

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
CASE NO. 20-CV-81205-RAR**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

COMPLETE BUSINESS SOLUTIONS  
GROUP, INC. d/b/a PAR FUNDING, et al.,

Defendants.

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**RECEIVER’S REPLY IN FURTHER SUPPORT OF MOTION TO LIFT  
THE LITIGATION INJUNCTION TO ALLOW COMMENCEMENT  
OF PROCEEDINGS INVOLVING LIBERTY EIGHTH AVENUE, LLC,  
KINGDOM LOGISTICS, LLC, DEF CAPITAL LLC, AND LISA MCELHONE**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver, (the “Receiver”) of the Receivership Entities,<sup>1</sup> by and through his undersigned counsel, hereby files this Reply in further

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<sup>1</sup> The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding”); Full Spectrum Processing, Inc.; ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan; ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC; ABFP Income Fund, LLC; ABFP Income Fund 2, L.P.; United Fidelis Group Corp.; Fidelis Financial Planning LLC; Retirement Evolution Group, LLC; RE Income Fund LLC; RE Income Fund 2 LLC; ABFP Income Fund 3, LLC; ABFP Income Fund 4, LLC; ABFP Income Fund 6, LLC; ABFP Income Fund Parallel LLC; ABFP Income Fund 2 Parallel; ABFP Income Fund 3 Parallel; ABFP Income Fund 4 Parallel; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment Fund 2 LP; MK Corporate Debt Investment Company LLC; Capital Source 2000, Inc.; Fast Advance Funding LLC; Beta Abigail, LLC; New Field Ventures, LLC; Heritage Business Consulting, Inc.; Eagle Six Consultants, Inc.; 20 N. 3rd St. Ltd.; 118 Olive PA LLC; 135-137 N. 3rd St. LLC; 205 B Arch St Management LLC; 242 S. 21st St. LLC; 300 Market St. LLC; 627-629 E. Girard LLC; 715 Sansom St. LLC; 803 S. 4th St. LLC; 861 N. 3rd St. LLC; 915-917 S. 11th LLC; 1250 N. 25th St. LLC; 1427 Melon St. LLC; 1530 Christian St. LLC; 1635 East Passyunk LLC; 1932 Spruce St. LLC; 4633 Walnut St. LLC; 1223 N. 25th St. LLC; Liberty Eighth Avenue LLC; The LME 2017 Family Trust; Blue Valley Holdings, LLC; LWP North LLC; and 500 Fairmount Avenue, LLC and the Receivership Estate includes the properties at 568 Ferndale Lane, Haverford PA; 105 Rebecca Court, Paupack, PA; 107 Quayside Dr., Jupiter FL; and 2413 Roma Drive, Philadelphia, PA 19145.

support of his Motion to Lift the Litigation Injunction to Allow Commencement of Proceedings Involving Liberty Eighth Avenue, LLC, Kingdom Logistics, LLC, DEF Capital LLC, and Lisa McElhone [ECF No. 557] (the “Motion”), and states:

**MEMORANDUM**

To preserve resources of the Receivership Estate, the Receiver does not intend to respond to each argument Defendant Lisa McElhone has raised in her Opposition to the Motion [ECF No. 582] (the “Opposition”). There are three points, however, the Receiver seeks to clarify.

*First*, “the purpose of imposing a stay of litigation is clear. A receiver must be given a chance to do the important job of marshaling and untangling a company’s assets without being forced into court by every investor or claimant.” *S.E.C. v. Vescor Capital Corp.*, 599 F.3d 1189, 1196 (10th Cir. 2010) (citing *United States v. Acorn Tech. Fund, L.P.*, 429 F.3d 438, 443 (3d Cir. 2005)). That is because litigation *against* the Receiver could potentially “take his attention away from other tasks.” *F.T.C. v. Med Resorts Intern., Inc.*, 199 F.R.D. 601, 609 (N.D. Ill. 2001). Through this Motion, the Receiver is not seeking to allow an investor or third-party suit to proceed against the Receivership Entities, the defense of which would necessarily “deplete funds that may eventually be adjudged receivership assets.” *Sec. & Exch. Comm’n v. Stanford Int’l Bank, Ltd.*, 3:09-CV-298-N, 2010 WL 11454481, at \*3 (N.D. Tex. Mar. 8, 2010).

Rather, this is an affirmative claim through which the Receiver seeks to recover Receivership Property that may ultimately be available for paying back investors. In deciding to pursue this claim involving the Decatur Road Property, the Receiver is exercising his broad authority “to institute such actions and legal proceedings, for the benefit and on behalf of the Receivership Estate, as the Receiver deems necessary and appropriate . . .” (Amended Order Appointing Receiver, ECF No. 141, at ¶ 43.) Indeed, the Receiver believes that pursuit of this

action is “advisable or proper to recover and/or conserve Receivership Property,” and he intends to pursue the claim “in a reasonable and cost-effective manner.” (*Id.*)

**Second**, Defendant McElhone derides the Receiver for “devot[ing] approximately six lines” of the Motion to the “merits of the proposed fraudulent conveyance action,” suggesting that the Receiver has not presented enough evidence to prove these claims. (Response, p. 6.) In fact, the Receiver dedicates 13 pages in the Motion to the background and details of these transactions, including the reasons why the Receiver was alarmed about the timing of McElhone’s transfer of the property. (Motion, pp. 4-17.) Moreover, in seeking to lift the Litigation Stay to pursue this claim, it is not the Receiver’s burden to present all relevant evidence in support of these claims.

To be clear, however, the Receiver strongly disputes—and Par Funding’s own documents disprove—that the reason for a more than 10-month delay between the time the purported obligation arose for the transfer of the Decatur Road Property back to Kingdom Logistics on November 18, 2019, and the actual transfer of the property in September 2020, was “oversight and delay in the mere formality of the transfer of a deed.” (Response at p. 7; Defendants’ Joint Response to Receiver’s Interim Status Report Dated February 1, 2021, ECF No. 493, p. 5). On November 26, 2019, just eight (8) days after Kingdom Logistics allegedly satisfied the conditions for reacquiring the property, Defendant Joseph Cole Barleta sent an email to Defendant Joseph LaForte (a/k/a Joe Mack), forwarding him all of “the related documents for Liberty’s deal with Kingdom Logistics.”<sup>2</sup> Nearly a month later, on December 23, 2019, Cole reminded LaForte that Liberty Eighth remained as the “holding company for” the Tarrant County property.”<sup>3</sup> Thereafter, on June 9, 2020, Anthony Zingarelli sent LaForte and McElhone an appraisal for 80 acres of

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<sup>2</sup> See email dated November 26, 2019, a copy of which is attached as Exhibit 1.

<sup>3</sup> See email dated December 23, 2019, a copy of which is attached as Exhibit 2.

property, which included the Decatur Road Property, and confirmed that “Liberty 8th owns 40 acres” and, therefore, the “liberty 8th appraisal would be half” of the total value.”<sup>4</sup>

In other words, during the days immediately following the time when McElhone claims she was obligated to deliver the deed for the Decatur Road Property to Kingdom Logistics, up until seven (7) weeks prior to the appointment of the Receiver in this case, McElhone and LaForte always considered Liberty Eighth to be the owner of the Decatur Road Property.<sup>5</sup> It was not until September 30, 2020—after the Receiver advised McElhone that he intended to expand the Receivership Estate to include Liberty Eighth and its property—that McElhone executed the documents that resulted in this transfer of the Decatur Road Property to Kingdom Logistics. The Receiver is more than satisfied with the factual support for his proposed fraudulent transfer claims.

*Third*, McElhone suggests that the Receiver’s Motion is “poorly timed,” given that (1) the Defendants’ Motion to Dismiss was pending as of the filing of the Opposition, and (2) McElhone is pursuing an appeal of the Order Granting Motion to Expand Receivership Estate [ECF No. 436] (the “Expansion Order”) that included Liberty Eighth as one of the Receivership Entities. Although the pending Motion to Dismiss would not have been a proper basis for delaying the Receiver’s efforts to recover Receivership Property, the Court has now denied the Defendants’ Motion to Dismiss in its entirety. [Order Denying Motion to Dismiss, ECF No. 583.] Thus, this argument is now a moot point. Additionally, the pendency of McElhone’s appeal has no impact on this Motion. The Expansion Order was entered nearly five (5) months ago, on December 16, 2020. McElhone did not seek from this Court or the Eleventh Circuit a stay of the Expansion

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<sup>4</sup> See email dated June 9, 2020, a copy of which is attached as Exhibit 3.

<sup>5</sup> When the SEC questioned LaForte during his deposition on May 4, 2021, regarding his or McElhone’s potential ownership interests in Kingdom Logistics or the various “Liberty” entities, LaForte refused to answer the questions, invoking his right against self-incrimination under the Fifth Amendment to the United States Constitution.

Order pending the appeal, nor would she have been able to meet the burden for obtaining a stay. *See Court-Appointed Receiver of Lancer Mgmt. Group LLC v. Lauer*, 05-60584-CIV, 2011 WL 13174535, at \*2 (S.D. Fla. Nov. 16, 2011) (denying defendant's request to stay court appointed receiver's claims against insiders where there was no showing of a likelihood of success on the appeal and, in any event, "even if the appeal is successful, the Eleventh Circuit would likely remand the case back to this Court for further proceedings"); *Fed. Trade Comm'n v. Life Mgmt. Services of Orange County, LLC*, No. 16-CV-982-ORL, 2021 WL 307357, at \*3 (M.D. Fla. Jan. 29, 2021) (denying defendant's motion to stay pending appeal and noting that public interest lies in favor of allowing Receiver to recover money on behalf of victims). Thus, there is no reason to delay the Receiver in filing this claim.

### **CONCLUSION**

The Receiver is charged with investigating and pursuing claims to recover Receivership Property. It is understandable that Defendant Lisa McElhone would prefer not to have to respond to these claims involving allegations that she was involved in a fraudulent transfer at a time when an asset freeze was in place. But the Receiver believes it is in the best interests of the Receivership Estate, and ultimately the investors, to recover this valuable property and bring it within the Receivership Estate. Accordingly, for the reasons set forth in the Motion and herein, the Receiver respectfully requests the Court to enter an Order lifting the Litigation Injunction to allow the Receiver to pursue claims involving Liberty Eighth Avenue, LLC, Kingdom Logistics, LLC, DEF Capital LLC, Lisa McElhone, and any other party the Receiver reasonably believes to be involved in the transfers of the real property located at 4309 Old Decatur Road, Fort Worth, Texas.

Dated: May 14, 2021

Respectfully Submitted,

**STUMPHAUZER FOSLID SLOMAN  
ROSS & KOLAYA, PLLC**  
Two South Biscayne Blvd., Suite 1600  
Miami, FL 33131  
Telephone: (305) 614-1400  
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By: /s/ Timothy A. Kolaya  
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*Co-Counsel for Receiver*

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[DKR@Pietragallo.com](mailto:DKR@Pietragallo.com)

*Co-Counsel for Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on May 14, 2021, I electronically filed the foregoing document with the clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ Timothy A. Kolaya  
TIMOTHY A. KOLAYA

# Exhibit “1”



**From:** Joe Cole <joe@parfunding.com>  
**Sent:** Tue, 26 Nov 2019 16:18:50 -0500  
**Subject:** Liberty Eighth Documents  
**To:** Joe Mack <Joe@parfunding.com>  
[CBSG Royalty Agreement - Kingdom Logistics 061719.pdf](#)  
[Non Foreign Certification.pdf](#)  
[Mutual Termination Lease Agreement - Original.pdf](#)  
[Contract for Sale of Real Estate.pdf](#)  
[Owner's Policy of Title Insurance - Original.pdf](#)  
[Recorded Memorandum of Land Lease - Original.pdf](#)  
[Tax Certificate.pdf](#)  
[Recorded Special Warranty Deed - Original.pdf](#)

Please see the attached related documents for Liberty's deal with Kingdom Logistics.

**Joe Cole**  
CFO



20 N 3rd St  
Philadelphia, PA 19106



Office: (215) 613-4126



Cell: (949) 232-2463



[joe@parfunding.com](mailto:joe@parfunding.com)



# Exhibit “2”

**Sent:** Mon, 23 Dec 2019 15:06:01 -0500  
**Subject:** Re: Liberty 6,7,8  
**From:** Joe Cole <joecole@parfunding.com>  
**To:** Joe Mack <joemack888@aol.com>

Here's a breakdown of the entities and relationship with Kingdom Logistics:

Liberty 6 - has a royalty agreement paying \$10.00 per 2,000 pounds of coal

Liberty 7 - operating entity

Liberty 8 - holding company for Tarrant County property

Joe Cole

On Mon, Dec 23, 2019 at 2:57 PM Joe Mack <[joemack888@aol.com](mailto:joemack888@aol.com)> wrote:

What do each of the liberty companies own.

Sent from my iPhone

# Exhibit “3”

**From:** Anthony Z <anthonyz@parfunding.com>  
**Sent:** Tue, 9 Jun 2020 19:17:48 -0400  
**Subject:** fort worth  
**To:** Joe Mack <joe@parfunding.com>, Lisa McElhone <lisa.mcelhone@gmail.com>  
[FORT WORTH.zip](#)

Fort Worth

Appraisal is for all 80 acres- liberty 8th owns 40 acres

the appraisal is \$11,560,000.00 - so liberty 8th appraisal would be half  
\$5,780,000.00

Warranty Deed attached

# APPRAISAL REPORT

QUARRY FALLS INDUSTRIAL LAND  
SOUTHEAST QUAD RANT I-820 AND  
OLD DECATUR ROAD  
FORT WORTH , TEXAS 76106  
CBRE GROUP, INC. FILE NO. 19-361SC -2083 -1

**CBRE**

VALUATION & ADVISORY SERVICES



301 Commerce Street, Suite 3131  
Fort Worth, TX, 76102

T (817) 806-1037  
F (817) 335-6001

[www.cbre.com](http://www.cbre.com)

December 5, 2019

RE: Appraisal of Quarry Falls Industrial Land  
Southeast Quadrant I-820 and Old Decatur Road  
Fort Worth, Tarrant County, Texas  
CBRE, Inc. File No. 19-361SC-2083-1

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is an 80.38-acre (3,501,539 sq. ft.) tract of vacant land located at the southeast quadrant of Interstate Highway 820 and Old Decatur Road in Fort Worth, Tarrant County, Texas. The property features frontage along and is accessible from Old Decatur Road, and is irregular in shape. All utilities are available to the tract, and the property features a planned development zoning designation allowing for heavy industrial uses. The subject's zoning is relatively liberal and also allows for a wide variety of commercial land uses. It should be noted that a very small portion of the subject is encumbered by Flood Zone A, however given the location and size of the encumbered area, there are no material affects to value. The subject also benefits from an adjacent rail line running parallel to the eastern boundary of the site. While technically located on a separate tract, the subject has a permanent access easement allowing use of the adjacent rail line.

The site exhibits some degree of topographical variance and has been used to store a significant amount of "fill dirt", which has been organized into numerous piles throughout the site. Property representatives indicate that the site may be developed as is without incurring undue earthwork/grading costs. Additionally, it is our understanding that portions of the subject contain Cement Kiln Dust (CKD) cells, buried underneath "substantial covering". While the CKD may be sold to a third party, property representatives have indicated that the property may be developed As Is, without further sitework or removal of the referenced CKD. Please see extraordinary assumptions. Please note, this assignment only considers the surface rights of the subject. The valuation of any CKD that may be present on the property, or any mineral or other subsurface rights at subject site is beyond the scope of the assignment and have not been considered herein.

December 5, 2019

Page 2

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

<b>MARKET VALUE CONCLUSION</b>			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	November 25, 2019	\$11,560,000
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Glenn Lowe  
Senior Appraiser  
TX-1380742-G  
[www.cbre.com/glenn.lowe](http://www.cbre.com/glenn.lowe)

Phone: (214) 979 5656  
Fax: (214) 979 6395  
Email: [glenn.lowe@cbre.com](mailto:glenn.lowe@cbre.com)



Tuan Nguyen, MAI, AI-GRS  
Managing Director  
TX-1336455-G  
[www.cbre.com/Tuan.Nguyen](http://www.cbre.com/Tuan.Nguyen)

Phone: (214) 979 5685  
Fax: (214) 979 6395  
Email: [Tuan.Nguyen@cbre.com](mailto:Tuan.Nguyen@cbre.com)

**CBRE**



## Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Texas.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Tuan Nguyen, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.
11. As of the date of this report, Glenn Lowe has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.
13. Glenn Lowe and Tuan Nguyen, MAI, AI-GRS have not made a personal inspection of the property that is the subject of this report.
14. No one provided significant real property appraisal assistance to the persons signing this report.
15. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
16. Glenn Lowe and Tuan Nguyen have provided appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



Glenn Lowe  
TX-1380742-G



Tuan Nguyen, MAI, AI-GRS  
TX-1336455-G

## Subject Photographs



Aerial View



Land



Land



Land



Land



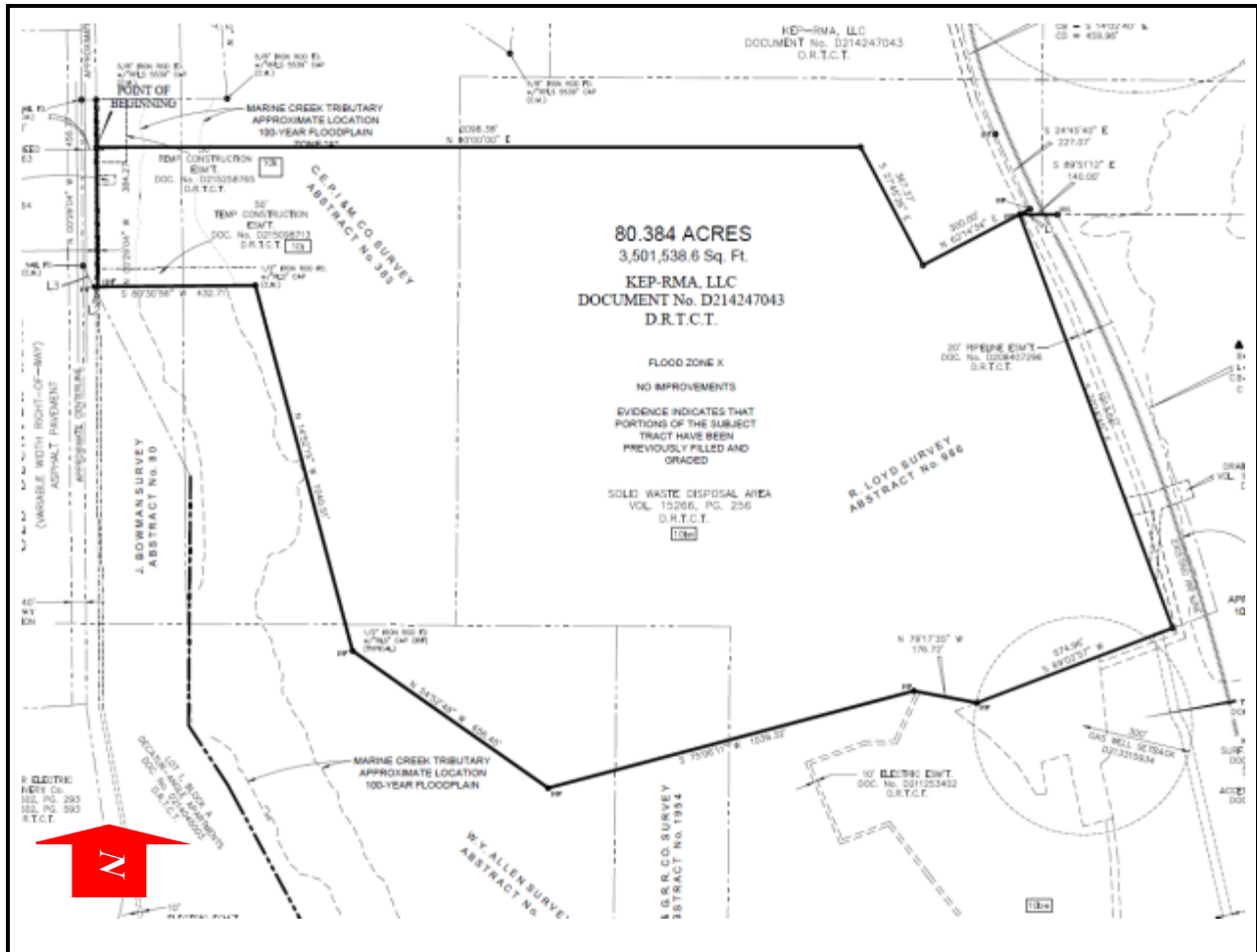
Street View: Curb Cut on Old Decatur Road



Street View: South on Old Decatur Road

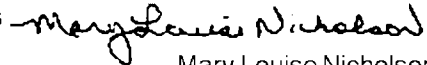
\*Please note that all photos were taken in December 2018.

**SURVEY**





Electronically Recorded by Tarrant County Clerk in Official Public Records

  
Mary Louise Nicholson

**SENDERA TITLE GF# 1901356-FSCA**

**AFTER RECORDING RETURN TO:**

Liberty Eighth Avenue, LLC  
250 Arch Street, 2<sup>nd</sup> Floor  
Philadelphia, PA 19106

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS   §  
  §       KNOW ALL MEN BY THESE PRESENTS THAT:  
COUNTY OF TARRANT   §

KEP-RMA, LLC, a Texas limited liability company (hereinafter called “Grantor”), for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to Grantor by Liberty Eighth Avenue, LLC, a Delaware limited liability company (hereinafter called Grantee), the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN and DELIVER to Grantee the real property and any easements appurtenant thereto described in Exhibit A attached hereto and made a part hereof (the “Land”), together with all improvements situated thereon, all fixtures and other property affixed thereto and/or located thereon and all and singular the rights and appurtenances pertaining to the property, privileges, and any right, title and interest of Grantor in and to adjacent streets, alleys and rights of way (herein collectively called the “Property”), subject to the mineral reservation set forth below and encumbrances described in Exhibit B attached hereto and made a part hereof (hereinafter called the “Permitted Encumbrances”).

Grantor reserves the oil, gas (inclusive of casinghead gas), and minerals (except as excluded below) and all liquid and/or liquefiable hydrocarbons, and any sulfur produced therewith, as well as helium, carbon dioxide and coalbed methane in, under, and that may be produced from the Land, including, without limitation, all rights under any existing oil, gas and mineral leases and all royalties and/or overriding royalties from such oil, gas and minerals, (collectively the “Reserved Minerals”). The Reserved Minerals do not include, and there is conveyed to Grantee hereby, all of Grantor’s interests in water rights, sand, gravel, clay, caliche, building stone and all other substances of whatever kind occurring within 200 feet of the surface of the ground or which must be quarried, strip mined, mined by means of open pit or tunneling, or the removal of which will otherwise result in substantial destruction or depletion of the surface, or the loss of vertical or horizontal support for the surface. Grantor, for itself and its agents, operators, successors and assigns, also reserves, in perpetuity, reasonable access to (including ingress and egress on the existing roads and routes to such sites), and the exclusive right to use, the drill sites and Leases

and Related Documents described on Exhibit C hereto for exploration, production, and related operations in connection with the Reserved Minerals, as well as the right to access the Reserved Minerals from any other wellsite which is not located on the Property, with wellbores which only traverse the Property at a depth of 250 feet or more below the surface of the Property.

TO HAVE AND TO HOLD the herein described property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns, forever, and Grantor does hereby bind itself and its successors to warrant and forever defend all and singular the said premises unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof, by, through or under Grantee, but not otherwise; subject, however, to Grantor's reservation of the Minerals and to the Permitted Encumbrances.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS DEED, IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS BEING SOLD AND CONVEYED HEREUNDER "AS IS" WITH ANY AND ALL FAULTS AND LATENT AND PATENT DEFECTS WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY GRANTOR, EXCEPT AS EXPRESSLY SET FORTH HEREIN. GRANTOR HAS NOT MADE AND DOES NOT HEREBY MAKE AND HEREBY SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, ITS CONDITION (INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY REGARDING QUALITY OF CONSTRUCTION, STATE OF REPAIR, WORKMANSHIP, MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE), ITS COMPLIANCE WITH ENVIRONMENTAL LAWS, REGULATIONS, ORDERS OR OTHER OBLIGATIONS OR OTHER LAWS, INCOME TO BE DERIVED THEREFROM OR EXPENSES TO BE INCURRED WITH RESPECT THERETO, THE OBLIGATIONS, RESPONSIBILITIES OR LIABILITIES OF THE OWNER THEREOF, OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY AND GRANTOR HEREBY DISCLAIMS AND RENOUNCES ANY OTHER REPRESENTATION OR WARRANTY EXCEPT AS EXPRESSLY SET FORTH HEREIN. GRANTEE ACKNOWLEDGES AND AGREES THAT EXCEPT FOR GRANTOR'S SPECIAL WARRANTY OF TITLE SET FORTH HEREIN, GRANTEE ACCEPTS THIS DEED WITHOUT RELYING UPON ANY REPRESENTATION, WARRANTY, STATEMENT OR OTHER ASSERTION, ORAL OR WRITTEN, MADE BY GRANTOR OR ANY REPRESENTATIVE OF GRANTOR OR ANY OTHER PERSON ACTING OR PURPORTING TO ACT FOR OR ON BEHALF OF GRANTOR WITH RESPECT TO THE PROPERTY BUT RATHER IS RELYING UPON ITS OWN EXAMINATION AND INSPECTION OF THE PROPERTY. GRANTEE REPRESENTS THAT IT IS A KNOWLEDGEABLE PURCHASER OF REAL ESTATE AND THAT IT IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF ITS CONSULTANTS IN PURCHASING THE PROPERTY. GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS OF THIS PARAGRAPH WERE A MATERIAL FACTOR IN THE DETERMINATION OF THE PURCHASE PRICE FOR THE PROPERTY.

IN WITNESS WHEREOF, this Special Warranty Deed is executed by Grantor to be effective as of the 19 day of April, 2019.

The address of Grantor is:

8650 Freeport Parkway, Suite 100  
Irving, Texas, 75063

KEP-RMA, LLC  
a Texas limited liability company

By: *Michael A. Blubaugh*  
Michael A. Blubaugh, Manager

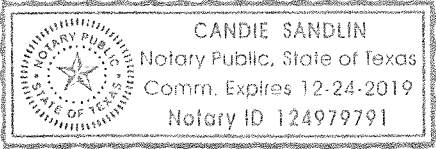
THE STATE OF TEXAS                    )  
  )  
COUNTY OF *Collin*                    )

This instrument was acknowledged before me on April 19, 2019, by Michael A. Blubaugh, Manager of KEP-RMA, LLC, a Texas limited liability company, on behalf of said entity.

*Candie Sandlin*  
Notary Public, State of Texas

My Commission Expires:  
*12-24-19*

*Candie Sandlin*  
Printed/Typed Name of Notary



**EXHIBIT A**  
LAND DESCRIPTION  
34.880 Acres

Being a tract of land situated in the W.Y. Allen Survey, Abstract No. 15, the J. Bowman Survey, Abstract No. 80, the C.E.P.I. & M. Co. Survey, Abstract No. 383, the J.T. Hobbs Survey, Abstract No. 806, the R. Loyd Survey, Abstract No. 986 and the I. & G.R.R. Co. Survey, Abstract No. 1955, Tarrant County, Texas and being a portion of those certain tracts of land as described in deed to **KEP-RMA, LLC**, as recorded in County Clerk's Document No. D214247043 of the Deed Records of Tarrant County, Texas and being more particularly described by metes and bounds as follows:

**COMMENCING** at a pk nail found in asphalt at the intersection of the approximate centerline of Old Decatur Road (a variable width right-of-way) and the southerly right-of-way line of Northwest Loop 820 (a variable width right-of-way);

**THENCE** South 00 degrees 29 minutes 04 seconds East, departing the southerly right-of-way line of said Northwest Loop 820 and along the approximate centerline of Old Decatur Road, a distance of 1,556.96 feet to a pk nail found in asphalt at the southwesterly corner of Lot 1, Block 1, Quarry Falls Industrial Growth Center No. 1, an addition to the City of Fort Worth as recorded in Document No. D212150170 of the Deed Records of Tarrant County, Texas and also being the northwesterly corner of a 40 foot wide right-of-way dedication to the City of Fort Worth as recorded in Document No. D215258763 of the Deed Records of Tarrant County, Texas;

**THENCE** North 89 degrees 30 minutes 56 seconds East, departing the approximate centerline of said Old Decatur Road and along the southerly line of said Quarry Falls Industrial Growth Center No. 1 and also being the northerly line of said 40 foot wide right-of-way dedication, a distance of 40.00 feet to the **POINT OF BEGINNING**;

**THENCE**, along the southerly and easterly lines of said Lot 1, Block 1, Quarry Falls Industrial Growth Center No. 1 the following courses:

North 89 degrees 30 minutes 56 seconds East, a distance of 359.67 feet to a 1/2 inch iron rod with cap stamped "RLS" set for a corner;

North 04 degrees 23 minutes 22 seconds West, a distance of 467.57 feet to a 5/8 inch iron rod with cap stamped "RPLS 5539" found for a corner;

North 39 degrees 54 minutes 10 seconds East, a distance of 178.62 feet to a 5/8 inch iron rod with cap stamped "RPLS 5539" found for a corner;

South 55 degrees 32 minutes 21 seconds East, a distance of 846.60 feet to a 5/8 inch iron rod with cap stamped "RPLS 5539" found for a corner;

North 06 degrees 18 minutes 20 seconds East, a distance of 534.66 feet to a 5/8 inch iron rod with cap stamped "RPLS 5539" found at the southwesterly corner of that certain tract



of land as described in deed to the Brown-Lewisville Railroad Family First Limited Partnership as recorded in Document No. 212293503 of the Deed Records of Tarrant County, Texas;

**THENCE** East, along the southerly line of said Brown-Lewisville tract, a distance of 1,137.00 feet to a 5/8 inch iron rod with cap stamped "RPLS 5539" found at the southeasterly corner of said Brown-Lewisville tract and being on a westerly line of that certain tract of land as described in deed to Keystone Equity Partners, as recorded in Volume 15441, Page 37 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the westerly lines of said Keystone Equity Partners tract, the following courses:

South 04 degrees 47 minutes 35 seconds East, a distance of 308.14 feet to a 1/2 inch iron rod with cap stamped "RLS" found at the beginning of a non-tangent curve to the left, having a central angle of 19 degrees 58 minutes 05 seconds, a radius of 1,326.51 feet and being subtended by a chord bearing South 14 degrees 02 minutes 40 seconds East, 459.96 feet;

Along said curve in a southeasterly direction, an arc distance of 462.30 feet to a 1/2 inch iron rod with cap stamped "RLS" found for a corner at the end of said curve;

South 24 degrees 45 minutes 40 seconds East, a distance of 227.07 feet to a 1/2 inch iron rod with cap stamped "RLS" found for a corner;

**THENCE**, departing the westerly lines of said Keystone Equity Partners tract and across the aforementioned KEP-RMA tract the following courses:

South 62 degrees 14 minutes 34 seconds West, a distance of 332.36 feet to a 1/2 inch iron rod with "RLS" cap set for a corner;

North 27 degrees 45 minutes 26 seconds West, a distance of 367.37 feet to a 1/2 inch iron rod with "RLS" cap set for a corner;

**WEST**, a distance of 2,098.38 feet to a point for corner at the southwesterly corner of the aforementioned 40 foot wide right-of-way dedication from which a pk nail found on the approximate centerline of the aforementioned Decatur Road bears West, 40.00 feet;

**THENCE** North 00 degrees 29 minutes 04 seconds West, along the easterly line of said 40 foot wide right-of-way dedication, a distance of 130.59 feet to the **POINT OF BEGINNING** and Containing 1,519,386 Square Feet or 34.880 acres of land, more or less.

**Exhibit B**

PERMITTED ENCUMBRANCES

1. Easement for pipe line filed September 9, 1918, recorded in Volume 556, Page 16, Deed Records of Tarrant County, Texas.
2. Easement for pipe line filed May 8, 1984, recorded in Volume 7823, Page 1150, Deed Records of Tarrant County, Texas, as affected by instrument(s) filed for record under Clerk's File No(s). D204051244, D206339792 and D206339793, Official Public Records of Tarrant County, Texas.
3. Terms, conditions and stipulations of Industrial Solid Waste Disposal Site Recordation by General Portland Inc., recorded in Volume 7797, Page 649, Deed Records of Tarrant County, Texas, as affected by instrument(s) recorded in Volume 15266, Page 256, Deed Records of Tarrant County, Texas.
4. Interest in and to all coal, lignite, oil, gas, and other minerals, and all rights incident thereto, contained in instrument dated January 28, 2002, filed February 1, 2002, recorded in Volume 15441, Page 37, Deed Records of Tarrant County, Texas, which document contains the following language "...the oil, gas and other mineral estate in and under the real property described in Exhibit B [contained therein]... provided however, Grantee, its successors and assigns shall have no right to use the surface of [said property as described on Exhibit B therein]...". Reference to which instrument is here made for particulars.
5. Easement for access reserved by grantors in warranty deed filed February 1, 2002, recorded in Volume 15441, Page 37, Deed Records of Tarrant County, Texas.
6. Lease for coal, lignite, oil, gas, or other minerals, together with rights incident thereto, dated October 22, 2004, by and between Keystone Equity Partners, LLC, as Lessor, and Keystone Exploration, Ltd., as Lessee, as evidenced by Memorandum of Lease filed October 22, 2004, recorded under Clerk's File No. D204332230, Official Public Records of Tarrant County, Texas, as affected by instruments recorded under Clerk's File Nos. D205306594 and D208446069, Official Public Records of Tarrant County, Texas. Reference to which instrument is here made for particulars.
7. Lease for coal, lignite, oil, gas, or other minerals, together with rights incident thereto, dated June 5, 2006, by and between Keystone Equity Partners, LLC, as Lessor, and Keystone Exploration, Ltd., as Lessee, as evidenced by Memorandum of Lease filed August 18, 2006, recorded under Clerk's File No. D206257944, Official Public Records of Tarrant County, Texas. Reference to which instrument is here made for particulars.
8. Lease for coal, lignite, oil, gas, or other minerals, together with rights incident thereto, dated October 30, 2006, by and between Keystone Equity Partners, LLC, as Lessor, and Keystone Exploration, Ltd., as Lessee, as evidenced by Memorandum of Lease filed October 31, 2006, recorded under Clerk's File No. D206339781, of the Official Public

Records of Tarrant County, Texas. Reference to which instrument is here made for particulars.

9. Easement for multiple pipelines filed October 28, 2008, recorded under Clerk's File No. D208407296, Official Public Records of Tarrant County, Texas.
10. Terms, conditions, and stipulations of Gas Site Permit by and between XTO Energy Inc. and Tarrant County Water District, et al, filed September 4, 2009, recorded under Clerk's File No. D209238352, Official Public Records of Tarrant County, Texas.
11. Easement and Right of Way filed October 25, 2012, recorded under Clerk's File No. D212263960, Official Public Records of Tarrant County, Texas.
12. Interest in and to all coal, lignite, oil, gas and other minerals, and all rights incident thereto, contained in instrument dated November 6, 2014, filed November 11, 2014, recorded under Clerk's File No. D214247043, of the Official Public Records of Tarrant County, Texas, which document contains the following language "...including the reservation of all mineral interest owned by Grantor or others...". Reference to which instrument is here made for particulars.
13. Terms, conditions, and stipulations of Amended and Restated Surface Use Agreement by and between Keystone Equity Partners, LLC and Keystone Exploration, Ltd, filed October 31, 2006, recorded under Clerk's File No. D206339790, Official Public Records of Tarrant County, Texas, as affected by instruments recorded under Clerk's File Nos. D206339791 and D208057378, Official Public Records of Tarrant County, Texas.
14. Easement for access filed for record under Clerk's File No. D215098713, Official Public Records of Tarrant County, Texas.
15. Terms, conditions, and stipulations of Royalty Agreement by and between Green Equity Partners LLC and Tazer Group, LLC, filed January 19, 2016, recorded under Clerk's File No. D216010034, Official Public Records of Tarrant County, Texas.
16. Terms, conditions, and stipulations of Royalty Agreement by and between Green Equity Partners LLC and KREG Equities, Ltd, filed January 19, 2016, recorded under Clerk's File No. D216010035, Official Public Records of Tarrant County, Texas.

**EXHIBIT C**  
OIL AND GAS LEASES AND RELATED DOCUMENTS

1. Amended and Restated Surface Use Agreement dated September 1, 2006, between Keystone Equity Partners, LLC and Keystone Exploration, Ltd., recorded as Instrument No. D206339790 of the Official Public Records of Tarrant County, Texas.
2. Unrecorded Assignment of Surface Use Agreement dated September 1, 2006 from Keystone Exploration, Ltd. to XTO Energy Inc.
3. First Amendment to Amended and Restated Surface Use Agreement dated January 28, 2008, between Keystone Equity Partners, LLC and XTO Energy Inc., recorded as Instrument No. D208067378 of the Official Public Records of Tarrant County, Texas.
4. Special Warranty Deed With Special Limitation, dated September 6, 2006 from Keystone Exploration, Ltd.(sic), executed by Keystone Equity Partners, LLC, to XTO Energy Inc., recorded as Instrument No. D206339789 of the Official Public Records of Tarrant County, Texas.
5. Amendment to Special Warranty Deed With Special Limitation dated effective September 6, 2006 from Keystone Exploration, Ltd., to XTO Energy Inc., recorded as Instrument No. D207175412 of the Official Public Records of Tarrant County, Texas.
6. Unrecorded Second Amended and Restated Oil and Gas Lease dated October 30, 2006, between Keystone Equity Partners, LLC and Keystone Exploration, Ltd.
7. Memorandum of Second Amended and Restated Oil and Gas Lease dated October 30, 2006, between Keystone Equity Partners, LLC and Keystone Exploration, Ltd., recorded as Instrument No. D206339781 of the Official Public Records of Tarrant County, Texas.
8. All matters of record in the Official Public Records of Tarrant County, Texas.