilgrim LLCs, of course, see things differently. They level several challenges at the Special Master's reasoning, including that the Special Master exceeded the scope of his authority, improperly considered entities not before him, and erroneously ignored that the previously-escrowed funds must have belonged to the LLCs because they were needed to pay property taxes and insurance on the Texas properties that the LLCs still owned. They also assert that the Special Master permitted reverse corporate veil piercing by allowing the plaintiffs to hold the LLCs liable for Ivankovich's debts,

contrary to Illinois and Delaware law. And, finally, they insist that the district court erred by extending citation proceedings without an explicit finding that justice required those extensions. None of these contentions persuade us.

The Federal Rules of Civil Procedure provide that "[t]he court must decide de novo all objections to findings of fact made or recommended by a master." Fed. R. Civ. P. 53(f)(3); see also 52(a)(4) ("A master's findings, to the extent adopted by the court, must be considered the court's findings."). But in interpreting the application of Rule 53(f)(3), we have distinguished between factual findings made by a special master after an evidentiary hearing, and those made without. See *Nat'l Lab. Rels. Bd. v. Neises Constr. Corp.*, 62 F.4th 1040, 1050 (7th Cir. 2023) (reviewing without deference "the Special Master's legal conclusions and all facts found without an evidentiary hearing").

Sound reasons support this distinction: where credibility determinations are central to factual findings, clear error review more appropriately reflects the deference necessary to preserve the value of evidentiary hearings. See *U.S. Bank Nat. Ass'n ex rel. CWCapital Asset Mgmt. LLC v. Vill. at Lakeridge, LLC*, 583 U.S. 387, 396 (2018) (emphasizing that "appellate courts should usually review a decision with deference" where the reviewing court would be compelled to "marshal and weigh evidence, make credibility judgments, and otherwise address … 'multifarious, fleeting, special, narrow facts that utterly resist generalization.'"); *Williams v. Lane*, 851 F.2d 867, 872 (7th Cir. 1988) (stressing that "a reviewing court must show even greater deference to the trial court's findings that involve credibility of witnesses, 'for only the trial judge can be aware of the variations in demeanor and tone of voice that

bear so heavily on the listener's understanding of and belief in what is said'"). We will therefore take an independent look at legal conclusions reached by the Special Master while reviewing his factual findings only for clear error.

A

The Pilgrim LLCs insist that the Special Master exceeded the scope of his authority by holding proceedings that were unrelated to the district court's reasons for denying the Pilgrim LLCs' and Walker & Dunlop's motions to dismiss the citation. We disagree. The district court appointed a Special Master to address "issues related to but not limited to the parties[']post-judgment discovery proceedings, the discovery produced thus far, and the location and amount of Judgment Debtor Ivankovich's assets." By its terms, the appointment order was broad, and we see nothing demonstrating that the Special Master exceeded the bounds of his assigned responsibility.

Nor is there any merit to the contention that the Special Master improperly considered certain entities not before the court— the Glencoe Family Dwelling LLC and A&O Family LLC, the two LLCs whose accounts Ivankovich transferred proceed funds to after the sale of the Florida properties. The Pilgrim LLCs identify no authority requiring that a Special Master presiding over supplementary proceedings limit his analysis to the entities before him. Such a limitation would make little sense, as it would handicap a Special Master's ability to follow a paper trail in complex financial transactions that may be choreographed to obscure reality.

In a related vein, the Pilgrim LLCs argue that the Special Master engaged in speculation by concluding that the Walker

& Dunlop funds would be controlled by Ivankovich in the same way that the proceeds from the Florida property sales were. They contend that the sales proceeds are distinct from the previously-escrowed funds because the proceeds were deposited in the Alliance HTFL account, while the previously-escrowed funds were, in Walker & Dunlop's words, "returnable to the Pilgrim LLCs."

But this representation by Walker & Dunlop to the district court was unsupported and indeed at odds with the evidence before the Special Master. That evidence indicated that the previously-escrowed funds would have been "released to the seller" and deposited in the same account that received the net proceeds from the property sale—the Alliance HTFL account. Further, the Pilgrim LLCs, some of whom served as the purported title owners of the Florida properties as of 2019, appear nowhere in the numerous transfers of the 2022 sales proceeds—all meticulously traced by the Special Master and all initiated by Ivankovich. In light of this evidence, we see no clear error in the Special Master's consideration of the 2022 sales proceeds.

Finally, the Pilgrim LLCs argue that the Special Master failed to consider that the previously-escrowed funds were needed to pay for outstanding tax and insurance obligations on the Texas properties the LLCs still own. Here too we disagree. The escrow existed to secure Walker & Dunlop's loan via payment of any outstanding tax and insurance obligations in the event of a default on the loan. But once the loan was fully paid off, Walker & Dunlop had no reason or basis upon which to restrict those funds.

As the Special Master found, Ivankovich exercised "complete dominion" over the funds in his LLCs' accounts and

therefore could have chosen to use the previously-escrowed funds to pay taxes and insurance on the Texas properties, or for some other purpose. The same is true for the millions of dollars in proceeds from the Florida property sales: Ivankovich could have chosen to use those funds for business purposes instead of personal expenses, but he did not. This power of choice—exercised completely by Ivankovich, without objection from the Pilgrim LLCs—is precisely what led the Special Master to determine that the previously-escrowed funds belonged to Ivankovich. We see no clear error in his findings.

B

Next, the Pilgrim LLCs assert that the Special Master and the district court committed legal error in permitting "reverse corporate veil piercing" by making the Pilgrim LLCs liable for the judgment against Ivankovich. The district court and the Special Master rejected this objection, and so do we.

The Special Master explained that efforts to pierce the corporate veil are beyond the scope of Illinois supplementary proceedings. Under Illinois law, "the only relevant inquiries in supplementary proceedings are (1) whether the judgment debtor is in possession of assets that should be applied to satisfy the judgment or (2) whether a third party is holding assets of the judgment debtor that should be applied to satisfy the judgment." *Pro. Neurological Servs., Ltd. v. City of Chicago Comm'n on Hum. Rels.*, 264 N.E.3d 543, 548, *appeal denied*, 270 N.E.3d 859 (Ill. 2025) (quoting *Pyshos v. Heart-Land Dev. Co.*, 630 N.E.2d 1054 (Ill. 1994)).

We have emphasized that because supplementary proceedings and actions to pierce the corporate veil "seek

different things," looking "to consolidate them into one proceeding is improper." *Star Ins. Co.*, 561 F.3d at 661. Corporate veil piercing essentially serves to transfer liability from a corporation to its shareholders, meaning that regardless of whether shareholders hold assets that belong to the corporation, they would be obligated to satisfy a judgment via their own personal funds. See *Pro. Neurological Servs.*, 264 N.E.3d at 550 ("Piercing apportions personal liability 'independent of the debtor's assets.'"). Similarly, a successful attempt at reverse veil piercing would transfer liability from a member to the limited liability corporation, obligating the LLC to satisfy a judgment using its own funds.

In contrast, supplementary proceedings ask only whether a third party (in this case the Pilgrim LLCs) holds assets that belong to a judgment debtor. See *Hayward v. Scorte*, 164 N.E.3d 31, 38 (Ill. App. Ct. 2020) (explaining that the Illinois citation statute provisions "concern certain identifiable assets" and generally "do not authorize the court to enter the full underlying judgment against third parties"). The inquiry in supplementary proceedings, like the one before the Special Master here, is therefore more narrowly tailored to the question of who owns or controls the assets in question. Had the Special Master allowed reverse corporate veil piercing, full liability for the default judgment would have transferred from Ivankovich to the Pilgrim LLCs—putting the LLCs on the hook for roughly $4.5 million. That is not what happened here, eliminating any need for us to opine on the outer limits of supplementary proceedings.

C

Finally, the Pilgrim LLCs argue that the district court erred procedurally by retroactively extending the citation

proceedings without an express finding that justice required such extensions. This contention need not detain us.

Illinois Supreme Court Rule 277(f) places a six-month limit on asset freezes under the Illinois citation statute, 735 ILCS 2-1402, to ensure that funds are not left in limbo for an excessively long period. See *King v. Ionization Int'l, Inc.*, 825 F.2d 1180, 1188 (7th Cir. 1987). But the rule also allows courts to "grant extensions beyond the 6 months, as justice may require." Ill. S. Ct. R. 277(f).

The district court extended citation proceedings multiple times without, as the Pilgrim LLCs emphasize, stating explicitly that justice required these extensions. But any supposed magic-words requirement finds no support in Illinois law or our understanding of proper applications of Rule 277(f).

We observed in *Laborers' Pension Fund v. Pavement Maintenance, Inc.*, 542 F.3d 189, 193 (7th Cir. 2008), that "[b]oth state and federal courts construe Rule 277 liberally," and noted that we "ha[d] not found examples of cases where a reviewing court found that a lower court's ruling was invalid as a result of Rule 277(f)'s operation." *Laborers'*, 542 F.3d at 194–95. Indeed, Illinois courts routinely apply Rule 277(f) without a clear-statement rule. See, *e.g.*, *L.A. Sites, Inc. v. Lockport 199, LLC*, 2023 IL App (3d) 220140-U, ¶ 23 ("To find that the Bank was required to specifically ask to extend the six-month period and receive special language from the court that the six-month period was extended would impose a condition not provided by the rule.").

The district court and Special Master Sidney Schenkier handled this case with great care and patience, and we see no

procedural irregularity under Rule 277(f) or otherwise. For these reasons, we AFFIRM.