

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION

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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**DEFENDANTS' RESPONSE TO THE RECEIVER'S QUARTELY STATUS REPORT**

Defendants Joseph W. LaForte, Lisa McElhone, and Joseph Cole Barleta, by and through their attorneys, respectfully submit this response to the Receiver, Ryan K. Stumphauzer's Quarterly Status Report Dated August 2, 2021 (DE# 666) (the "Status Report"). The Status Report shows that the Receivership is detrimental to the Receivership Estate because the Receiver is collecting a fraction of what Par Management was collecting from Par's merchants and spending exponentially more money to do so. Further, the Receiver's fees are going up and collections are not. Contrary to the Receiver's statement, there is no need for the Receivership to continue. The Defense believes that the Status Report supports their contention that for the benefit of Par's Investors, Par Management should be reinstated.

The amounts actually collected and being billed by the Receiver and his staff are concerning. In his Quarterly Status Report the Receiver reports for Q2 2021 "collection activity" of \$12,042,872.81 (DE# 661-1 at 15-18) and seeks to be paid \$2,894,256.00. (DE# 661-1 at 6). First, even if correct, the amount of purported "collection activity" is concerningly low considering the amounts Par was collecting on what was owed by merchants when the Receiver was appointed. Second, the purported "collection activity" number includes large amounts for already frozen assets and is much higher than the Receiver's collections from merchants that owed Par over \$400M. The Quarterly Status Report begs the critical question whether it is prudent to have the Receiver and his staff continue. The Defendants contend the answer to that question is NO. As shown in more detail below, the Receiver collected \$7,222,383.00 from Par Merchants in the quarter and charged the Receivership Estate \$2,894,256.00 to do so. The Receiver is charging the Receivership Estate 40% of the merchant collections as the fee for him and his staff. In comparison, Par Management averaged collections of \$100 million a quarter with a payroll of \$767,937.00 per quarter. Par Management also made payments of principal and interest to the investors while doing so.

The Receiver's billing is concerning because on Par's \$550 million dollar portfolio, the Receiver has only increased Par's bank account balances during Q2 2021 by \$4,288,561.00, (DE# 661-1 at 15-18) after charging the Receivership Estate \$2,894,256.00. In the Quarterly Status Report, the Receiver lists \$12,042,872.81 in "collection activity." (DE# 661-1 at 15-18). However, within the reported \$12,042,872.81 amount, the Receiver includes millions of dollars of assets that were either on autopay or were already frozen. (DE# 661-1 at 15-18). This includes CFS – \$985,147.84 (taken through expanding the Receivership); ESC -\$2,870,114.54 (Auto ACH payments, plus \$2M from a settlement of a single deal being paid that was making 9% a month and would likely have been more profitable to continue); LMP - \$490,336.97 (rental properties all according to the Receiver were to be "plug and play"); ABFP - \$455,722.56 (Insurance premiums); Other \$19,167.30 – mostly interest on the money in the accounts.<sup>1</sup> In reality, filing numerous motions to expand the Receivership to throw his net over already frozen assets is not exactly "collection activity," particularly in the context of a merchant cash advance business with over \$400M in cash owed by merchants to be collected at the time the receivership was ordered. After the already frozen/non merchant "collection" amounts are backed out, the amount of actual collection activity from Par merchants was \$7,222,383.70 (DE# 661-1 at 15-18), which after the Receiver and his staff are paid \$2.9M, results in net collections for Par of \$4.2M. At this point, the Receiver is taking more than half of the amount by which he is increasing the bank balance through collections from Par merchants.

Prior to the Receivership Par collected \$100 million a quarter with a payroll of \$767,937.00 per quarter (*see* FSP Payroll Run, attached as exhibit G). Despite COVID, Par Funding collected \$30 million in the last month of operation, July 2020. But the Receiver is only collecting \$2,407,461.00 per month on average from Par portfolio, which equates to \$7,222,383 per Quarter. (*See* Receiver Receipts, attached as Exhibit A). To collect this \$7,222,383, the Receiver and his staff billed a total of \$2,894,256 (three and a half times the amount of Par's payroll for a staff of 70). (*See* DSI Q2 2021 Analysis, attached as Exhibit B) or 40% of the Estate's money for the quarter.

Because the Receiver is not fully transparent and will not give detailed information about where the money is coming from or what merchant settlements he is making,<sup>2</sup> the defense compared the Q1 to Q2 total receivership bank

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<sup>1</sup> This category is mostly bank interest earned for the money sitting around. The Receiver is earning about 0.1% interest annually, rather than performing Par's core business of funding deals, which would earn tens of millions for the Receivership Estate.

<sup>2</sup> The defense suspects that the Receiver is settling Par merchant accounts for pennies on the dollar but cannot be certain since he refuses to be transparent on these negotiations and settlements. The defense has asked numerous times for information on these settlements. The Receiver is averaging \$109,430.00 per day in collections from the Par portfolio. But the numbers are skewed by 3 large direct merchant deposits labeled by the receiver as, "customer receipts," (\$800,076.00 on 4/7, \$1,001,500.00 on 5/5, 420,150.00 on 5/21) as opposed to ach payouts, indicating a direct lump sum payment from a merchant or a debt settlement company or law firm that represents multiple Par merchants). The merchant was likely offered to pay a lump sum for less principal payback, (something that Par was vehemently opposed to ever doing). The Receiver is doing these deals to prop up his lackluster results, because it

account balances (*See* Comparison of Q1-Q2 bank balances attached as Exhibit C). Interestingly, the Receiver is showing an increase in bank balances of \$8,182,974.00 for the quarter. These actual collection results from Par merchants are lackluster and adding Defendants' already frozen assets and monies rolling in from their other businesses thrown into the receivership to reported collections does not change that fact. For example, the Receiver lists \$975,000.00 as part of his "collection activity" on his Status Report, but the fact is that the Receiver obtained that \$975,000.00 through an expansion motion. Attached is the bank statement from CFS, the balance has been there since July 27, 2020. (*See* CFS Bank Statements, attached as Exhibit D). The Receiver is reporting as "collection activity" fish in the already caught barrel. Of the \$8,182,974.00 increase in total receivership bank accounts, \$3,894,267.00 of the \$8,182,974.00 came from expanding the Receivership as opposed to collecting from Par merchants. To summarize this, for the entire quarter Par's bank accounts only increased by \$4,288,707.00, at a cost to the estate of \$2,894,256.00. The *Property income*, *ABFP insurance income*, *Eagle six*, *Heritage income*, and *expansion into CFS* represented as the Receiver stated during the December 15, 2020, Status Conference, are all auto-pay transactions: there is no real effort needed to "collect" those non-Par receivables, and there is a property management company<sup>3</sup> in place that gets paid out of rental proceeds monthly. Eagle 6, Heritage and the ABFP income is little to no management. So, there should be little to no cost, nor effort to the Receivership. The Receiver even admitted such in order to convince the Court to give him the control over these entities.

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represents \$2,222,165.00 of the paltry \$7,222,383.00 in total collections for the entire quarter from Par's portfolio. Removing these lump sum payments, the Receiver collected only \$5,000,656.57 in regular collections for the quarter.

<sup>3</sup> Notably, as previously mentioned by the Defendants in a prior filing, the property management company was mainly finding tenants and collecting rent for the LMP properties, while the Defendants were actually paying a staff to meticulously maintain the properties that were supposed to be "plug and play" when added to the Receivership. However, the Receiver immediately fired the staff and there can be no doubt the Receiver is paying the property management company or some other company or companies to do the maintenance and repair work at a higher cost than was being borne by the Defendants.

4                   **MR. STUMPHAUZER:** Your Honor, I just wanted to make a  
05:20 5 practical point. The receivership has admittedly required a  
6 lot of hours and is undoubtedly expensive.

7                   The main asset we're talking about is the properties.  
8 Luckily, they have one property management group that handles  
9 everything. As it just so happens, Mr. Alfano knows the person  
05:20 10 that runs that property management group. We have been in  
11 touch. We plug and play. They will continue to manage the  
12 property. There will not be additional expenses from what I  
13 can tell, and we will have the security knowing that tens of  
14 millions of dollars of investor money will be protected.

05:21 15                   **THE COURT:** So what you're telling me is I don't have  
16 to worry about Mr. Stumphauzer collecting rent in a  
17 condominium, because that was my worry when I read it, the next  
18 thing I know is that you guys were going to be playing landlord  
19 and I was going to have more costs. And I do not want anybody  
05:21 20 to be spending that time and money.

21                   **MR. STUMPHAUZER:** There is a property management  
22 company in place. I don't think there's just more, but I just  
23 wanted to add that practical point and that's it.

24                   **THE COURT:** That's useful because it is a concern of  
05:21 25 mine, as Mr. Soto pointed out. The costs spiral out of control

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105 of 127

1 and make it unmanageable, but if it is plug and play, that will  
2 make life a lot easier, I think, for everybody and save time  
3 and money.

Rightfully the Court was concerned the expansion of the Receivership would result in excessive billing. But the Receiver assured the Court that it would be “plug and play” and it would save time and money. Despite the assurance to the Court that it would be “plug and play,” the Receiver justifies his efforts to support his \$2.8 million dollar fee. The estate could pay an employee a salary of 35,000.00 a year to manage the autopay portal for the other entities outside of Par Funding and OCF property management is being paid from rental income for managing the properties. And as the Receiver knew before making this request to get his hands on the properties and other defendants’ businesses, it was not about helping the investors and protecting the assets for the estate. The assets were “hidden in plain sight.” A *lis pendens* filing on the properties could have protected the assets. Instead, by expanding the Receivership over and over as he has done, the Receiver is making huge sums of money for himself and his professionals, with no real upside to the Receivership Estate. Unfortunately, it is starting to become clear the Receiver and his professionals will likely be the only true winners in this case no matter how this dispute concludes.

In sum, when the Court initiated the Receivership, there was \$28,779,570 in total, already in the bank accounts prior to the freeze order. (DE# 666 at 6). Today, the Receiver only has \$58,444,950.00 in the bank accounts of Par funding (DE# 666-1 at 13).<sup>4</sup> The Receiver has expanded the Receivership into Defendants’ other assets that have either had large cash balances in the bank prior to the Receivership or over the past year have run on auto pilot, “plug and play” as described by the Receiver above. The Receiver’s report shows that the total liquid assets in all Receivership bank accounts has \$78,914,487 in total cash. But there was already more than \$28 million in the bank prior to the Receiver taking control of Par (DE# 666 at 6), and additional \$20,496,537 was in the accounts or obtained on auto pay of the companies that were expanded over the past 6 months or prior to the Receivership or collected by expanding the receivership. In a full year, the Receiver has now collected \$39,135,573.00 from Par’s \$550-million portfolio and has charged the Receivership Estate \$9,470,193.00 to do so. This represents 24% of the gross collections. In other words, the Receiver has charged \$9,470,193.00 to for a net increase of \$29,665,380.00 to the bank balances a historic rate of 31% of the net increase of the accounts. In Q2 the rate went up to 40% because the Receiver is collecting less and charging more. In Q2, the total cost to the Estate was \$2,894,256 (666-1 at 6). In Q1 the total cost was \$2,380,111 to the Estate. Meaning less collected and more fees to the Estate. The Receiver, as the defense pointed to in prior filings has also given himself and DSI a nice raise.

To put things in perspective:

- Par collected over \$200 million from January 2020 to July 2020, through COVID, the worst pandemic in 100 years (*See* KPI report audited by Joel Glick, attached as Exhibit E).
- Par had a gross revenue of \$179 Million (*See* Tax Returns-2019 1120s, attached as Exhibit F)
- FSP employed 70 employees working 12-hour days, only costing \$767,937.00 for the entire second quarter of 2020. Exhibit G, (payroll run for FSP funding, which included a full staff of underwriters and processors.

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<sup>4</sup> The Receiver points to the fact that there is \$78,914,486.93 in the bank, but omits the fact that much of the this is from expansions and only \$58,444,950.00 is in accounts belonging to Par. (DE# 666-1 at 13).

The Receiver has not funded a single merchant advance, yet it cost \$2,126,319.00 more to “run” his staff, where he does not have to have processors and underwriters, because he is not funding merchants. Since 70% of Par’s staff had to do with funding (underwriting, processing, credit committee) and the Receiver is not funding, the Receiver’s overhead is \$2,126,319.00 more than Par’s payroll with only 30% of the staff. He is only collecting seven percent what Par collected per quarter and charging three times more than Par’s entire overhead.

- The Receiver only costs the Receivership Estate and brings no benefit. He cannot create revenue unless he advances deals, which by his own admission he does not know how to do or care to do. It is readily apparent the Receiver will soon be charging more than he is collecting to the tremendous detriment of the investors or the Defendants and investors depending on the outcome of the case.

Par management have offered to work for free to endeavor to repay the investors, which should be everyone’s goal. Taking 40% of the money collected will *not* work, is excessive, and is made even worse by the abject liquidation of Par’s portfolio, which the defense warned would happen from the beginning.

The irony of the situation is, that Par funded and collected over a billion dollars over 8 years, making hundreds of millions of dollars in revenue, paid hundreds of millions to note holders’ interest, and note holders’ redemptions, while making Par consultants that drove this success, whom are now the defendants, a profit over its 8 years existence of an average of \$12,500,000 per year over 8 years on \$100,000,000 total while earning hundreds of millions of dollars for its investors. If the SEC had just asked, done a proper investigation, sent a subpoena or a Wells Notice, the Commission would have realized this, instead it relied upon false declarations, false theories on the legality of the industry by an adversarial attorney, made untrue allegations to the Court about Par’s bank accounts being emptied, and along with other inaccurate allegations. The Receiver is not really doing the business of Par, which is to fund deals and collect, has collected a mere \$47 million dollars of which more than half came through expanding the receivership over frozen assets and businesses, and is on pace to ironically charge as much as Par management earned, (\$9.4 million to date with another month left). It is apparent there is no real benefit to allowing this Receivership to continue.

Dated: August 6, 2021

**KOPELOWITZ OSTROW  
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**CERTIFICATE OF SERVICE**

I **HEREBY CERTIFY** that on August 6, 2021, I electronically filed the forgoing 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 transmissions of Notices of Electronic Filing generated by CM/ECF.

By:           /s/ David L. Ferguson            
          DAVID L. FERGUSON

## EXHIBIT A:

|          |                   |                  |    |            |      |
|----------|-------------------|------------------|----|------------|------|
| 04/01/21 | Business Receipts | Actum Payout     | \$ | 31,873.84  | CBSG |
| 04/01/21 | Business Receipts | Customer Receipt | \$ | 18,379.77  | CBSG |
| 04/02/21 | Business Receipts | Actum Payout     | \$ | 32,923.85  | CBSG |
| 04/02/21 | Business Receipts | Customer Receipt | \$ | 15,901.48  | CBSG |
| 04/05/21 | Business Receipts | Actum Payout     | \$ | 42,210.26  | CBSG |
| 04/05/21 | Business Receipts | Customer Receipt | \$ | 12,000.00  | CBSG |
| 04/06/21 | Business Receipts | Actum Payout     | \$ | 31,935.20  | CBSG |
| 04/06/21 | Business Receipts | Customer Receipt | \$ | 9,605.00   | CBSG |
| 04/07/21 | Business Receipts | Actum Payout     | \$ | 28,715.16  | CBSG |
| 04/07/21 | Business Receipts | Customer Receipt | \$ | 800,076.31 | CBSG |
| 04/08/21 | Business Receipts | Actum Payout     | \$ | 29,229.44  | CBSG |
| 04/08/21 | Business Receipts | Customer Receipt | \$ | 5,200.00   | CBSG |
| 04/09/21 | Business Receipts | Actum Payout     | \$ | 62,282.09  | CBSG |
| 04/09/21 | Business Receipts | Customer Receipt | \$ | 18,958.11  | CBSG |
| 04/12/21 | Business Receipts | Actum Payout     | \$ | 350,098.90 | CBSG |
| 04/12/21 | Business Receipts | Customer Receipt | \$ | 6,302.00   | CBSG |
| 04/13/21 | Business Receipts | Actum Payout     | \$ | 33,716.94  | CBSG |
| 04/13/21 | Business Receipts | Customer Receipt | \$ | 2,800.00   | CBSG |
| 04/14/21 | Business Receipts | Actum Payout     | \$ | 28,008.86  | CBSG |
| 04/15/21 | Business Receipts | Actum Payout     | \$ | 28,809.96  | CBSG |
| 04/15/21 | Business Receipts | Customer Receipt | \$ | 24,429.51  | CBSG |
| 04/16/21 | Business Receipts | Actum Payout     | \$ | 30,272.67  | CBSG |
| 04/16/21 | Business Receipts | Customer Receipt | \$ | 240,620.06 | CBSG |
| 04/19/21 | Business Receipts | Actum Payout     | \$ | 39,223.92  | CBSG |
| 04/19/21 | Business Receipts | Customer Receipt | \$ | 500.00     | CBSG |
| 04/20/21 | Business Receipts | Actum Payout     | \$ | 30,810.57  | CBSG |
| 04/20/21 | Business Receipts | Customer Receipt | \$ | 1,392.50   | CBSG |
| 04/21/21 | Business Receipts | Actum Payout     | \$ | 27,363.28  | CBSG |
| 04/21/21 | Business Receipts | Customer Receipt | \$ | 50,576.27  | CBSG |
| 04/22/21 | Business Receipts | Actum Payout     | \$ | 28,265.78  | CBSG |
| 04/22/21 | Business Receipts | Customer Receipt | \$ | 3,200.00   | CBSG |
| 04/23/21 | Business Receipts | Actum Payout     | \$ | 28,258.52  | CBSG |
| 04/23/21 | Business Receipts | Customer Receipt | \$ | 14,331.87  | CBSG |
| 04/26/21 | Business Receipts | Actum Payout     | \$ | 38,150.55  | CBSG |
| 04/26/21 | Business Receipts | Customer Receipt | \$ | 16,719.13  | CBSG |
| 04/27/21 | Business Receipts | Actum Payout     | \$ | 30,701.54  | CBSG |
| 04/27/21 | Business Receipts | Customer Receipt | \$ | 27,050.00  | CBSG |
| 04/28/21 | Business Receipts | Actum Payout     | \$ | 28,699.05  | CBSG |
| 04/28/21 | Business Receipts | Customer Receipt | \$ | 3,220.00   | CBSG |
| 04/29/21 | Business Receipts | Actum Payout     | \$ | 64,880.73  | CBSG |
| 04/29/21 | Business Receipts | Customer Receipt | \$ | 1,275.00   | CBSG |
| 04/30/21 | Business Receipts | Actum Payout     | \$ | 29,984.99  | CBSG |
| 04/30/21 | Business Receipts | Customer Receipt | \$ | 53,656.87  | CBSG |
| 05/03/21 | Business Receipts | Actum Payout     | \$ | 41,930.50  | CBSG |
| 05/03/21 | Business Receipts | Customer Receipt | \$ | 309,361.35 | CBSG |



|          |                   |                   |                 |      |
|----------|-------------------|-------------------|-----------------|------|
| 05/04/21 | Business Receipts | Actum Payout      | \$ 29,027.78    | CBSG |
| 05/04/21 | Business Receipts | Customer Receipt  | \$ 25,050.00    | CBSG |
| 05/05/21 | Business Receipts | Actum Payout      | \$ 28,155.90    | CBSG |
| 05/05/21 | Business Receipts | Customer Receipt  | \$ 1,001,500.00 | CBSG |
| 05/06/21 | Business Receipts | Actum Payout      | \$ 29,099.64    | CBSG |
| 05/06/21 | Business Receipts | Customer Receipt  | \$ 22,989.56    | CBSG |
| 05/07/21 | Business Receipts | Actum Payout      | \$ 28,591.14    | CBSG |
| 05/07/21 | Business Receipts | Customer Receipt  | \$ 14,394.46    | CBSG |
| 05/10/21 | Business Receipts | Actum Payout      | \$ 41,482.28    | CBSG |
| 05/10/21 | Business Receipts | Customer Receipt  | \$ 3,587.00     | CBSG |
| 05/11/21 | Business Receipts | Actum Payout      | \$ 32,826.88    | CBSG |
| 05/11/21 | Business Receipts | Customer Receipt  | \$ 29,211.67    | CBSG |
| 05/12/21 | Business Receipts | Actum Payout      | \$ 30,818.85    | CBSG |
| 05/12/21 | Business Receipts | Customer Receipt  | \$ 6,600.00     | CBSG |
| 05/13/21 | Business Receipts | Actum Payout      | \$ 30,645.72    | CBSG |
| 05/13/21 | Business Receipts | Customer Receipt  | \$ 4,808.77     | CBSG |
| 05/14/21 | Business Receipts | Actum Payout      | \$ 32,596.45    | CBSG |
| 05/14/21 | Business Receipts | Customer Receipt  | \$ 6,756.87     | CBSG |
| 05/17/21 | Business Receipts | Actum Payout      | \$ 36,728.49    | CBSG |
| 05/17/21 | Business Receipts | Customer Receipt  | \$ 242,401.33   | CBSG |
| 05/18/21 | Business Receipts | Actum Payout      | \$ 28,336.52    | CBSG |
| 05/18/21 | Business Receipts | Customer Receipt  | \$ 32,576.00    | CBSG |
| 05/19/21 | Business Receipts | Actum Payout      | \$ 30,893.09    | CBSG |
| 05/19/21 | Business Receipts | Customer Receipt  | \$ 7,981.37     | CBSG |
| 05/20/21 | Business Receipts | Actum Payout      | \$ 28,591.39    | CBSG |
| 05/20/21 | Business Receipts | Customer Receipt  | \$ 45,150.00    | CBSG |
| 05/21/21 | Business Receipts | Actum Payout      | \$ 27,969.55    | CBSG |
| 05/21/21 | Business Receipts | Customer Receipt  | \$ 420,150.11   | CBSG |
| 05/24/21 | Business Receipts | Actum Payout      | \$ 35,223.55    | CBSG |
| 05/24/21 | Business Receipts | Customer Receipt  | \$ 113,201.00   | CBSG |
| 05/25/21 | Business Receipts | Actum Payout      | \$ 31,467.04    | CBSG |
| 05/25/21 | Business Receipts | Customer Receipt  | \$ 1,070.00     | CBSG |
| 05/26/21 | Business Receipts | Actum Payout      | \$ 32,407.10    | CBSG |
| 05/26/21 | Business Receipts | Customer Receipt  | \$ 150.00       | CBSG |
| 05/27/21 | Business Receipts | Actum Payout      | \$ 29,415.24    | CBSG |
| 05/27/21 | Business Receipts | Customer Receipt  | \$ 79,491.97    | CBSG |
| 05/27/21 | Business Receipts | Property Receipts | \$ 401.64       | CBSG |
| 05/28/21 | Business Receipts | Actum Payout      | \$ 28,634.67    | CBSG |
| 05/28/21 | Business Receipts | Customer Receipt  | \$ 12,342.74    | CBSG |
| 06/01/21 | Business Receipts | Actum Payout      | \$ 35,299.97    | CBSG |
| 06/01/21 | Business Receipts | Customer Receipt  | \$ 10,729.96    | CBSG |
| 06/02/21 | Business Receipts | Actum Payout      | \$ 29,516.49    | CBSG |
| 06/02/21 | Business Receipts | Customer Receipt  | \$ 6,764.83     | CBSG |
| 06/03/21 | Business Receipts | Overpayments      | \$ (90.00)      | CBSG |
| 06/03/21 | Business Receipts | Actum Payout      | \$ 31,185.32    | CBSG |
| 06/03/21 | Business Receipts | Customer Receipt  | \$ 4,600.00     | CBSG |
| 06/03/21 | Business Receipts | Priority Payout   | \$ 273,831.78   | CBSG |

|          |                   |                  |    |                        |                   |
|----------|-------------------|------------------|----|------------------------|-------------------|
| 06/04/21 | Business Receipts | Actum Payout     | \$ | 27,813.13              | CBSG              |
| 06/04/21 | Business Receipts | Customer Receipt | \$ | 10,261.04              | CBSG              |
| 06/07/21 | Business Receipts | Actum Payout     | \$ | 26,764.45              | CBSG              |
| 06/07/21 | Business Receipts | Customer Receipt | \$ | 40,491.09              | CBSG              |
| 06/08/21 | Business Receipts | Actum Payout     | \$ | 37,163.20              | CBSG              |
| 06/08/21 | Business Receipts | Customer Receipt | \$ | 8,716.66               | CBSG              |
| 06/09/21 | Business Receipts | Actum Payout     | \$ | 30,513.50              | CBSG              |
| 06/09/21 | Business Receipts | Customer Receipt | \$ | 41,890.36              | CBSG              |
| 06/09/21 | Business Receipts | Customer Receipt | \$ | 171.65                 | CBSG              |
| 06/10/21 | Business Receipts | Actum Payout     | \$ | 31,997.70              | CBSG              |
| 06/10/21 | Business Receipts | Customer Receipt | \$ | 4,400.00               | CBSG              |
| 06/11/21 | Business Receipts | Overpayments     | \$ | (268.42)               | CBSG              |
| 06/11/21 | Business Receipts | Actum Payout     | \$ | 26,856.24              | CBSG              |
| 06/11/21 | Business Receipts | Customer Receipt | \$ | 6,631.87               | CBSG              |
| 06/11/21 | Business Receipts | Returns          | \$ | (13,932.50)            | CBSG              |
| 06/14/21 | Business Receipts | Actum Payout     | \$ | 33,035.30              | CBSG              |
| 06/14/21 | Business Receipts | Customer Receipt | \$ | 33,402.92              | CBSG              |
| 06/14/21 | Business Receipts | Returns          | \$ | (196.84)               | CBSG              |
| 06/15/21 | Business Receipts | Customer Receipt | \$ | 139,599.22             | CBSG              |
| 06/16/21 | Business Receipts | Customer Receipt | \$ | 240,381.47             | CBSG              |
| 06/17/21 | Business Receipts | Customer Receipt | \$ | 62,502.95              | CBSG              |
| 06/18/21 | Business Receipts | Customer Receipt | \$ | 33,281.06              | CBSG              |
| 06/21/21 | Business Receipts | Customer Receipt | \$ | 47,183.48              | CBSG              |
| 06/22/21 | Business Receipts | Customer Receipt | \$ | 33,113.02              | CBSG              |
| 06/23/21 | Business Receipts | Customer Receipt | \$ | 38,411.18              | CBSG              |
| 06/24/21 | Business Receipts | Customer Receipt | \$ | 30,653.07              | CBSG              |
| 06/25/21 | Business Receipts | Customer Receipt | \$ | 283,098.39             | CBSG              |
| 06/28/21 | Business Receipts | Customer Receipt | \$ | 35,581.86              | CBSG              |
| 06/29/21 | Business Receipts | Customer Receipt | \$ | 36,610.53              | CBSG              |
| 06/30/21 | Business Receipts | Customer Receipt | \$ | 87,790.17              | CBSG              |
|          |                   |                  |    | <b>\$ 7,222,383.70</b> | <b>CBSG Total</b> |

## EXHIBIT B:

## DSI Q2 2021 Analysis

## Expenses

04/01/21 through 06/30/21

## Q2 Expense Payments

| Receiver Entities                                | Q2 Payments            | Prior Periods          | To Date                | New Invoices           | Total Billed                 | Monthly Average        |
|--|------------------------|------------------------|------------------------|------------------------|------------------------------|------------------------|
| Stumphauzer, Foslid, Sloman, Ross & Kolaya PLLC  | \$ 299,369.58          | \$ 872,546.10          | \$ 1,171,915.68        | \$ 314,561.42          | \$ 1,486,477.10              | \$ 135,134.28          |
| Pietragallo Gordon Alfano Bosick & Raspanti, LLP | \$ 663,459.56          | \$ 1,182,792.32        | \$ 1,846,251.88        | \$ 649,980.30          | \$ 2,496,232.18              | \$ 226,930.20          |
| Fox Rothschild, LLP                              | \$ 33,978.50           | \$ -                   | \$ 33,978.50           | \$ 21,286.00           | \$ 55,264.50                 | \$ 5,024.05            |
| Development Specialists, Inc.                    | \$ 1,269,161.51        | \$ 2,239,261.00        | \$ 3,508,422.51        | \$ 1,459,079.76        | \$ 4,967,502.27              | \$ 451,591.12          |
| Lawgical Insights, LLC                           | \$ 63,236.85           | \$ 222,638.75          | \$ 285,875.60          | \$ 34,587.55           | \$ 320,463.15                | \$ 29,133.01           |
| HD Investigative Group, LLC                      | \$ 50,905.00           | \$ 86,843.75           | \$ 137,748.75          | \$ 5,850.00            | \$ 143,598.75                | \$ 13,054.43           |
| Other  | \$ 656.00              | \$ -                   | \$ 656.00              | \$ -                   | \$ 656.00                    | \$ 59.64               |
| <b>Total</b>                                     | <b>\$ 2,380,767.00</b> | <b>\$ 4,604,081.92</b> | <b>\$ 6,984,848.92</b> | <b>\$ 2,485,345.03</b> | <b>\$ 9,470,193.95</b>       | <b>\$ 860,926.72</b>   |
| <b>Other SG&amp;A</b>                            |                        |                        |                        |                        |                              |                        |
| Payroll & Benefits                               | \$ 298,829.00          | \$ 720,453.00          | \$ 1,019,282.00        |                        |                              | \$ 92,662.00           |
| IT Expense                                       | \$ 130,156.00          | \$ 316,281.00          | \$ 446,437.00          |                        |                              | \$ 40,585.18           |
| Utilities  | \$ 11,912.25           | \$ 10,096.00           | \$ 22,008.25           |                        |                              | \$ 2,000.75            |
| Insurance  | \$ 1,509.25            | \$ 24,451.00           | \$ 25,960.25           |                        |                              | \$ 2,360.02            |
| Other Operating Expense                          | \$ 35,157.25           | \$ 44,677.00           | \$ 79,834.25           |                        |                              | \$ 7,257.66            |
| Other  | \$ 35,925.25           | \$ 29,120.00           | \$ 65,045.25           |                        |                              | \$ 5,913.20            |
| <b>Total</b>                                     | <b>\$ 513,489.00</b>   | <b>\$ 1,145,078.00</b> | <b>\$ 1,658,567.00</b> |                        |                              | <b>\$ 150,778.82</b>   |
| <b>Q2 Total Payments</b>                         | <b>\$ 2,894,256.00</b> |                        |                        |                        | <b>Total Monthly Average</b> | <b>\$ 1,011,705.54</b> |

## Exhibit C:

| <b>Receiver Accounts</b>                  |                          |       |                  |                   |                       |  |
|---|--------------------------|-------|------------------|-------------------|-----------------------|--|
| Complete Business Solutions Group, Inc.   | City National Bank       | x1839 | \$ 11,666,253.54 | \$ 11,667,107.09  | \$ 853.55             |  |
| Complete Business Solutions Group, Inc.   | City National Bank       | x5736 | \$ 159,061.55    | \$ 318,445.72     | \$ 159,384.17         |  |
| Complete Business Solutions Group, Inc.   | City National Bank       | x2430 | \$ 41,899,200.98 | \$ 46,009,874.82  | \$ 4,110,673.84       |  |
| Complete Business Solutions Group, Inc.   | City National Bank       | x5554 | \$ 2,285.52      | \$ 1,375.01       | \$ <u>(910.51)</u>    |  |
| Complete Business Solutions Group, Inc.   | City National Bank       | x3071 | \$ 20,791.18     | \$ 38,443.03      | \$ 17,651.85          |  |
| Complete Business Solutions Group, Inc.   | <del>Actum</del>         | N/A   | \$ 12,000.00     | \$ 12,000.00      | \$ -                  |  |
| Complete Business Solutions Group, Inc.   | <del>FedChex</del>       | N/A   | \$ 327,706.00    | \$ 327,706.00     | \$ -                  |  |
| Complete Business Solutions Group, Inc.   | <del>Kotapay</del>       | N/A   | \$ 20,000.00     | \$ 20,000.00      | \$ -                  |  |
| Complete Business Solutions Group, Inc.   | Priority Payment Systems | N/A   | \$ 50,000.00     | \$ 50,000.00      | \$ -                  |  |
| Full Spectrum Processing Inc.             | City National Bank       | x5700 | \$ 26,709.49     | \$ 10,377.52      | \$ <u>(16,331.97)</u> |  |
| ABFP Income Fund 2                        | City National Bank       | x8328 | \$ 1,098.10      | \$ 747.10         | \$ <u>(351.00)</u>    |  |
| abetterfinancialplan.com, LLC.            | City National Bank       | x2189 | \$ 222,523.27    | \$ 222,581.99     | \$ 58.72              |  |
| ABFP Multi-Strategy Investment Fund LP.   | City National Bank       | x3575 | \$ 174,107.04    | \$ 176,508.83     | \$ 2,401.79           |  |
| ABFP Management Company                   | City National Bank       | x3737 | \$ 217,471.38    | \$ 215,002.60     | \$ <u>(2,468.78)</u>  |  |
| ABFP Multi-Strategy Investment Fund 2 LP. | City National Bank       | x3872 | \$ 1,094,280.27  | \$ 1,174,239.36   | \$ 79,959.09          |  |
| MK Corporate Debt Investment Company LLC. | City National Bank       | x3944 | \$ 565,890.25    | \$ 565,724.26     | \$ <u>(165.99)</u>    |  |
| Fidelis Financial Planning LLC.           | City National Bank       | x5835 | \$ 12,921.34     | \$ 12,924.40      | \$ 3.06               |  |
| The United Fidelis Group Corp.            | City National Bank       | x5682 | \$ 170,537.68    | \$ 170,578.08     | \$ 40.40              |  |
| Retirement Evolution Group LLC.           | City National Bank       | x5754 | \$ 1,200,139.05  | \$ 1,200,522.34   | \$ 383.29             |  |
| Fast Advance Funding LLC                  | City National Bank       | x2069 | \$ 1,060,447.48  | \$ 1,449,022.45   | \$ 388,574.97         |  |
| Fast Advance Funding LLC                  | <del>Actum</del>         | N/A   | \$ 43,612.50     | \$ 43,612.50      | \$ -                  |  |
| New Field Ventures LLC                    | City National Bank       | x5199 | \$ -             | \$ <u>(17.00)</u> | \$ <u>(17.00)</u>     |  |
| 118 Olive PA LLC                          | City National Bank       | x1195 | \$ 2,600.59      | \$ 431.23         | \$ <u>(2,169.36)</u>  |  |
| 205 B Arch St Management LLC              | City National Bank       | x1420 | \$ 1,498.47      | \$ 1,463.62       | \$ <u>(34.85)</u>     |  |
| 242 S 21st St LLC                         | City National Bank       | x9339 | \$ 26,082.18     | \$ 16,065.93      | \$ <u>(10,016.25)</u> |  |

|                        |                    |       |               |               |                       |
|------------------------|--------------------|-------|---------------|---------------|-----------------------|
| 300 Market St LLC      | City National Bank | x1186 | \$ 134,729.99 | \$ 172,032.57 | \$ 37,302.58          |
| 627-629 E Girard LLC   | City National Bank | x9872 | \$ 105,839.08 | \$ 147,045.21 | \$ 41,206.13          |
| 803 S 4th St LLC       | City National Bank | x9816 | \$ 9,305.16   | \$ 5,877.50   | \$ <u>(3,427.66)</u>  |
| 1427 Melon St LLC      | City National Bank | x3410 | \$ 196,690.15 | \$ 280,375.99 | \$ 83,685.84          |
| 1530 Christian St. LLC | City National Bank | x3401 | \$ 26,924.69  | \$ 30,566.06  | \$ 3,641.37           |
| 1635 East Passion LLC  | City National Bank | x3293 | \$ 8,998.85   | \$ 26,061.49  | \$ 17,062.64          |
| 1932 Spruce St LLC     | City National Bank | x2834 | \$ 46,650.17  | \$ 29,280.20  | \$ <u>(17,369.97)</u> |
| 4633 Walnut St. LLC    | City National Bank | x2843 | \$ 24,170.44  | \$ 28,294.74  | \$ 4,124.30           |
| 1223 N 25th St. LLC    | City National Bank | x9861 | \$ 21,348.11  | \$ 34,910.37  | \$ 13,562.26          |

|                                    |                          |       |                  |                  |                      |
|------------------------------------|--------------------------|-------|------------------|------------------|----------------------|
| 1250 N 25th St LLC                 | City National Bank       | x4130 | \$ 24,990.79     | \$ 29,076.99     | \$ 4,086.20          |
| 135-137 N. 3rd St. LLC             | City National Bank       | x9753 | \$ 180,066.35    | \$ 223,694.54    | \$ 43,628.19         |
| 715 Sansom St. LLC                 | City National Bank       | x9863 | \$ 51,815.71     | \$ 44,118.79     | \$ <u>(7,696.92)</u> |
| 861 N 3rd St. LLC                  | City National Bank       | x9845 | \$ 68,778.70     | \$ 85,882.53     | \$ 17,103.83         |
| 915-917 S. 11th LLC                | City National Bank       | x9818 | \$ 41,099.80     | \$ 60,687.96     | \$ 19,588.16         |
| 20 N. 3rd St. Ltd                  | City National Bank       | x1447 | \$ 5,772.64      | \$ 5,734.00      | \$ <u>(38.64)</u>    |
| Capital Source 2000, Inc           | City National Bank       | x2528 | \$ 2,176,239.28  | \$ 2,184,332.52  | \$ 8,093.24          |
| Capital Source 2000, Inc           | <del>Actum</del>         | N/A   | \$ 99,925.00     | \$ 99,925.00     | \$ -                 |
| Capital Source 2000, Inc           | Priority Payment Systems | N/A   | \$ -             | \$ -             | \$ -                 |
| Heritage Business Consulting, Inc. | City National Bank       | x1745 | \$ 163,084.02    | \$ 265,720.01    | \$ 102,635.99        |
| Eagle Six Consulting, Inc.         | City National Bank       | x2519 | \$ 6,516,625.04  | \$ 8,921,249.90  | \$ 2,404,624.86      |
| Liberty Eighth Avenue LLC          | City National Bank       |       | \$ -             | \$ -             | \$ -                 |
| LME 2017 Family Trust              | City National Bank       | x8827 | \$ 115,879.58    | \$ 115,907.03    | \$ 27.45             |
| LWP North LLC                      | City National Bank       | x8115 | \$ 3,118.38      | \$ 473.53        | \$ <u>(2,644.85)</u> |
| Blue Valley Holdings, LLC          | City National Bank       | x5460 | \$ 35,410.86     | \$ 33,503.39     | \$ <u>(1,907.47)</u> |
| 500 Fairmount Avenue, LLC          | City National Bank       | x8169 | \$ 36,917.55     | \$ 54,557.16     | \$ 17,639.61         |
| Contract Financing Solutions       | City National Bank       | x4540 |                  | \$ 985,729.41    | \$ 985,729.41        |
| ABFP Income Fund 3 Parallel        | City National Bank       | x4413 |                  | \$ 310.26        | \$ 310.26            |
| ABFP Income Fund Parallel          | City National Bank       | x4683 |                  | \$ 310.26        | \$ 310.26            |
| ABFP Income Fund 4 Parallel        | City National Bank       | x8211 |                  | \$ 500.00        | \$ 500.00            |
| ABFP Income Fund 6 Parallel        | City National Bank       | x4575 |                  | \$ 314.43        | \$ 314.43            |
| ABFP Income Fund 6                 | City National Bank       | x4629 |                  | \$ 236.97        | \$ 236.97            |
| Recruiting and Marketing Resources | City National Bank       | x4279 |                  | \$ 107.00        | \$ 107.00            |
| ABFP Income Fund 4                 | City National Bank       | x4548 |                  | \$ 237.52        | \$ 237.52            |
|                                    |                          |       | \$ 70,731,513.20 | \$ 78,914,487.21 | \$ 8,182,974.01      |



**STATEMENT  
of  
ACCOUNT**

CONTRACT FINANCING SOLUTION INC  
PAYROLL ACCOUNT

Statement Begin Date:  
Statement End Date:  
Account Number:

04/01/2021  
04/30/2021

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**RELATIONSHIP BUSINESS CHECKING** **Download: QIF CSV**

All Transactions by Date

| Date  | Description     | Withdrawal / Debit (-) | Deposit / Credit (+) | Balance      |
|-------|-----------------|------------------------|----------------------|--------------|
| 03/31 | Balance Forward |                        |                      | \$632,699.56 |

Interest Rate Summary

| Date | Rate  |
|------|-------|
|      | 0.00% |

Account Summary

|                                     |            |                 |               |                  |  |                     |
|-------------------------------------|------------|-----------------|---------------|------------------|--|---------------------|
| Previous Statement Date: 03/31/2021 |            |                 |               |                  |  |                     |
| Beginning Balance +                 | Deposits + | Interest Paid - | Withdrawals - | Service Charge = |  | Ending Balance      |
| \$632,699.56                        | \$0.00     | \$0.00          | \$0.00        | \$0.00           |  | <b>\$632,699.56</b> |

**Summary of Deposit Accounts**

| TYPE OF ACCOUNT | ACCOUNT | BALANCE      | INT-RATE% | YTD-INT | YTD-PENALTY | MATURITY |
|-----------------|---------|--------------|-----------|---------|-------------|----------|
| Checking        |         | \$632,699.56 | 0.00000%  | \$0.00  |             |          |



**STATEMENT  
of  
ACCOUNT**

CONTRACT FINANCING SOLUTION INC  
OPERATING ACCOUNT

Statement Begin Date:  
Statement End Date:  
Account Number:

04/01/2021  
04/30/2021

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**RELATIONSHIP BUSINESS CHECKING** **Download: QIF CSV**

All Transactions by Date

| Date  | Description     | Withdrawal / Debit (-) | Deposit / Credit (+) | Balance      |
|-------|-----------------|------------------------|----------------------|--------------|
| 03/31 | Balance Forward |                        |                      | \$316,650.95 |
| 04/17 | Deposit         |                        | \$153.00             | \$316,803.95 |

Interest Rate Summary

| Date | Rate  |
|------|-------|
|      | 0.00% |

Account Summary

|                                     |            |                 |               |                  |  |                     |
|-------------------------------------|------------|-----------------|---------------|------------------|--|---------------------|
| Previous Statement Date: 03/31/2021 |            |                 |               |                  |  |                     |
| Beginning Balance +                 | Deposits + | Interest Paid - | Withdrawals - | Service Charge = |  | Ending Balance      |
| \$316,650.95                        | \$153.00   | \$0.00          | \$0.00        | \$0.00           |  | <b>\$316,803.95</b> |

**Summary of Deposit Accounts**

| TYPE OF ACCOUNT | ACCOUNT | BALANCE      | INT-RATE% | YTD-INT | YTD-PENALTY | MATURITY |
|-----------------|---------|--------------|-----------|---------|-------------|----------|
| Checking        |         | \$316,803.95 | 0.00000%  | \$0.00  |             |          |

|             |     |               |                    |             |            |               |                           |                           |                           |                         |                        |             |                           |              |                            |                        |             |
|-------------|-----|---------------|--------------------|-------------|------------|---------------|---------------------------|---------------------------|---------------------------|-------------------------|------------------------|-------------|---------------------------|--------------|----------------------------|------------------------|-------------|
| 2019 - Sep  | 457 | 107,197.00    | 1.34               | 108         | 6.5%       | 48,989,028.80 | 101,415,205.39            | 135,772,548.34            | 412,789,245.16            | 5,870,130.67            | (1,946,110.49)         | -4.0%       | 42,784,608.28             | 2,139,230.41 | 29,856,760.48              | 1,798,086.15           | 6.0%        |
| 2019 - Oct  | 497 | 80,794.42     | 1.33               | 101         | 6.8%       | 40,154,829.14 | 52,551,508.23             | 69,935,149.43             | 423,514,589.10            | 2,222,330.76            | 167,075.96             | 0.4%        | 40,807,674.25             | 1,854,894.28 | 35,711,367.09              | 1,813,977.58           | 5.1%        |
| 2019 - Nov  | 527 | 56,885.40     | 1.34               | 97          | 7.2%       | 29,978,607.59 | 63,668,091.09             | 85,000,457.22             | 432,400,304.26            | 5,223,938.48            | 1,015,324.01           | 3.4%        | 37,278,536.15             | 1,962,028.22 | 33,548,315.34              | 2,171,390.47           | 6.5%        |
| 2019 - Dec  | 585 | 69,540.66     | 1.32               | 95          | 7.1%       | 40,681,284.12 | 51,067,496.28             | 67,633,578.32             | 441,728,644.35            | 3,442,462.16            | 236,782.49             | 0.6%        | 42,717,695.90             | 2,034,176.00 | 37,092,755.63              | 2,154,560.69           | 5.8%        |
| 2020 - Jan  | 885 | 61,504.04     | 1.32               | 98          | 6.8%       | 54,431,075.98 | 62,940,210.05             | 83,016,014.59             | 470,676,683.52            | 2,113,642.73            | (329,616.49)           | -0.6%       | 40,179,540.45             | 1,913,311.45 | 35,696,117.94              | 2,236,913.14           | 6.3%        |
| 2020 - Feb  | 945 | 51,126.14     | 1.32               | 94          | 7.0%       | 48,314,206.31 | 71,565,901.30             | 94,198,717.52             | 486,804,522.38            | 2,520,421.33            | 34,942.92              | 0.1%        | 41,528,592.00             | 2,185,715.37 | 35,689,927.33              | 1,768,645.73           | 5.0%        |
| 2020 - Mar  | 476 | 60,799.24     | 1.31               | 93          | 6.9%       | 28,940,439.63 | 42,189,095.57             | 55,116,974.54             | 478,940,624.39            | 3,471,928.32            | (275,770.90)           | -1.0%       | 41,636,586.48             | 1,892,572.11 | 38,800,651.12              | 3,349,551.51           | 8.6%        |
| 2020 - Apr  | 92  | 122,080.11    | 1.34               | 88          | 8.0%       | 11,231,369.75 | 27,277,893.61             | 33,745,378.17             | 412,669,652.16            | 39,588,501.59           | 4,565,355.67           | 40.6%       | 29,155,289.98             | 1,325,240.45 | 25,509,683.25              | 2,037,300.66           | 8.0%        |
| 2020 - May  | 250 | 48,416.34     | 1.33               | 86          | 8.0%       | 12,104,083.89 | 17,495,968.95             | 22,802,422.29             | 400,221,204.89            | 2,203,312.74            | 614,491.01             | 5.1%        | 27,500,491.83             | 1,375,024.59 | 23,377,450.34              | 711,564.10             | 3.0%        |
| 2020 - June | 407 | 59,781.39     | 1.32               | 92          | 7.2%       | 24,331,025.68 | 37,524,490.25             | 46,395,307.03             | 402,382,550.85            | 1,940,496.65            | 570,429.30             | 2.3%        | 29,420,598.68             | 1,337,299.94 | 25,978,802.62              | 1,838,687.42           | 7.1%        |
|             |     | <b>16,692</b> | <b>\$73,765.78</b> | <b>1.33</b> | <b>107</b> | <b>6.5%</b>   | <b>\$1,231,298,329.52</b> | <b>\$1,818,163,980.90</b> | <b>\$2,431,947,195.85</b> | <b>\$148,177,270.21</b> | <b>\$14,285,811.51</b> | <b>1.2%</b> | <b>\$1,267,834,762.38</b> |              | <b>\$ 1,021,331,341.19</b> | <b>\$57,691,265.91</b> | <b>5.7%</b> |

CBSG Funding Analysis 01/01/16 - 06/30/20<sup>6,1</sup> **\$1,192,453,146.27** **\$ 973,407,265.64** **\$55,122,940.96** **5.7%**

<sup>1</sup> Weighted average of factor rate in respective month based on total funding commitment per transaction.

<sup>2</sup> The proportionate monthly factor rate average in respective month based on AVG Funding divided by AVG Term.

<sup>3</sup> Reflects month end AR balance not including outstanding funding liabilities or deferral of revenue.

<sup>4</sup> Factoring Losses realized in respective month equal to total AR balance for transactions written off against Factoring Loss reserve.

<sup>5</sup> Cumulative exposure, as determined by funding amount minus collected payments, at the time that transactions were written off in the respective month to Factoring Losses.

| Funding Count  | AVG Funding    | Factor Rate AVG | Avg Term | Monthly Factor % | Wire Total         | Funded Total       | New AR             | AR Total       | Factoring Losses | Funding Exposure   | Exposure % | Total Deposits                                       | Total ACH Payment   | Returned ACH Total | Return % |
|--|----------------|-----------------|----------|------------------|--------------------|--------------------|--------------------|----------------|------------------|--------------------|------------|--|---------------------|--------------------|----------|
| CBSG Deposit Logs <sup>7</sup>                             |                |                 |          |                  | [A]                |                    |                    |                | [B]              | [C=B/A]            | [D]        |  | [E]                 | [F=E/D]            |          |
| Funding Tab  |                |                 |          |                  |                    |                    |                    | Default Tab    |                  | Daily Tabs         |            |  |                     |                    |          |
| 16,804   | Not Calculated |                 |          |                  | \$1,231,279,739.93 | \$1,839,227,431.25 | \$2,453,300,627.35 |                | \$147,999,506.91 | \$14,051,810.75    | 1.1%       | Not Available for 01/01/13 - 12/31/15 <sup>7,1</sup> |                     | Not Available      |          |
| CBSG Daily Deposit Logs 01/01/16 - 06/30/20 <sup>8,1</sup> |                |                 |          |                  |                    |                    |                    |                |                  | \$1,134,548,589.45 |            | \$ 969,300,562.67                                    | Not Available       |                    |          |
| QuickBooks Data <sup>8</sup>                               |                |                 |          |                  |                    |                    |                    | Not Calculated |                  | \$14,051,810.75    | 1.2%       | \$1,252,636,219.60                                   | \$ 1,021,816,470.00 | \$55,051,327.40    | 5.4%     |
| Not Maintained in QuickBooks                               |                |                 |          |                  | \$1,181,262,221.58 | Not Calculated     |                    |                | Not Calculated   | \$14,051,810.75    | 1.2%       | \$1,191,302,390.82                                   | \$ 973,870,983.00   | \$52,665,151.18    | 5.4%     |
| QuickBooks data 01/01/16 - 06/30/20                        |                |                 |          |                  |                    |                    |                    |                |                  | \$1,191,302,390.82 |            | \$ 973,870,983.00                                    | \$52,665,151.18     | 5.4%               |          |

**BPB Footnotes:**

6 - CBSG Funding Analysis KPI, June 2020.pdf

6.1 - Daily deposit tabs do not start until January 1, 2016. BPB calculated the total deposits from these daily deposit logs in order to compare to the KPI

7 - Source: Deposit Log 0720 B CBSG-Receiver-000006048.xlsx. Deposit log is a contemporaneous document maintained by CBSG, on a daily basis and on an individual client/ideal level information is added in the Funding and Default Tab

7.1 - Funding and Default tabs from Deposit Log information begins in January 2013 however the daily deposit tabs begin with the first full month of January 2016.

8 - Based on the QuickBooks data received through and as of July 27, 2020, not yet reconciled by the Receiver.



5:06 PM

08/04/21

Accrual Basis

**Full Spectrum Processing Inc**  
**Transaction Detail By Account**  
 April through June 2020

| Type                                   | Date       | Num         | Name          | Memo              | Clr | Split              | Debit      | Credit | Balance    |
|--|------------|-------------|---------------|-------------------|-----|--------------------|------------|--------|------------|
| <b>Payroll Expenses</b>                |            |             |               |                   |     |                    |            |        |            |
| <b>Employee Wages</b>                  |            |             |               |                   |     |                    |            |        |            |
| <b>Employee Wages - Accounting</b>     |            |             |               |                   |     |                    |            |        |            |
| General Journal                        | 04/03/2020 | SN040620-01 |               | PR - 04/03/20.... |     | -SPLIT-            | 41,063.19  |        | 41,063.19  |
| General Journal                        | 04/17/2020 | SN042220-01 |               | PR - 04/17/20.... |     | -SPLIT-            | 39,670.35  |        | 80,733.54  |
| General Journal                        | 05/01/2020 | SN051220-01 |               | PR - 05/01/20.    |     | -SPLIT-            | 38,751.52  |        | 119,485.06 |
| General Journal                        | 05/15/2020 | SN052220-01 |               | PR - 05/15/20.    |     | -SPLIT-            | 35,251.53  |        | 154,736.59 |
| General Journal                        | 05/29/2020 | SN061020-01 |               | PR - 05/29/20.    |     | -SPLIT-            | 35,251.53  |        | 189,988.12 |
| General Journal                        | 06/12/2020 | SN061620-01 |               | PR - 06/12/20.    |     | -SPLIT-            | 35,949.60  |        | 225,937.72 |
| General Journal                        | 06/26/2020 | SN062620-01 |               | PR - 06/26/20.... |     | -SPLIT-            | 37,238.87  |        | 263,176.59 |
| Total Employee Wages - Accounting      |            |             |               |                   |     |                    | 263,176.59 | 0.00   | 263,176.59 |
| <b>Employee Wages - Admin</b>          |            |             |               |                   |     |                    |            |        |            |
| General Journal                        | 04/03/2020 | SN040620-01 |               | PR - 04/03/20.... |     | Employee Wag...    | 3,307.70   |        | 3,307.70   |
| General Journal                        | 04/17/2020 | SN042220-01 |               | PR - 04/17/20.... |     | Employee Wag...    | 2,061.54   |        | 5,369.24   |
| General Journal                        | 05/01/2020 | SN051220-01 |               | PR - 05/01/20.    |     | Employee Wag...    | 1,923.08   |        | 7,292.32   |
| General Journal                        | 05/15/2020 | SN052220-01 |               | PR - 05/15/20.    |     | Employee Wag...    | 1,923.08   |        | 9,215.40   |
| General Journal                        | 05/29/2020 | SN061020-01 |               | PR - 05/29/20.    |     | Employee Wag...    | 1,923.08   |        | 11,138.48  |
| General Journal                        | 06/12/2020 | SN061620-01 |               | PR - 06/12/20.    |     | Employee Wag...    | 2,338.46   |        | 13,476.94  |
| General Journal                        | 06/26/2020 | SN062620-01 |               | PR - 06/26/20.    |     | Employee Wag...    | 4,076.93   |        | 17,553.87  |
| Total Employee Wages - Admin           |            |             |               |                   |     |                    | 17,553.87  | 0.00   | 17,553.87  |
| <b>Employee Wages - Collateral</b>     |            |             |               |                   |     |                    |            |        |            |
| General Journal                        | 04/03/2020 | SN040620-01 |               | PR - 04/03/20.... |     | Employee Wag...    | 1,153.85   |        | 1,153.85   |
| Total Employee Wages - Collateral      |            |             |               |                   |     |                    | 1,153.85   | 0.00   | 1,153.85   |
| <b>Employee Wages - Collection</b>     |            |             |               |                   |     |                    |            |        |            |
| Check                                  | 04/03/2020 | 1576        | Najah Jordan  | PR 03/20/20. ...  |     | Citizen Operati... | 480.41     |        | 480.41     |
| General Journal                        | 04/03/2020 | SN040620-01 |               | \$50 Alice Rei... |     | Employee Wag...    | 25,203.85  |        | 25,684.26  |
| General Journal                        | 04/17/2020 | SN042220-01 |               | PR - 04/17/20.... |     | Employee Wag...    | 22,346.16  |        | 48,030.42  |
| Check                                  | 04/20/2020 | 1609        | Colin Pirrone | Paying for 04/... |     | Citizen Operati... | 320.96     |        | 48,351.38  |
| General Journal                        | 05/01/2020 | SN051220-01 |               | PR - 05/01/20.    |     | Employee Wag...    | 18,644.24  |        | 66,995.62  |
| General Journal                        | 05/15/2020 | SN052220-01 |               | PR - 05/15/20.    |     | Employee Wag...    | 14,288.46  |        | 81,284.08  |
| General Journal                        | 05/29/2020 | SN061020-01 |               | PR - 05/29/20.... |     | Employee Wag...    | 14,290.96  |        | 95,575.04  |
| General Journal                        | 06/12/2020 | SN061620-01 |               | PR - 06/12/20.    |     | Employee Wag...    | 13,596.15  |        | 109,171.19 |
| General Journal                        | 06/26/2020 | SN062620-01 |               | PR - 06/26/20.    |     | Employee Wag...    | 22,173.06  |        | 131,344.25 |
| Total Employee Wages - Collection      |            |             |               |                   |     |                    | 131,344.25 | 0.00   | 131,344.25 |
| <b>Employee Wages - Compliance Off</b> |            |             |               |                   |     |                    |            |        |            |
| General Journal                        | 04/03/2020 | SN040620-01 |               | PR - 04/03/20.... |     | Employee Wag...    | 6,798.08   |        | 6,798.08   |
| General Journal                        | 04/17/2020 | SN042220-01 |               | PR - 04/17/20.... |     | Employee Wag...    | 6,798.08   |        | 13,596.16  |
| General Journal                        | 05/01/2020 | SN051220-01 |               | PR - 05/01/20.    |     | Employee Wag...    | 6,798.08   |        | 20,394.24  |
| General Journal                        | 05/15/2020 | SN052220-01 |               | PR - 05/15/20.    |     | Employee Wag...    | 6,798.08   |        | 27,192.32  |
| General Journal                        | 05/29/2020 | SN061020-01 |               | PR - 05/29/20.    |     | Employee Wag...    | 6,798.08   |        | 33,990.40  |
| General Journal                        | 06/12/2020 | SN061620-01 |               | PR - 06/12/20.    |     | Employee Wag...    | 6,798.08   |        | 40,788.48  |
| General Journal                        | 06/26/2020 | SN062620-01 |               | PR - 06/26/20.    |     | Employee Wag...    | 6,798.08   |        | 47,586.56  |
| Total Employee Wages - Compliance Off  |            |             |               |                   |     |                    | 47,586.56  | 0.00   | 47,586.56  |

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08/04/21

Accrual Basis

**Full Spectrum Processing Inc**  
**Transaction Detail By Account**  
 April through June 2020

| Type                                   | Date       | Num         | Name | Memo               | Clr | Split           | Debit     | Credit | Balance   |
|--|------------|-------------|------|--------------------|-----|-----------------|-----------|--------|-----------|
| <b>Employee Wages - Consolidation</b>  |            |             |      |                    |     |                 |           |        |           |
| General Journal                        | 04/03/2020 | SN040620-01 |      | PR - 04/03/20....  |     | Employee Wag... | 3,653.85  |        | 3,653.85  |
| General Journal                        | 04/17/2020 | SN042220-01 |      | PR - 04/17/20....  |     | Employee Wag... | 3,653.85  |        | 7,307.70  |
| General Journal                        | 05/01/2020 | SN051220-01 |      | PR - 05/01/20.     |     | Employee Wag... | 3,653.85  |        | 10,961.55 |
| General Journal                        | 05/15/2020 | SN052220-01 |      | PR - 05/15/20.     |     | Employee Wag... | 3,653.85  |        | 14,615.40 |
| General Journal                        | 05/29/2020 | SN061020-01 |      | PR - 05/29/20.     |     | Employee Wag... | 3,653.85  |        | 18,269.25 |
| General Journal                        | 06/12/2020 | SN061620-01 |      | PR - 06/12/20.     |     | Employee Wag... | 3,653.85  |        | 21,923.10 |
| General Journal                        | 06/26/2020 | SN062620-01 |      | PR - 06/26/20.     |     | Employee Wag... | 4,019.23  |        | 25,942.33 |
| Total Employee Wages - Consolidation   |            |             |      |                    |     |                 | 25,942.33 | 0.00   | 25,942.33 |
| <b>Employee Wages - Credit Committ</b> |            |             |      |                    |     |                 |           |        |           |
| General Journal                        | 04/03/2020 | SN040620-01 |      | PR - 04/03/20....  |     | Employee Wag... | 4,451.93  |        | 4,451.93  |
| General Journal                        | 04/17/2020 | SN042220-01 |      | PR - 04/17/20....  |     | Employee Wag... | 4,451.93  |        | 8,903.86  |
| General Journal                        | 05/01/2020 | SN051220-01 |      | PR - 05/01/20.     |     | Employee Wag... | 4,221.16  |        | 13,125.02 |
| General Journal                        | 05/15/2020 | SN052220-01 |      | PR - 05/15/20.     |     | Employee Wag... | 4,451.93  |        | 17,576.95 |
| General Journal                        | 05/29/2020 | SN061020-01 |      | PR - 05/29/20.     |     | Employee Wag... | 4,451.93  |        | 22,028.88 |
| General Journal                        | 06/12/2020 | SN061620-01 |      | PR - 06/12/20.     |     | Employee Wag... | 4,451.93  |        | 26,480.81 |
| General Journal                        | 06/26/2020 | SN062620-01 |      | PR - 06/26/20....  |     | Employee Wag... | 4,809.97  |        | 31,290.78 |
| Total Employee Wages - Credit Committ  |            |             |      |                    |     |                 | 31,290.78 | 0.00   | 31,290.78 |
| <b>Employee Wages - HR</b>             |            |             |      |                    |     |                 |           |        |           |
| General Journal                        | 05/15/2020 | SN052220-01 |      | PR - 05/15/20.     |     | Employee Wag... | 5,923.08  |        | 5,923.08  |
| General Journal                        | 05/29/2020 | SN061020-01 |      | PR - 05/29/20.     |     | Employee Wag... | 4,846.15  |        | 10,769.23 |
| General Journal                        | 06/12/2020 | SN061620-01 |      | PR - 06/12/20.     |     | Employee Wag... | 2,153.85  |        | 12,923.08 |
| Total Employee Wages - HR              |            |             |      |                    |     |                 | 12,923.08 | 0.00   | 12,923.08 |
| <b>Employee Wages - IT</b>             |            |             |      |                    |     |                 |           |        |           |
| General Journal                        | 04/03/2020 | SN040620-01 |      | \$480.14 Alice ... |     | Employee Wag... | 13,412.83 |        | 13,412.83 |
| General Journal                        | 04/17/2020 | SN042220-01 |      | \$12.50 Alice ...  |     | Employee Wag... | 13,082.21 |        | 26,495.04 |
| General Journal                        | 05/01/2020 | SN051220-01 |      | PR - 05/01/20.     |     | Employee Wag... | 12,107.70 |        | 38,602.74 |
| General Journal                        | 05/15/2020 | SN052220-01 |      | PR - 05/15/20.     |     | Employee Wag... | 10,913.46 |        | 49,516.20 |
| General Journal                        | 05/29/2020 | SN061020-01 |      | PR - 05/29/20.     |     | Employee Wag... | 10,913.93 |        | 60,430.13 |
| General Journal                        | 06/12/2020 | SN061620-01 |      | PR - 06/12/20.     |     | Employee Wag... | 10,240.38 |        | 70,670.51 |
| General Journal                        | 06/26/2020 | SN062620-01 |      | PR - 06/26/20.     |     | Employee Wag... | 10,621.15 |        | 81,291.66 |
| Total Employee Wages - IT              |            |             |      |                    |     |                 | 81,291.66 | 0.00   | 81,291.66 |
| <b>Employee Wages - Legal</b>          |            |             |      |                    |     |                 |           |        |           |
| General Journal                        | 04/03/2020 | SN040620-01 |      | \$20 Alice Rei...  |     | Employee Wag... | 4,845.00  |        | 4,845.00  |
| General Journal                        | 04/17/2020 | SN042220-01 |      | PR - 04/17/20....  |     | Employee Wag... | 4,825.00  |        | 9,670.00  |
| General Journal                        | 05/01/2020 | SN051220-01 |      | PR - 05/01/20.     |     | Employee Wag... | 4,623.08  |        | 14,293.08 |
| General Journal                        | 05/15/2020 | SN052220-01 |      | PR - 05/15/20.     |     | Employee Wag... | 4,151.93  |        | 18,445.01 |
| General Journal                        | 05/29/2020 | SN061020-01 |      | PR - 05/29/20.     |     | Employee Wag... | 4,151.93  |        | 22,596.94 |
| General Journal                        | 06/12/2020 | SN061620-01 |      | PR - 06/12/20.     |     | Employee Wag... | 4,488.47  |        | 27,085.41 |
| General Journal                        | 06/26/2020 | SN062620-01 |      | PR - 06/26/20....  |     | Employee Wag... | 5,212.89  |        | 32,298.30 |
| Total Employee Wages - Legal           |            |             |      |                    |     |                 | 32,298.30 | 0.00   | 32,298.30 |

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08/04/21

Accrual Basis

**Full Spectrum Processing Inc**  
**Transaction Detail By Account**  
 April through June 2020

| Type                                 | Date       | Num         | Name               | Memo              | Clr | Split              | Debit             | Credit        | Balance           |
|--------------------------------------|------------|-------------|--------------------|-------------------|-----|--------------------|-------------------|---------------|-------------------|
| <b>Employee Wages - Processing</b>   |            |             |                    |                   |     |                    |                   |               |                   |
| Check                                | 04/03/2020 | 1598        | Rebecca Stillwagon | Replacement f...  |     | Citizen Operati... | 1,104.32          |               | 1,104.32          |
| General Journal                      | 04/03/2020 | SN040620-01 |                    | PR - 04/03/20.... |     | Employee Wag...    | 15,328.82         |               | 16,433.14         |
| General Journal                      | 04/17/2020 | SN042220-01 |                    | PR - 04/17/20.... |     | Employee Wag...    | 12,328.82         |               | 28,761.96         |
| General Journal                      | 05/01/2020 | SN051220-01 |                    | PR - 05/01/20.    |     | Employee Wag...    | 11,030.77         |               | 39,792.73         |
| General Journal                      | 05/15/2020 | SN052220-01 |                    | PR - 05/15/20.    |     | Employee Wag...    | 9,501.91          |               | 49,294.64         |
| General Journal                      | 05/29/2020 | SN061020-01 |                    | PR - 05/29/20.    |     | Employee Wag...    | 7,809.60          |               | 57,104.24         |
| General Journal                      | 06/12/2020 | SN061620-01 |                    | PR - 06/12/20.    |     | Employee Wag...    | 9,040.37          |               | 66,144.61         |
| General Journal                      | 06/26/2020 | SN062620-01 |                    | PR - 06/26/20.    |     | Employee Wag...    | 10,148.06         |               | 76,292.67         |
| Total Employee Wages - Processing    |            |             |                    |                   |     |                    | 76,292.67         | 0.00          | 76,292.67         |
| <b>Employee Wages - Underwriting</b> |            |             |                    |                   |     |                    |                   |               |                   |
| General Journal                      | 04/03/2020 | SN040620-01 |                    | PR - 04/03/20.... |     | Employee Wag...    | 13,505.93         |               | 13,505.93         |
| General Journal                      | 04/17/2020 | SN042220-01 |                    | PR - 04/17/20.... |     | Employee Wag...    | 12,713.46         |               | 26,219.39         |
| General Journal                      | 05/01/2020 | SN051220-01 |                    | PR - 05/01/20.    |     | Employee Wag...    | 6,940.75          |               | 33,160.14         |
| General Journal                      | 05/15/2020 | SN052220-01 |                    | PR - 05/15/20.    |     | Employee Wag...    | 3,342.31          |               | 36,502.45         |
| General Journal                      | 05/29/2020 | SN061020-01 |                    | PR - 05/29/20.    |     | Employee Wag...    | 3,211.54          |               | 39,713.99         |
| General Journal                      | 06/12/2020 | SN061620-01 |                    | PR - 06/12/20.    |     | Employee Wag...    | 3,211.54          |               | 42,925.53         |
| General Journal                      | 06/26/2020 | SN062620-01 |                    | PR - 06/26/20.    |     | Employee Wag...    | 4,959.62          |               | 47,885.15         |
| Total Employee Wages - Underwriting  |            |             |                    |                   |     |                    | 47,885.15         | 0.00          | 47,885.15         |
| <b>Employee Wages - Other</b>        |            |             |                    |                   |     |                    |                   |               |                   |
| General Journal                      | 05/01/2020 | SN051220-01 |                    | PR - 05/01/20.... |     | Employee Wag...    |                   | 801.37        | -801.37           |
| Total Employee Wages - Other         |            |             |                    |                   |     |                    | 0.00              | 801.37        | -801.37           |
| Total Employee Wages                 |            |             |                    |                   |     |                    | 768,739.09        | 801.37        | 767,937.72        |
| Total Payroll Expenses               |            |             |                    |                   |     |                    | 768,739.09        | 801.37        | 767,937.72        |
| <b>TOTAL</b>                         |            |             |                    |                   |     |                    | <b>768,739.09</b> | <b>801.37</b> | <b>767,937.72</b> |