

**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.

**RECEIVER RYAN K. STUMPHAUZER'S
QUARTERLY STATUS REPORT DATED NOVEMBER 1, 2021**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver ("Receiver") of the Receivership Entities,¹ pursuant to the requirements of the Amended Order Appointing Receiver [ECF No. 141],

¹ The "Receivership Entities" are Complete Business Solutions Group, Inc. d/b/a Par Funding ("Par Funding"); Full Spectrum Processing, Inc. ("Full Spectrum"); 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; 500 Fairmount Avenue, LLC; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor Processing LLC; and LM Property Management LLC; and the Receivership also includes the properties located at 568 Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; 107 Quayside Dr., Jupiter FL 33477; 2413 Roma Drive, Philadelphia, PA 19145.

hereby files this Quarterly Status Report dated November 1, 2021. By way of summary, the Receivership Estate consists of, among other things, Par Funding's and the other Receivership Entities' accounts receivable, the value of which are not yet determined, as well as approximately \$53 million of real property, \$3 million in other assets the Receiver has brought into the Receivership Estate (including boats, cars, artwork, and luxury watches), and over \$86.2 million in cash (as of September 30, 2021). As of October 31, 2021, the total cash balance increased to over \$91.5 million.

I. Communications and Overall Administration of Receivership Estate

A. Website / Communications with Interested Parties

The Receiver continues to receive many e-mails, telephone calls, and other inquiries from investors, merchants, administrators of agent funds, and other interested parties. The Receiver and his professionals have returned phone calls and emails from thousands of investors, merchants, and others. Since the Receiver established the receivership website on August 16, 2020, which is available at parfundingreceivership.com, there have been more than 84,538 visitors and 334,735 pageviews to the website. The Receiver will continue to update this website with key court filings, news and updates, reports from the Receiver, answers to frequently asked questions, important dates and deadlines (including Zoom or telephone dial-in information for status conferences and other significant hearings before the Court), and other pertinent information.

B. Quarterly Report of Receivership Estate

Pursuant to the requirements of the Amended Order Appointing Receiver [ECF No. 141], attached as Exhibit 1 is a full report and accounting reflecting (to the best of the Receiver's knowledge as of the period covered by the report) the existence, value, and location of all Receivership Property, and of the extent of liabilities, both those claimed to exist by others and

those the Receiver believes to be legal obligations of the Receivership Estates (the “Quarterly Report”). The Quarterly Report contains the following information: (1) summary of the operations of the Receiver; (2) the amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate; (3) a schedule of all the Receiver’s receipts and disbursements (attached as Exhibit A to the Quarterly Status Report), with one column for the quarterly period covered and a second column for the entire duration of the receivership; (4) a description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended; (5) a description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and, (ii) collecting such judgments); (6) a list of all known creditors with their addresses and the amounts of their claims; (7) the status of Creditor Claims Proceedings, after such proceedings have been commenced; and (8) the Receiver’s recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations, as required pursuant to Paragraphs 53 and 54 of the Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141].

II. Update on Pending Motions and Other Matters

A. Pending Motions

As of the filing of this report, there are no pending motions that pertain, specifically, to the Receiver and the administration of the Receivership Estate. On the other hand, the Plaintiff and Defendants have recently filed several pre-trial motions, including motions for summary judgment and a motion *in limine*, which remain pending.

B. The CliftonLarsonAllen 2018 Audit

On October 29, 2021, the Receiver, through counsel, interviewed Richard Huff (“Mr. Huff”), a principal at CliftonLarsonAllen, LLP (“CLA”). Mr. Huff was the principal assigned to audit CBSG for the year ended 2018. Both verbally and in writing, defendants Joseph W. LaForte (“LaForte”) and Lisa McElhone (“McElhone”) have made certain representations about CLA’s audit. The Receiver asked Mr. Huff about these representations, and his responses are set forth below:

	LaForte / McElhone Representation	Mr. Huff’s Response
1.	CLA was engaged “to undertake a Forensic audit”	Not accurate. CLA was engaged to perform a standard audit in performance with Generally Accepted Auditing Standards.
2.	CBSG had passed “a thorough and rigorous examination of its fraud and financial controls in which no improprieties were detected.”	Not accurate. The audit was at too early a stage to reach any conclusions.
3.	The audit was “nearly complete” when suspended due to the Receiver’s appointment.	Not accurate. The audit was not close to being done. A reasonable estimate of 6 to 8 weeks of work remained. CLA had not yet reached conclusions on the major audit areas. For instance, CLA was still testing accounts receivable and accounts payable; CLA also had not yet achieved a methodology for calculating a GAAP reserve for losses – that step was still in process.

In addition, Mr. Huff explained that his primary contact at CBSG was Joseph Cole Barleta. He understood that the company was beneficially owned by Ms. McElhone through a family trust.

Mr. Huff had not heard of Mr. LaForte's involvement in CBSG's business until after he learned of the SEC's enforcement action. Mr. Huff then attempted to reach Mr. Cole about the status of the audit, but Mr. Cole never responded to him.

Finally, at the hearing on Defendants' Motion to Discharge the Receiver on August 25, 2021, certain defendants advocated for allowing CLA to complete its audit of CBSG's 2018 financial statements. While the Receiver was skeptical of the utility of a completed 2018 audit in 2021, he was open to considering a proposal. CLA has confirmed, however, that Defendants never contacted CLA after the hearing to follow up with any such proposal. Furthermore, the Receiver has discussed with CLA whether it would be willing to complete the 2018 audit. CLA has declined, citing the current circumstances and current information available to the firm.

III. Expansion of Receivership Estate

In total, the Receiver has filed and obtained Orders from the Court granting six (6) motions to expand the Receivership Estate. Five (5) motions were entered during prior reporting periods. During this quarter, the Court entered an Order Granting the Receiver's motion to expand the Receivership Estate to include a Porsche 911 Turbo and two (2) Patek Phillipe watches that LaForte and McElhone purchased with commingled investor funds. The Receiver continues to investigate other assets that could potentially be the subject of future motions to expand the Receivership Estate.

In addition, as the Receiver has previously reported, the Court's Order Granting Motion to Expand Receivership Estate dated December 16, 2020 [ECF No. 436], through which several entities and properties were included in the Receivership Estate as additional Receivership Entities, is currently on appeal to the United States Court of Appeals for the Eleventh Circuit. That appeal is fully briefed and awaiting either the scheduling of oral argument or the issuance of an opinion.

IV. Update on Other Assets Included within the Receivership Estate

A. Accounts Receivable and Collection Activities

At the time of his appointment, the Receiver obtained control over \$28,779,570 in cash held by the various original Receivership Entities. As a result of various Orders expanding the Receivership, the Receiver has obtained an additional \$11,043,113.65 in cash held by the additional Receivership Entities. The Receiver has also acquired an additional \$46,417,083.18 in cash through collections, settlements, and other recoveries, bringing the total cash balance to \$86,239,786.83, as of September 30, 2021. The total cash balance has increased to \$91,527,459.79, as of October 31, 2021.

B. Collection Activity and Settlements with ESC and HBC Counterparties

The Court has entered motions to lift the litigation injunction to allow the Receiver to pursue claims against 22 counterparties (and their guarantors) to agreements with Eagle Six Consultants, Inc. (“ESC”) and Heritage Business Consulting, Inc. (“HBC”). [ECF No. 642; ECF No. 747; ECF No. 879]. The Receiver has reached settlements with six (6) of the ESC and HBC counterparties (including one of the 21 for which the litigation injunction has been lifted), and partial settlements with another two (2) of the ESC and HBC counterparties. These settlements with the ESC and HBC counterparties have resulted in payments to the Receivership Estate totaling over \$8 million.

C. Life Settlements

Two of the Receivership Entities—ABFP Multi-Strategy Investment Fund LP (“MSIF”) and ABFP Multi-Strategy Investment Fund II LP (“MSIF II”)—own portfolios of life settlement policies. Since the time of his appointment, the Receiver and his consultants at DSI have been managing these portfolios. These duties have included, among other things, the payment of

premiums, corresponding with the insurers and servicers of these policies, and communicating with a potential third party regarding a valuation and potential purchase of these policies.

Since the inception of the receivership, the Receiver has paid a total of \$1,296,649 in premiums on the policies owned by MSIF. To date, the Receiver has not received a payout of death benefits on any of these policies. With respect to MSIF II, the Receiver has paid a total of \$787,096 in premiums on policies owned by MSIF II. To date, the Receiver has been notified of the maturity of eight (8) of these policies, which have gross death benefits totaling \$5,450,000.00. The Receiver has received the proceeds for five (5) of these policies, totaling \$2,950,000.00 in benefits, and is still awaiting payment on three (3) policies, totaling \$2,500,000.00 in benefits.

V. Information Regarding Anticipated Claims and Distribution Process

The Receiver continues to receive numerous inquiries from investors and other creditors of the Receivership Entities regarding the timing of a claims and distribution process in this matter, as well as an estimate of the potential amounts that will be distributed to each investor/creditor. With respect to timing, the Receiver continues to assemble information regarding all known investors in and creditors of the Receivership Entities, and still anticipates that the claims and distribution process will begin sometime after the SEC's claims against the Defendants are resolved, through a judgment or otherwise. The trial date in this action is currently set for December 2021. As a result, assuming no settlement or other early resolution of this case, the earliest this process is likely to begin would be sometime in 2022. Given the number of questions and uncertainties surrounding the accounts receivable of the Receivership Entities and other claims the Receiver is pursuing or otherwise evaluating, it is still too early for the Receiver to provide any estimates of the amounts that may be available—either on an individual level or in total—for

distribution to investors and creditors. The Receiver and his professional staff will continue to evaluate these issues and provide updates as they are available.

VI. Conclusion

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully files this Quarterly Status Report dated November 1, 2021.

Dated: November 1, 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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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 1, 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”



VIA EMAIL (rstumphauzer@sfslaw.com)

November 1, 2021

Mr. Ryan Stumphauzer
Receiver
c/o Stumphauzer, Foslid, Sloman, Ross & Kolaya PLLC
2 South Biscayne Boulevard
Suite 1600
Miami, Florida 33131

Dear Ryan:

In accordance with the Amended Order Appointing Receiver (D.E. #141) (“Amended Order”), following is our quarterly report relating to the operations and analyses undertaken by Development Specialists Inc. (“DSI”) for the period of July 1, 2021 through September 30, 2021 (“Reporting Period”). Except as may be noted, all activity and financial data is for the Reporting Period.

A. A summary of operations of the Receiver

Currently, the Receivership is comprised of 55 legal entities as well as numerous assets owned by these legal entities or purchased by the defendants in their own name for personal use. During the reporting period, the following additional assets were added to the Receivership.

- Porsche Turbo 911
- Patek Philippe Watches (2)

In addition to working with you and your counsel, during the Reporting Period, my staff and I have continued to oversee the day-to-day operations, collections, reporting and forensic review and analysis for all the Receivership Entities and the underlying assets as more fully provided below.

MIAMI/FT. LAUDERDALE

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Mr. Ryan K. Stumphauzer

November 1, 2021

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During the Reporting Period,

- Banking

We continued to communicate with the legacy banks and financial institutions as needed. Subpoenas were issued to certain legacy banks in order to obtain documentation which had not been turned over. For the bank statements that were received, we continue to reconcile the accounts. We continue to work with you and counsel to obtain missing statements.

Along with counsel, we were able to obtain bank statements for certain of the recently-added Receivership Entities. These accounts have been closed and the funds transferred to Receiver-controlled accounts. The legacy bank accounts are in the process of being reconciled.

- Property Management

During the Reporting Period, we worked with the property manager to maintain proper oversight of the real estate properties in order to reduce the potential for any losses to the Receivership by leasing vacant units, collecting rents, paying operating costs and handling other property management issues as they arise. A summary of the results of the real estate operations is included at Exhibit B.

General Operations

- Staffing

DSI continues to oversee the Accounting and Collections functions. As reported last quarter, all employees returned to working in the office. To this end, DSI monitors the health guidelines for the City of Philadelphia to determine the best operating guidelines given COVID-19. The guidelines have not changed and employees maintain their schedule working from the office. As of the end of the Reporting Period, there were 10 employees, one independent contractor and one temporary employee.

- Tax Matters

During the Reporting Period, we worked on tax matters with the tax preparers. Taxes were prepared pursuant to IRS rules and deadlines. In accordance with the current IRS guidelines and the Court's order, a determination was made that the tax filings would follow the rules for a Qualified Settlement Fund.

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Portfolio Collections

Analysis of merchant cash advance (“MCA”) accounts

As previously reported, at the outset of the Receivership, we were provided a listing of the MCA accounts for CBSG (“CBSG Portfolio”). This listing included thousands of accounts with a gross balance of over \$400 million. The accounts were marked as performing, non-performing, under-performing or default. During the Reporting Period, DSI further analyzed the CBSG Portfolio. The following table reflects the data:

<i>\$MM's</i>	CBSG Portfolio			
	As of 7/28/2020		As of 9/30/2021	
	Amount	# of accts.	Amount	# of accts.
Bankruptcy ¹	\$54.7	57	\$60.0	120
Exception Portfolio ²	203.9	71	196.4	71
Litigation ³	4.6	21	20.5	50
Non-Performing ⁴	34.7	152	36.1	273
Active	117.7	2,265	41.6	912
Total Portfolio	\$415.6	2,566	\$354.6	1,426

The variance in the total of approximately \$61.0MM represents merchants that have paid their advance (in whole or in part) through normal collections activity or settlement, or a write-off of the remaining balance as unrecoverable. Through the end of the Reporting Period, total receipts from merchants pursuant to the cash advance agreements was \$49.9MM.

Exception Portfolio

I previously reported that 50% of the total Portfolio is due from 16 merchants in 5 related groups referred to as the “Exception Portfolio” and for which collections remain challenging. My staff and I have documented our review of certain of the Exception Portfolio and provided the detail as requested to counsel.

¹ Includes Exception Portfolio merchants that filed bankruptcy. These merchants are excluded from the Exception Portfolio balance. Furthermore, the balance takes into account only if the merchant filed for bankruptcy. In certain cases, the guarantor filed bankruptcy but not the merchant. In these cases, the amount owed by the merchants has not been reclassified to bankruptcy.

² Merchants have entered into short-term settlement agreements thereby reducing the balance owed. As of the end of the Reporting Period, there are 102 settlement agreements with 74 merchants completely paid and the remainder with outstanding payments according to the agreement.

³ As of 9/30/2021 includes accounts on hold due to various legal matters including collateral issues, pending litigation and legal demands.

⁴ Includes numerous accounts which management defaulted prior to the Receivership.

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As stated in footnote 2, certain Exception Portfolio merchants have entered into settlement agreements and are making monthly payments. For this reason, the current outstanding balance is less than the balance at the outset of the Receivership.

We also completed our analyses of each of the Exception Portfolio merchants and provided you and counsel with the detail. We understand that you have moved to lift the litigation injunction with respect to B&T Supply, National Brokers of America, D19, JRC Painting and each of their related entities.

Bankruptcies

It was previously communicated that a portion of the CBSG Portfolio merchants filed for bankruptcy protection. As of July 28, 2020, there were over 200 merchants with an accounts receivable balance of approximately \$104MM, which had filed for bankruptcy protection. Of this amount, approximately \$55MM were included in the active CBSG Portfolio by management and reflected as being collectible. This balance includes Exception Portfolio merchants that filed for bankruptcy protection, which are excluded from the Exception Portfolio balance.

Currently, there are approximately 170 active bankruptcy cases where either the merchant or guarantor have filed for bankruptcy protection with merchant balances of \$66.0MM for all of the MCA Receivership Entities. A portion of this balance was already written off pre-receivership and is not included in the active portfolio.

Alleged Transfers

As of September 30, 2021, 47 of the Contract Financing Solutions (“CFS”) merchants, owing approximately \$1.4MM (14% of the CFS portfolio), informed us that their remaining MCA balance and advance was purchased by another merchant cash advance company and provided us with documentation of the purported transfer and remittances to the other company. We continue to work with counsel to investigate this issue. As discussed, we were informed by the defendants that they are not aware of any such purchase or transfer of these accounts, and have not been involved in collecting from these merchants.

We have received the bank statements from the legacy bank for CFS and are finalizing the reconciliations. Once this is done, we will inform you of the cash collected and disbursed from the original receivership date and the date that CFS became a Receivership Entity in May 2021.

Mr. Ryan K. Stumphauzer
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Collections Activity

Collections staff continue to work with merchants to maximize recovery. During the Reporting Period, we worked with you and counsel to continue the process and send legal demand letters to delinquent merchants. This process is ongoing.

Forensic Accounting and Litigation Support

During the reporting period, DSI assisted you and your counsel in preparing analyses and reports relative to the defendants' motions to discharge the Receiver and dismiss the amended complaint. We continued our analysis of the Receivership Entities cash sources and uses as well as the data needed for claims analysis.

B. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate.

Exhibit A shows the activity of the Receivership through for the Reporting Period and the cumulative period. Total cash as of September 30, 2021 is \$86,239,787. All of the cash is unencumbered.

The accrued administrative fees for the quarter ended September 30, 2021 are:

- Receiver/co-counsel – Stumphauzer, Foslid, Sloman, Ross & Kolaya PLLC \$334,121.91
- Co-counsel – Pietragallo Gordon Alfano Bosick & Raspanti, LLP \$623,103.25
- Transition Counsel – Fox Rothschild, LLP \$23,955.36
- Financial Advisor/Operations Consultant – Development Specialists, Inc. \$1,067,222.07
- Digital Evidence/Computer Forensics Prof. – Lawgical Insights, LLC \$22,803.37
- Investigation Firm – HD Investigative Group, LLC \$5,850.00

All other administrative expenses, such as payroll and office expenses, are paid in the ordinary course of business. Certain employee wages, specifically paid time off, for employees who have returned to work may be owed to employees but have not been quantified.

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

Exhibit A details the receipts and disbursements for the Reporting Period.

Mr. Ryan K. Stumphauzer

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D. A description of known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended.

Receivership Property includes:

Asset:	Estimated value (at 9/30/2021)
Cash in bank	\$86,239,787
Cash held by ACH processors	\$350,000
Portfolio balance (without reduction for collectability/bad debt) ⁵	\$370,000,000
Other accounts receivable ⁶	\$45,200,000
Investment in wholly-owned subsidiary ⁷	\$6,300,000
Investment in third parties ⁸	\$2,076,000
Life settlement policies (gross death benefits) ⁹	\$29,230,000

⁵ This balance has been adjusted due to the addition of Contract Financing Solutions in accordance with the May 5, 2021 court order expanding the Receivership.

⁶ This balance of “other accounts receivable” includes, among other things, amounts owed by third parties to ESC and HBC, without regard to collectability. The records of ESC and HBC also reflect that these entities are owed additional amounts that are recorded as loans they made to other Receivership Entities, including the entities that own the “real estate” referenced below. This is also true with respect to the entities that own the properties located in Haverford, Pennsylvania and Paupack, Pennsylvania, which are included within the Receivership Estate. For purposes of consistency and to avoid double counting those amounts within these balances, the additional loan balances owed from the other Receivership Entities and in connection with the Haverford and Paupack properties are neither included in these accounts receivable balance, nor are they factored into the value of the real estate listed below.

⁷ We had been informed that CBSG is the 100% member of Eagle Union Quest One, LLC (“EUQO”), the owner of 2008 Cessna model 680, tail #N789MJ, with a book value of \$6,300,000. The FBI maintains possession of the airplane. Furthermore, as discussed in our prior report, EUQO may actually be owned by defendant Lisa McElhone. The U.S. Attorney’s Office for the Eastern District of Pennsylvania also maintains possession of a Charles Schwab brokerage account owned by the LME 2017 Family Trust but previously controlled by Lisa McElhone through an entity called Tradewinds South, LLC. The approximate value of the account is \$11,000,000 which is not included in this line item.

⁸ We identified certain balances that are not accounts receivable but rather investments in other, third-party, non-public entities recorded by ESC and HBC. The balance is the gross balance without adjustment for changes in value of the underlying investment assets.

⁹ Approximate death benefit of life settlement insurance policies owned by Receivership Entities under the A Better Financial Plan after adjustment for death benefits received and included in the cash balance. The value of the life insurance policies necessarily depends on the availability of critical documentation including but not limited to the insurance policy, actuarial detail and the purchase and sale agreement for the policy. Based on the incomplete documentation that has been made available to us to date and, in turn, provided to Maple Life Analytics, LLC (“Maple”), Maple has concluded the current market value of the policies in the portfolio is less than \$10.0MM. In the event the Receivership receives additional documentation, we will provide such documentation to Maple and will provide additional updates in future reports if any such additional information affects the Maple valuation of these policies.

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Asset:	Estimated value (at 9/30/2021)
Real estate (see Exhibit C)	\$52,831,900
Other Assets (see Exhibit D)	\$3,109,000
Furniture and fixtures	\$100,000

E. A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims.

Working with counsel, this process is ongoing and we have yet to determine the claims and the estimated value of the claims. As noted above, we continue to work on the forensic review of the books and records and will provide more information.

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

We provided a list of the known creditors of CBSG in our report to you dated August 31, 2020 and filed as Exhibit 1 to D.E. #214, Receiver Ryan K. Stumphauzer's Notice Of Filing Sworn Statement Pursuant To Paragraph 9 Of The Amended Receivership Order. At this time, we have no additional information to report. However, we continue to review records and are developing a list of creditors related to the non-CBSG entities including investors, trade and vendor payables.

G. The status of Creditor Claims Proceedings, after such proceedings have commenced.

The Creditor Claims Proceedings have not yet commenced.

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H. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

It is my recommendation that the Receivership continues. The Receivership is benefitted by our collections work plan and efforts as well as knowledge of the Receivership Entities' books and records all of which is vital to working with you and counsel on various causes of actions and to maximize and monetize the assets of the receivership.

Sincerely,



Bradley D. Sharp
President & CEO

Copy to: Mr. Gaetan J. Alfano (GJA@Pietragallo.com)
Mr. Tom J. Frey (e-mail TFrey@DSIConsulting.com)
Mr. Timothy A. Kolaya (e-mail TKolaya@sfslaw.com)
Mr. George E. Shoup, III (e-mail GShoup@DSIConsulting.com)
Mr. Yale S. Bogen (e-mail YBogen@DSIConsulting.com)

EXHIBIT A

Ryan K Stumphauzer, Receiver

Report prepared by:
Financial Advisor and Operational Consultant to the Receiver
Development Specialists, Inc.

INTERIM REPORT IN PREPARATION OF STATUS CONFERENCE

STANDARDIZED FUND ACCOUNTING REPORT

CIVIL - RECEIVERSHIP FUND

Consolidated Par Funding Receivership Entities ¹

Civil Court Docket No. 20-cv-81205-RAR

Reporting Period 7/01/2021 to 9/30/2021

^[1] The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding”); Full Spectrum Processing, Inc. (“Full Spectrum”); 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; 500 Fairmount Avenue, LLC; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor Processing LLC; and LM Property Management LLC; and the Receivership also includes the properties located at 568 Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; 107 Quayside Dr., Jupiter FL 33477; 2413 Roma Drive, Philadelphia, PA 19145.

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR
 Reporting Period 7/01/2021 to 9/30/2021

Fund Accounting:		Current Period	Prior Period(s)	Case-to-date
		07.01.21 - 9.30.21	7.28.20 - 6.30.21	Total
Line 1	Beginning Balance:	\$79,193,006	\$28,779,570	\$28,779,570
	<i>Increases in Fund Balance:</i>			
Line 2	Business Receipts	10,696,798	48,065,068	58,761,866
	Business Receipts - Overpayments	(2,675)	(59,140)	(61,815)
Line 3	Cash and Securities			0
	Pre-Receiver'ship Cash Transfer	237	11,042,897	11,043,134
	Change in Value of Securities	(36,835)	585,551	548,716
Line 4	Interest/Dividend Income	18,991	42,929	61,919
Line 5	Business Asset Liquidation	0	0	0
Line 6	Personal Asset Liquidation	0	0	0
Line 7	Third-Party Litigation Income	0	730,565	730,565
Line 8	Miscellaneous ¹	911	86,206	87,117
	Total Receipts ²	10,677,428	60,494,074	71,171,502
	Total Funds Available (Lines 1 - 8):	\$89,870,433	\$89,273,644	\$99,951,072
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	0	0	0
Line 10	Disbursements for Receivership Operations:			
Line 10a	Disbursements to Receiver or Other Professionals	2,486,118	6,841,313	9,327,431
Line 10b	Business Asset Expenses			
	Payroll & Benefits	308,947	1,019,282	1,328,229
	IT Expense	165,090	446,437	611,527
	Utilities	2,323	22,008	24,331
	Insurance	14,780	25,960	40,740
	Other Operating Expense	87,961	79,834	167,796
	Other	11,376	65,045	76,421
	Total Business Asset Expenses ²	590,477	1,658,567	2,249,044
Line 10c	Personal Asset Expenses	1,370	0	1,370
Line 10d	Investment Expenses			
	Premiums Due on Life Settlement Policies	514,854	1,225,304	1,740,158
	Property Expenses	37,827	310,729	348,557
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees	0	44,726	44,726
	2. Litigation Expenses	0	0	0
	3. Forensic Accounting	0	0	0
	Total Third-Party Litigation Expenses	0	44,726	44,726
Line 10f	Tax Administrator Fees and Bonds	0	0	0
Line 10g	Federal and State Tax Payments	0	0	0
	Total Disbursements for Receivership Operations	\$3,630,647	\$10,080,639	\$13,711,285
Line 11	Disbursements for Distribution Expenses Paid by the Fund:	0	0	0
Line 12	Disbursements to Court/Other:	0	0	0
	Total Funds Disbursed (Line 9 - 12)	\$3,630,647	\$10,080,639	\$13,711,285
Line 13	Ending Balance:	\$86,239,786.83	\$79,193,006	\$86,239,786.83

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR
 Reporting Period 7/01/2021 to 9/30/2021

	<u>Current Period</u>	<u>Prior Period(s)</u>	<u>Case-to-date</u>
Line 14 Ending Balance of Fund - Net Assets:			
Line 14a Cash & Cash Equivalents	\$86,239,787	\$79,193,006	\$86,239,787
Line 14b Investments			Unknown
Line 14c Other Assets or Uncleared Funds			
Total Ending Balance of Fund - Net Assets	\$86,239,787	\$79,193,006	\$86,239,787

OTHER SUPPLEMENTAL INFORMATION:

	<u>Current Period</u>	<u>Prior Period(s)</u>	<u>Case-to-date</u>
<i>Report of Items NOT To Be Paid by the Fund:</i>			
Line 15 Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 16 Disbursements to Court/Other Not Paid by the Fund:			
Line 17 DC & State Tax Payments			
Line 18 No. of Claims:			
Line 18a # of Claims Received This Reporting Period			
Line 18b # of Claims Received Since Inception of Fund			
Line 19			
Line 19a # of Claimants/Investors Paid This Reporting Period			
Line 19b # of Claimants/Investors Paid Since Inception of Fund			

Note 1: Includes \$16,574.82 of expense reimbursements from Solar Vision and Solar Exchange for shared IT expenses.

Note 2: Excludes inter-receivership receipts/disbursements.

Note 3: Certain Business Receipts were re-classified to Third Party Litigation Income for the prior period.

Schedule 1.1

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
Receivership; Civil Court Docket No. 20-cv-81205-RAR
Reporting Period 7/01/2021 to 9/30/2021

Entity	Bank Name	Account Number	Ending Cash Balance as of 9/30/2021
Pre-receiver Accounts			
ABFP Income Fund 2	TD Ameritrade	x1080	\$1,552,279.99
Receiver Accounts			
Complete Business Solutions Group, Inc.	City National Bank	x1839	\$11,667,736.18
Complete Business Solutions Group, Inc.	City National Bank	x5736	\$429,218.23
Complete Business Solutions Group, Inc.	City National Bank	x2430	\$48,961,085.24
Complete Business Solutions Group, Inc.	City National Bank	x5554	\$1,559.47
Complete Business Solutions Group, Inc.	City National Bank	x3071	\$26,043.28
Complete Business Solutions Group, Inc.	Actum	N/A	\$12,000.00
Complete Business Solutions Group, Inc.	FedChex	N/A	\$327,706.00
Complete Business Solutions Group, Inc.	Kotapay	N/A	\$20,000.00
Complete Business Solutions Group, Inc.	Priority Payment Systems	N/A	\$50,000.00
Full Spectrum Processing Inc.	City National Bank	x5700	\$7,347.70
ABFP Income Fund 2	City National Bank	x8328	\$696.10
abetterfinancialplan.com, LLC.	City National Bank	x2189	\$223,756.65
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x3575	\$197,170.11
ABFP Management Company	City National Bank	x3737	\$212,776.88
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x3872	\$638,171.46
MK Corporate Debt Investment Company LLC.	City National Bank	x3944	\$565,429.70
Fidelis Financial Planning LLC.	City National Bank	x5835	\$12,927.50
The United Fidelis Group Corp.	City National Bank	x5682	\$170,618.93
Retirement Evolution Group LLC.	City National Bank	x5754	\$1,200,809.83
Fast Advance Funding LLC	City National Bank	x2069	\$1,460,308.64
Fast Advance Funding LLC	Actum	N/A	\$43,612.50
New Field Ventures LLC	City National Bank	x5199	(\$17.00)
118 Olive PA LLC	City National Bank	x1195	\$18,399.38
205 B Arch St Management LLC	City National Bank	x1420	\$1,412.62
242 S 21st St LLC	City National Bank	x9339	\$30,070.96
300 Market St LLC	City National Bank	x1186	\$181,100.52
627-629 E Girard LLC	City National Bank	x9872	\$186,083.86
803 S 4th St LLC	City National Bank	x9816	\$7,387.11
1427 Melon St LLC	City National Bank	x3410	\$363,449.79
1530 Christian St. LLC	City National Bank	x3401	\$44,574.64
1635 East Passyunk LLC	City National Bank	x3293	\$29,907.75
1932 Spruce St LLC	City National Bank	x2834	\$50,289.47
4633 Walnut St. LLC	City National Bank	x2843	\$41,302.70
1223 N 25th St. LLC	City National Bank	x9861	\$35,918.74
1250 N 25th St LLC	City National Bank	x4130	\$35,084.46
135-137 N. 3rd St. LLC	City National Bank	x9753	\$298,372.61
715 Sansom St. LLC	City National Bank	x9863	\$70,131.21
861 N 3rd St. LLC	City National Bank	x9845	\$114,905.78
915-917 S. 11th LLC	City National Bank	x9818	\$75,704.08
20 N. 3rd St. Ltd	City National Bank	x1447	\$5,735.38
Capital Source 2000, Inc	City National Bank	x2528	\$2,186,515.31
Capital Source 2000, Inc	Actum	N/A	\$99,925.00
Capital Source 2000, Inc	Priority Payment Systems	N/A	\$0.00
Heritage Business Consulting, Inc.	City National Bank	x1745	\$599,535.35

Schedule 1.1

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR
 Reporting Period 7/01/2021 to 9/30/2021

Entity	Bank Name	Account Number	Ending Cash Balance as of 9/30/2021
Eagle Six Consulting, Inc.	City National Bank	x2519	\$12,417,595.11
Liberty Eighth Avenue LLC	City National Bank	x1700	\$0.00
LME 2017 Family Trust	City National Bank	x8827	\$115,934.78
LWP North LLC	City National Bank	x8115	\$422.53
Blue Valley Holdings, LLC	City National Bank	x5460	\$38,511.78
500 Fairmount Avenue, LLC	City National Bank	x8169	\$70,570.99
Contract Financing Solutions	City National Bank	x4540	\$1,338,162.90
ABFP Income Fund 3 Parallel	City National Bank	x4413	\$275.41
ABFP Income Fund Parallel	City National Bank	x4683	\$275.41
ABFP Income Fund 4 Parallel	City National Bank	x8211	\$35.15
ABFP Income Fund 6 Parallel	City National Bank	x4575	\$279.58
ABFP Income Fund 6	City National Bank	x4629	\$202.12
Recruiting and Marketing Resources	City National Bank	x4279	\$72.15
ABFP Income Fund 3	City National Bank	x4476	\$202.14
ABFP Income Fund 4	City National Bank	x4548	\$202.67
			<u>\$86,239,787</u>

EXHIBIT B

Profit and Loss Statements - Real Estate holdings

January 1, 2021 to September 30, 2021 Cash Activity

Consolidated

Ordinary Income/Expense

Rental Income	\$ 1,841,737
Rent Reimbursement	-
Interest Income	631

Total Income	\$ 1,842,368
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Expenses

Bank Fees	241
Insurance	175,136
Repairs and Maintenance	262,580
Rent - Association Fees	41,411
Licenses, Property and other Taxes	197,126
Utilities	72,362
Management & Professional Fees	187,788
Receivership incurred holding costs	5,886

Total Expense	\$ 942,530
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Net Income	\$ 899,838
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Ending Cash Balances

Checking / Savings	\$ 1,697,262
3rd Party Cash	66,326
Escrow Deposits	287,020

Total Cash and Equivalents	\$ 2,050,608
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EXHIBIT C

Real Estate Owned

Location	City. State	Property Type	Approximate Value ¹⁰
118 Olive Street	Philadelphia, PA	Multi-unit residential	\$740,000
205 Arch Street	Philadelphia, PA	Commercial	\$260,000
142 N. 2 nd Street	Philadelphia, PA	Commercial	\$170,000
242 S. 21 st Street	Philadelphia, PA	Multi-unit residential	\$1,025,000
300 Market Street	Philadelphia, PA	Mixed-use	\$4,400,000
627-629 E. Girard Street	Philadelphia, PA	Multi-unit residential	\$2,950,000
803 S. 4 th Street	Philadelphia, PA	Mixed-use	\$349,000
1427 Melon Street	Philadelphia, PA	Multi-unit residential	\$7,600,000
1530 Christian Street	Philadelphia, PA	Multi-unit residential	\$870,000
1635 E. Passyunk Street	Philadelphia, PA	Mixed-use	\$825,000
1932 Spruce Street	Philadelphia, PA	Multi-unit residential	\$2,125,000
4633 Walnut Street	Philadelphia, PA	Multi-unit residential	\$650,000
1223 N. 25 th Street	Philadelphia, PA	Multi-unit residential	\$1,100,000
1248 N. 25 th Street	Philadelphia, PA	Single-unit residential	\$190,000
1250 N. 25 th Street	Philadelphia, PA	Multi-unit residential	\$600,000
135-137 N. 3 rd Street	Philadelphia, PA	Mixed-use	\$6,575,000
715 Sansom Street	Philadelphia, PA	Mixed-use	\$2,885,000
861 N. 3 rd Street	Philadelphia, PA	Multi-unit residential	\$1,800,000
915-917 S. 11 th Street	Philadelphia, PA	Multi-unit residential	\$1,860,000
20 & 22 N. 3 rd Street	Philadelphia, PA	Commercial	\$2,965,000
500 Fairmount Ave.	Philadelphia, PA	Mixed-use	\$1,640,000
107 Quayside Dr. ¹¹	Jupiter, FL	Single-family house	\$5,800,000
2413 Roma Drive ¹²	Philadelphia, PA	Single-family house	\$407,900
568 Ferndale Lane ¹³	Haverford, PA	Single family house	\$2,445,000
105 Rebecca Court ¹⁴	Paupack, PA	Single family house	\$2,600,000
		Total	\$52,831,900.00

¹⁰ Amount represents approximate purchase price. An appraisal of each property has not been done.

¹¹ Property owned by Lisa McElhone and for personal use by Lisa McElhone

¹² Ibid

¹³ Property owned by Receivership Entity LWP North, LLC, a single-member LLC owned by Lisa McElhone. Property for personal use by Lisa McElhone.

¹⁴ Property owned by Receivership Entity Blue Valley Holdings, LLC, a single-member LLC owned by Lisa McElhone. Property for personal use by Lisa McElhone

EXHIBIT D

Other Assets

Asset	Approximate Value ¹⁵
Yacht	\$333,000
Manitou XT Pontoon boat	\$188,000
Yamaha Waverunner jet skis (2)	\$18,000
Artwork	\$2,160,000
Watches	
• Patek Phillipe (2)	\$154,500
Various Automobiles	
• 2020 Mercedes G-class	\$135,000
• 2016 Bentley	\$135,000
• 2016 Chevrolet Tahoe	\$40,000
• 2020 Range Rover	\$100,000
• 2019 Porsche 911 Turbo S Cabriolet ¹⁶	\$232,600
Total	\$3,109,000

¹⁵ Except for the automobiles, amount represents approximate purchase price. An appraisal of each asset has not been done.

¹⁶ Value is the purchase price pursuant to build order (D.E. #634). An appraisal of the asset has not been done.