

**UNITED STATES DISTRICT COURT
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 OCTOBER 31, 2023**

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; Full Spectrum Processing, Inc.; ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan; ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC; ABFP Income Fund, LLC; ABFP Income Fund 2, L.P.; United Fidelis Group Corp.; Fidelis Financial Planning LLC; Retirement Evolution Group, LLC; RE Income Fund LLC; RE Income Fund 2 LLC; ABFP Income Fund 3, LLC; ABFP Income Fund 4, LLC; ABFP Income Fund 6, LLC; ABFP Income Fund Parallel LLC; ABFP Income Fund 2 Parallel; ABFP Income Fund 3 Parallel; ABFP Income Fund 4 Parallel; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment Fund 2 LP; MK Corporate Debt Investment Company LLC; 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; LM Property Management LLC; and ALB Management, Inc., and the Receivership also includes the property located at 107 Quayside Dr., Jupiter, FL 33477.

hereby files this Quarterly Status Report dated October 31, 2023. By way of summary, as of the end of the reporting period (September 30, 2023), the Receivership Estate consisted of, among other things, approximately \$40,000,000 of unsold real property, \$2,749,000 in other unsold tangible assets the Receiver has brought into the Receivership Estate,² and \$132,728,540 in cash. As of October 31, 2023, the current cash balance was \$135,290,131. The report attached as Exhibit 1 includes a schedule reflecting the net tangible assets contained within the Receivership Estate.

I. Overall Administration of Receivership Estate

A. 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,

² The amounts for real and personal property have decreased from the previous quarter as a result of the sale of both real and personal property during the quarter, resulting in an increase in the cash balance.

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 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 obtained an additional \$14,756,649 in cash held by the additional Receivership Entities. The Receiver has also acquired an additional \$123,614,508 in cash through collections, settlements, other recoveries, and asset sales. After accounting for expenses, the total cash balance was \$132,728,540 as of September 30, 2023. As of October 31, 2023, the current cash balance was \$135,290,131. This increase of the cash balance is the result of, among other things, the receipt of proceeds from settlements the Receiver has reached with third parties and the sale of real estate and other property within the Receivership Estate.

B. Accounts Receivable – Merchant Cash Advance Accounts

The Receiver, his professionals, and the staff he rehired at Par Funding have been continuing to collect on the accounts receivable for the merchant cash advance (“MCA”) accounts that were pending with the company as of the time the Receiver took over the operations of Par

Funding. Historically, the Receiver has reported the entire accounts receivable balances that were on Par Funding's books for these MCA accounts, while explaining that these balances did not reflect appropriate reductions or reserves for collectability or bad debt. Beginning with the reporting period for April 1, 2022 through June 30, 2022, the Receiver, through his outside consultants, counsel, and internal collection staff and accountants, began to analyze the collectability of the balances for all MCA companies. Through that reporting period, the Receiver determined that certain amounts should be written off due to closed bankruptcies, circumstances where the merchant is out of business, and circumstances where there is neither viable guarantors nor viable collateral.

In analyzing the MCA balances, the Receiver also determined that a reserve was required for accounts with ongoing bankruptcies and other circumstances where full payment is doubtful. *See* DSI's Report, attached as Exhibit 1. At the end of the second quarter of the 2022 reporting period (April 1, 2022, through June 30, 2022), the net result of these adjustments was a reduction of the total receivable balance from approximately \$345 million to \$224 million. At the end of the third quarter of the 2022 reporting period (July 1, 2022, through September 30, 2022), the total receivable balance was further reduced as a result of these adjustments to a total of \$189 million. At the end of the third quarter of the 2023 reporting period (July 1, 2023 – September 30, 2023), the total receivable balance was further reduced to \$68.5 million. The Receiver has continued to analyze this portfolio to determine realistic write-offs and allowances for additional amounts that are not likely to be collected. The Receiver anticipates further substantial reductions in the receivable balance.

Based upon an analysis of information available to CBSG management as of December 31, 2018, and December 31, 2019, the Receiver, together with his counsel, operations staff, and

operational consultants from DSI, determined that several merchant balances were uncollectible and should have been written off prior to the filing of the tax returns for those years. The Receiver considered many factors, including merchants that had declared or been discharged in bankruptcy, merchants that had not paid for several months and were, therefore, uncollectible according to the company's own existing policies, and merchants that had ceased operations and, therefore, had no future revenues to repay MCA balances. The Receiver believes that CBSG and related entities will not have any taxable income for these prior years and, therefore, may be entitled to substantial tax refunds. To that end, the Receiver is in the process of finalizing amended tax returns, through which the Receiver is requesting a refund of the tax CBSG previously paid for those periods.

C. Collection Efforts Through Outside Collection Company and Litigation

Altus Receivables Management, Inc. ("Altus") is a national collection company that the Receiver engaged on a contingency fee recovery basis. Altus was seeking to collect judgments previously entered against select non-performing, non-bankruptcy merchants, guarantors, and counterparties that had outstanding balances and/or were otherwise in default at the time of the establishment of the receivership (collectively "merchants"). Thus, these recovery efforts were being pursued in the ordinary course of the administration and operation of the receivership.

The judgments against these merchants were exemplified under Pennsylvania law and domesticated for legal action in the merchant's home state and where assets may be found. The judgments referred to Altus ranged from low five (5)-figure balance accounts to accounts in excess of one million dollars (\$1,000,000), based upon the Receivership Entities' records. Referrals began on January 9, 2022, and 216 exemplified judgments in total were referred to Altus. Altus has closed 157 files, either by way of settlement or based on a determination that

further collection efforts would be futile. The Receiver does not plan to refer any additional files to Altus, and is expecting any remaining collection efforts from Altus to be winding down.

The Receiver has also initiated 68 actions against merchants in the Philadelphia Court of Common Pleas, either through civil action complaints or confessions of judgment. Of these, only 4 are being actively litigated, with the balance resolved through offers of settlement, or default or confessed judgments. The Receiver is currently evaluating whether it is in the best interest of the Receivership Estate either to pursue additional recovery actions against merchants, or to sell off the remaining portfolio of merchant cash advance receivables in bulk in exchange for a lump sum cash payment.

D. Collection Activity and Settlements with ESC and HBC Counterparties

To date, the Receiver has resolved, either through full payoffs of the amount owed or settlements, the account balances of several counterparties to agreements with Eagle Six Consultants, Inc. (“ESC”) and Heritage Business Consulting, Inc. (“HBC”). The Receiver is in active litigation and/or settlement discussions with several of these counterparties for which the litigation injunction has been lifted.

E. Life Settlements

The Receiver continues to manage the portfolios of life settlement policies owned by ABFP Multi-Strategy Investment Fund LP (“MSIF”) and ABFP Multi-Strategy Investment Fund II LP (“MSIF II”). During this quarter, the Receiver received \$500,000.00 in death benefits for one additional policy that has matured. To date, the Receiver has received total death benefits payable in the amount of \$5,532,479 for policies owned by MSIF, and in the amount of \$6,950,000 for policies owned by MSIF II. These amounts only include the policy face value the Receiver has

received on these policies, and exclude any interest or dividends the Receiver has received for these policies.

While a potential sale of the remaining life settlements may be an option, based on the expected valuation of the policies, a sale of these assets would result in a payment of significantly less than the face value of these policies, as well as significantly less than the principal amounts on the books as due to the investors in these two funds. As a result, the Receiver is also exploring the possibility of transferring these policies outside of the Receivership Estate to a third-party to hold, manage, and continue to await the receipt of additional death benefits for the portfolio, and ultimately pay those proceeds to the specific investors in those two funds.

III. Eckert Seamans

On June 7, 2023, after numerous discussions and substantial work, the Receiver and counsel representing the investor plaintiffs in class action cases reached an agreement in principle to resolve the Receivership Entities' claims and the investor plaintiffs' claims against Eckert Seamans and John W. Pauciulo. The settlement, in the amount of \$45 million, represents the remaining limits on the eroding insurance policies that provide coverage for the Receivership Entities' claims against Eckert Seamans and John W. Pauciulo. The Receiver, class counsel, and Eckert Seamans have prepared a draft formal agreement memorializing this settlement, for which the Receiver will be filing a motion to seek the Court's approval.

Prior to finalizing the agreement and seeking Court-approval, however, the Receiver is attempting to resolve potential objections from the following groups that have indicated they may object to and oppose the approval of the settlement: (1) Defendant Dean Vagnozzi and non-parties Alec Vagnozzi, Albert Vagnozzi, and Terry Kohler (collectively, the "Vagnozzi Group"); and (2) the Plaintiffs in the case of *Parker, et al. v. Pauciulo, et al.*, No. 20-00892 (Phila. Ct. Com. Pl.

2020) (the “Parker Plaintiffs”). At the Receiver’s request, the Court has referred these potential objections to United States Magistrate Judge Bruce E. Reinhart for settlement conferences. The settlement conference with the Vagnozzi Group occurred on October 31, 2023 (ECF No. 1727), but no settlement was reached (ECF No. 1738). The settlement conference with the Parker Plaintiffs is scheduled for November 13, 2023 (ECF No. 1728).

IV. Receiver-Controlled Real Estate and Personal Property

A. Marketing of Personal Residences

The Receivership has been controlling 25 properties (the “Receiver Controlled Properties”). Three of the Receiver Controlled Properties are single-family residential properties (the “Single-Family Properties”). By Order dated January 10, 2023, the Court authorized the Receiver to market for sale all of the Receiver Controlled Properties (the “Court Order”). Following the Court Order, the Receiver (i) commissioned market value appraisals of the Single-Family Properties and (ii) engaged separate real estate brokers to list and market each property for sale. Currently, two of the three Single-Family Properties have sold. Each sales price was above the property’s appraised value. The third Single-Family Property, 107 Quayside, was under an Agreement of Sale. Issues have prevented a closing on the Agreement, including the existence of a tax lien the IRS levied against the property based on Defendant Lisa McElhone’s pre-receivership federal tax obligations.

The status of the Single-Family Properties is summarized below:

Properties	Location	Listing Service	Status	Sale Price
105 Rebecca Court,	Paupack, PA	Jack Muehlhan Realty	Sold	\$3,300,000
568 Ferndale Lane	Haverford, PA	MLS	Sold	\$3,338,000

Properties	Location	Listing Service	Status	Sale Price
107 Quayside Drive	Jupiter, FL	Waterfront Properties and Club Communities - MLS	Agreement for Sale / Closing Delayed Due to Title Issues	

B. Marketing of Philadelphia Commercial/Mixed Use Properties

The remaining 22 properties are commercial, residential, or mixed-use rental properties in Philadelphia (the “Philadelphia Properties”). Due to the diverse nature of the Philadelphia Properties, the Receiver divided the listings among three brokerage firms. COMPASS Real Estate (“COMPASS”) is the listing Broker for five of the Philadelphia Properties. Berkshire Hathaway/Fox & Roach REALTORS® (“Berkshire”) is assigned six of the Philadelphia Properties. The remaining eleven Philadelphia Properties, which are primarily commercial or mixed-use properties, are listed with Colliers. (COMPASS, Berkshire and Colliers, collectively, the “Listing Brokers”)

Of the 22 properties, seven have sold, and an eighth property is scheduled to close on November 9, 2023. The Receiver also is finalizing Agreements of Sale for three (3) additional properties. The status of the Philadelphia Properties is summarized below:

	Properties	Neighborhood	Listing Service/Broker	Status	Sale Price
1	300 Market Street, Philadelphia PA	Old City	LoopNet™ Colliers	Listed and actively showing	
2.	1427 Melon Street, Philadelphia PA	Fairmount	LoopNet™ Colliers	Listed and actively showing	
3.	1530 Christian Street, Philadelphia PA	Graduate Hospital	Bright MLS® Berkshire	Sold	\$890,000

	Properties	Neighborhood	Listing Service/Broker	Status	Sale Price
4.	627-629 E. Girard Avenue, Philadelphia, PA	Fishtown	LoopNet™ Colliers	Listed and actively showing	
5.	861 N. 3 rd Street, Philadelphia PA	Northern Liberties	LoopNet™ Colliers	Finalizing Agreement of Sale	
6.	1223 N. 25 th Street, Units A, B, C, Philadelphia PA	Sharswood	Bright MLS® COMPASS	Finalizing Agreement of Sale	
7.	4633 Walnut Street, Philadelphia PA	Walnut Hill	Bright MLS® COMPASS	Sold	\$700,000
8.	803 S. 4 th Street, Philadelphia PA	Queens Village	Bright MLS® Berkshire	Sold	\$430,000
9.	142 N. 2 nd Street (owned by 803 S. 4 th St., LLC), Philadelphia PA	Old City	LoopNet™ Colliers	Listed and actively showing	
10.	915-917 S. 11 th Street, Philadelphia PA	Hawthorne	Bright MLS® Berkshire	Sold	\$1,750,000
11.	135-137 N. 3 rd Street, Philadelphia PA	Old City	LoopNet™ Colliers	Listed and actively showing	
12.	500 Fairmount Avenue, Philadelphia PA	Northern Liberties	LoopNet™ Colliers	Listed and actively showing	
13.	2413 Roma Drive, Philadelphia PA	Sienna Place	Bright MLS® Berkshire	Sold	\$676,000
14.	118 Olive Street, Philadelphia PA	Northern Liberties	Bright MLS® COMPASS	Sold	\$661,000
15.	1250 N. 25 th Street, Units A, B C, Philadelphia PA	Sharswood	Bright MLS® COMPASS	Finalizing Agreement of Sale	
16.	1248 N. 25 th Street, Unit A (owned by 1250 North 25 th St., LLC), Philadelphia PA	Sharswood	Bright MLS® COMPASS	Listed and actively showing	

	Properties	Neighborhood	Listing Service/Broker	Status	Sale Price
17.	1932 Spruce Street, Philadelphia PA	Rittenhouse Square	Bright MLS® Berkshire	Agreement of Sale (\$1,650,000) closing on November 9, 2023	
18.	242 S. 21 st Street, Philadelphia PA	Rittenhouse Square	Bright MLS® Berkshire	Sold	\$1,025,000
19.	1635 Passyunk Ave, Philadelphia PA	East Passyunk	LoopNet™ Colliers	Listed and actively showing	
20.	715 Sansom Street, Philadelphia PA	Jewelers' Row	LoopNet™ Colliers	Listed and actively showing	
21.	20-22 N. 3 rd Street (4 units), Philadelphia PA	Old City	LoopNet™ Colliers	Listed and actively showing	
22.	205 B Arch Street (104 N. 2 nd Street), Philadelphia PA	Old City	LoopNet™ Colliers	Listed and actively showing	

The Receiver has received offers for several of the unsold properties and is negotiating with prospective buyers for offers within acceptable ranges. As the Receiver previously informed the Court, however, there are significant market-related headwinds in selling the Philadelphia Properties, including: (1) higher interest rates charged to investors who may be borrowing funds for an acquisition; (2) the fact that higher CAP (capitalization) Rates³ are being applied by investors to value prospective real estate investment properties; (3) the age of the buildout/improvements of certain of the properties has resulted in the decreased desirability or functionality; (4) the fact that the real estate tax abatement for certain properties either has expired or will expire in the near future, notwithstanding nearby competing inventory that benefit from

³ A real estate capitalization rate, or cap rate, is a popular metric to estimate the rate of return on an investment property. Real estate investors use cap rates to determine if a property investment is worthwhile compared to other opportunities. It compares a property's net operating income, or NOI, to its value.

full, or near full, tax abatements; and (5) the supply of newer apartment properties that are currently under construction or with approved permits that will come to market in 2024 and 2025, making certain of the Philadelphia properties less attractive. Nevertheless, the Receiver continues working diligently with the Brokers to market these properties aggressively and to maximize their value in any sale.

Finally, the vast majority of the Philadelphia Properties are individually held by a corresponding single purpose limited liability company registered in Pennsylvania (the “LLC”). As the property held by a particular LLC is sold, the Receiver intends to dissolve the corresponding LLC under Pennsylvania law as part of his efforts to reduce the number of Receivership Entities and, ultimately, to wind down the Estate.

C. Sale of Personal Property

The Receiver also took possession and control of various other personal property, including automobiles, watercraft, fine art, and luxury watches. The Receiver has already sold many of these items and is in the process of marketing and selling the remaining items. By way of summary, the Receiver has sold all automobiles within the Receivership Estate and two luxury watches. The Receiver is in the process of determining the best course of action for marketing and selling the watercraft. The artwork has been placed on consignment with a national auction house, which has taken full responsibility for packing, transporting, insuring, and selling the artwork at auction. The two Fernando Botero pieces sold at a recent Auction of Latin American Art, realizing sales prices within or above the estimated auction ranges. The remaining artwork will be offered at other upcoming fall and winter auctions. The Receiver continues to explore other opportunities to sell or dispose of the remaining property within the Receivership Estate.

V. Claims and Distribution Process

On December 21, 2022, the Receiver filed a Motion to Establish and Approve: (1) Proof of Claim Form; (2) Claims Bar Date and Notice Procedures; and (3) Procedure to Administer and Determine Claims (the “Claims Motion”). The Court entered an Order granting the Claims Motion on December 23, 2022 (the “Claims Order”). By granting the Receiver’s Claims Motion, the Court has approved a procedure for each person or entity who believes he, she, or it may have a claim against any Receivership Entity to submit a claim to the Receivership assets.

In January 2023, the Receiver began the process of providing notice (direct and by publication) to potential claimants. Pursuant to the requirements of this claim process, all Proof of Claim Forms were required to be submitted to the Receiver’s Claims Agent, Epiq Corporate Restructuring, LLC (“Epiq”), on or before March 22, 2023, at 11:59 p.m. (prevailing Eastern Time).

Now that the deadline for the submission of claims has expired, the Receiver and his professional consultants are in the process of reviewing and analyzing these claims to determine the validity of each claim and to determine, based on the records of the Receivership Entities, whether the Receiver agrees with the amount each claimant believes it is owed from the Receivership Estate. The Receiver and his team are finalizing his initial determinations on the validity of each claim and anticipates that he will be sending out notification of his determinations to each claimant in November 2023.

Following this notification, claimants will have an opportunity to review the Receiver’s determinations and, if applicable, object to the Receiver’s determination. The Receiver will attempt to resolve any such objections directly with the claimants and, to the extent any objections are not resolved, the Receiver will submit those objections to the Court for a final determination.

The distribution process will occur at some time following the conclusion of the claims process. The Receiver is considering various options for his recommendation to the Court for the proposed manner in which funds will be distributed to claimants. Given that this process has not yet been finalized, and there are pending appeals to the final judgments entered against the Defendants, as well as questions regarding additional recoveries that may potentially be available to further satisfy portions of the judgments entered against the Defendants, 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 other creditors. The Receiver and his professional staff will continue to evaluate these issues and provide updates as they are available.

VI. Criminal Proceedings Report

On May 18, 2023, the United States filed a superseding indictment in the United States District Court for the Eastern District of Pennsylvania charging 63 counts of criminal violations and two notices of forfeiture against Complete Business Solutions Group, Inc. d/b/a Par Funding (“CBSG”), and Defendants Joseph LaForte, Joseph Cole Barletta, James LaForte, and Lisa McElhone. The matter is docketed at case number 2:23-CR-00198. The Court unsealed the superseding indictment on May 23, 2023. Of note, 21 of the 63 counts allege criminal conduct by CBSG. Specifically, CBSG is charged with conspiracy, wire fraud, and securities fraud. As the Receiver stands in the shoes of CBSG for all legal purposes, counsel for the Receiver, Douglas K. Rosenblum, appeared before Magistrate Judge Richard Lloret on June 2, 2023 and entered a plea of not guilty to all counts against the company. The case is now assigned to District Court Judge Mark A. Kearney for trial.

Judge Kearney has issued case management orders concerning the criminal matter, with trial to commence on April 11, 2024 (ECF Doc. No. 52). Discovery is voluminous, as the United

States is working expeditiously to produce terabytes of data to counsel for all defendants. Counsel for the Receiver has made clear to the United States and to the Court that CBSG, as a defendant in the criminal matter, does not require copies of the voluminous discovery, as CBSG was the source of much of the information the government obtained during the course of its investigation. CBSG is exploring a non-trial disposition of the criminal matter so as to best protect the interests of the investors of CBSG.

On October 12, 2023, Judge Kearney convened a conference to discuss the status of the criminal matter. The government represented to the Court that it is considering superseding the current indictment to add additional charges and/or additional defendants. The government will endeavor to do so as soon as possible so as not to delay the trial currently scheduled for April 11, 2024. The government also stated that it does not wish to interfere with, or slow down, the expeditious distribution of funds in the Receivership to the investors. The Court will convene another status conference on December 11, 2023 (ECF Doc. No. 98).

VII. Conclusion

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully files this Quarterly Status Report dated October 31, 2023.

Dated: October 31, 2023

Respectfully Submitted,

**STUMPHAUZER KOLAYA
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on October 31, 2023, 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@sknlaw.com)

October 31, 2023

Mr. Ryan Stumphauzer
Receiver
c/o Stumphauzer Kolaya Nadler & Sloman, 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, 2023 through September 30, 2023 (“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

The Receivership is now comprised of 54 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, assets related to 118 Olive Street, LLC; 803 S. 4th Street LLC; 4633 Walnut Street, LLC and 915-17 S. 11th Street, LLC, mainly the real estate accounted for under these legal entities, were sold. Additionally, during the Reporting Period, vehicles and watches formerly in the defendants’ possession were sold. No assets or entities were added to the Receivership during the Reporting Period.

In addition to working with you and your counsel, during the Reporting Period, my staff and I continued to work with the corporate staff on various operations matters as they arose.

MIAMI/FT. LAUDERDALE

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Mr. Ryan K. Stumphauzer
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General Operations

- Staffing

We continue to discuss general operations matters with both the accounting and collections staff as needed. In light of staff reductions, DSI is overseeing certain operations, performing accounting and operations tasks and working with the staff on day-to-day matters to maintain Receivership operations.

- Tax Matters

During the Reporting Period, we finalized the 2022 income taxes for the Qualified Settlement and also completed the 2019 income tax return. We are finalizing other amended returns such that they will be filed by the end of the year.

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 \$400MM, without reduction for collectability or bad debt. These accounts were marked as performing, non-performing, under-performing or default. The following table reflects the portfolio status on July 28, 2020, included in our prior reports, and September 30, 2023 based on this categorization of the balances from reports prepared by operations staff.

<i>\$MM’s</i>	CBSG Portfolio as of:	
	7/28/2020	9/30/2023
Active ¹	\$117.7	\$8.4
Exception Portfolio	203.9	174.7
Litigation ²	4.6	33.5
Non-Performing ³	34.7	20.8

¹ Active portfolio includes all merchants having made a payment from August 1, 2023 through September 30, 2023 and those paying pursuant to a settlement agreement. Merchants have entered into short-term settlement agreements thereby reducing the balance owed. As of the end of the Reporting Period, there are 349 settlement agreements for all MCA companies with 328 merchants completely paid and the remainder with outstanding payments according to the agreement.

² As of 9/30/2023, there were numerous accounts on hold due to various legal reasons, including collateral issues, pending litigation, legal demands and pending and filed confessions of judgement. In certain of these cases, the Receiver has filed a motion to lift the litigation hold in order to proceed with formal litigation. The balance also includes accounts sent to Altus Receivable Management.

³ Non-performing merchants include merchants which have not made a payment in the 60 days prior to the end of the Reporting Period. This includes accounts which management defaulted prior to the Receivership.

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\$MM's	CBSG Portfolio as of:	
	7/28/2020	9/30/2023
Bankruptcy ⁴	54.7	48.2
Total Portfolio	\$415.6	\$285.6

The reduction in the CBSG Portfolio balance of approximately \$130MM represents merchants that have completely paid their advance through full payment of the remaining balance, settlement at a reduced amount or write-off of the remaining balance if the balance was determined to be unrecoverable. Balances determined to be unrecoverable include bankruptcy of the merchant and guarantor, verifiable closure of the merchant’s business or for other business reasons.

For all MCA Receivership Entities, the accounts receivable balance on September 30, 2023 was approximately \$285.6MM. We continued to analyze the collectability of the MCA advances for additional write-offs and reserves for uncollectible accounts balances. While certain balances have already been written off, we have determined that additional reserves were needed for accounts with open bankruptcies and for other matters where full payment is doubtful. During the Reporting Period, approximately \$10.8MM of accounts receivable were written off as they were determined to be uncollectible.

Additionally, the on-going review process has resulted in additional reserves of approximately \$228.6MM and additional write-offs of approximately \$0.4MM. ***The net result of these adjustments reduced the accounts receivable balances of the MCA Receivership Entities from approximately \$285.6MM to approximately \$68.5MM.*** Further reductions may be needed as more information is gathered. This analysis excludes accounts receivable held by Eagle Six Consultants and Heritage Business Consulting.

Net Tangible Assets by Defendant Group

We prepared a schedule detailing the assets currently on-hand (see Exhibit C). Currently, the Receivership has approximately \$175.4MM of tangible assets by defendant group, which includes cash, investments, real estate and personal assets. These assets were transferred to the Receivership from pre-Receivership banks, gained through collections and litigation efforts and obtained through various settlements with the defendants. More specifically, as of the end of the Reporting Period,

⁴ 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, for the table, the amount owed by the merchants has not been reclassified to bankruptcy. The balance also includes amounts not yet written off although the merchant may have been discharged.

Mr. Ryan K. Stumphauzer
October 31, 2023
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- The Receivership holds approximately \$153.9MM in tangible assets from CBSG and other related entities including real estate holdings of approximately \$40.0MM and other non-cash, tangible assets of approximately \$2.7MM. This does not include the value of the accounts receivable.
- The Receivership holds approximately \$9.7MM in assets from the ABFP entities which includes cash and marketable securities.
- The Receivership holds approximately \$1.3MM in assets, all cash, from the Retirement Evolution entities and settlement with Mr. Gissas.
- The Receivership holds approximately \$200,000 in assets, all cash, from the Fidelis entities which was transferred at the outset of the Receivership.
- The Receivership holds approximately \$10.4MM of cash from settlements with Messrs. Abbonizio and Vagnozzi as detailed in Exhibit C, which includes cash from the sale of real estate from the settlements.

Forensic Accounting and Litigation Support

During the Reporting Period, DSI continued to assist you and your counsel in preparing analyses and reports relative to the defendants' settlements and negotiations with the SEC relating to disgorgement.

In addition, during the Reporting Period, DSI responded to questions from counsel as to the MCA and loan portfolio, participated in calls with counsel and borrowers and provided analyses to assist in filing litigation against or enter into settlement agreements with the borrowers.

Claims Administration

As reported, the deadline to submit claims was set for March 22, 2023. During the quarter, DSI continued compiling information from the accounting and other records in order to reconcile the claims against the Receivership Entities. In addition, we finalized the reconciliation of the investor claims and commenced review of the non-investor claims. Lastly, we worked with you and your counsel to develop a claims adjudication process. This process is on-going and decisions and analyses have not been finalized."

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 and cash equivalents as of September 30, 2023 is \$132,728,500. All of the cash is unencumbered.

Mr. Ryan K. Stumphauzer
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The accrued administrative fees for the quarter ended September 30, 2023 are:

- Receiver/co-counsel – Stumphauzer Kolaya Nadler & Sloman, PLLC \$196,215.68
- Co-counsel – Pietragallo Gordon Alfano Bosick & Raspanti, LLP \$483,608.98
- Financial Advisor/Operations Consultant – Development Specialists, Inc. \$187,513.65
- Digital Evidence/Computer Forensics Prof. – Lawgical Insights, LLC \$3,231.32
- Investigation Firm – HD Investigative Group, LLC \$17,550.00

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.

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
	9/30/2023
Cash in bank	\$132,560,000
Cash held by ACH processors	\$170,000
Portfolio balance ⁵	\$68,5000,000
Other accounts receivable ⁶	\$29,595,000
Investment in third parties ⁷	\$2,300,000
Life settlement policies (gross death benefits) ⁸	\$18,800,000

⁵ Includes all MCA Receivership Entities – Complete Business Solution Group, Inc.; Fast Advance Funding, LLC; and, Contract Financing Solutions, Inc. The balance shown is after taking into account adjustments as discussed herein.

⁶ This balance of “other accounts receivable” includes, among other things, amounts owed by third parties to ESC and HBC, *without regard to collectability*. Although, certain balances were reduced during the quarter as more information about collectability was noted. 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.

⁷ 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.

⁸ 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

Mr. Ryan K. Stumphauzer
October 31, 2023
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Asset:	Estimated value
Real estate	\$40,000,000
Other Assets (see Exhibit B)	\$2,699,000
Furniture and fixtures	\$50,000

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.

Prior to the Reporting Period, the date by when claimants must file claims was set as March 22, 2023. As of the end of the Reporting Period, approximately 1,291 claims were filed which includes amended claims and duplicate claims. In addition, since many CBSG investors made investments through their IRA plan at CamaPlan, CamaPlan filed two bulk claims for an additional 567 claims. As noted above, we continue to work on the forensic review of the books and records and will provide more information as well as the adjudication process to determine the dollar amount of allowed claims.

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. Since we have not analyzed the filed claims, we have not updated the listing of allowed claimants.

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

The Receiver and his professional consultants are currently reviewing and analyzing these claims to determine the validity of each claim and to determine, based on the records of the Receivership Entities, whether the Receiver agrees with the amount each claimant believes it is owed from the Receivership Estate. The distribution process will occur at some time following the conclusion of the claims review process.

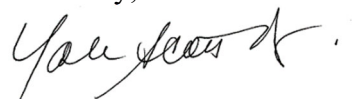
insurance policy, actuarial detail and the purchase and sale agreement for the policy. Based on the incomplete documentation that has been made available to us to date and, in turn, provided to Maple Life Analytics, LLC (“Maple”), Maple concluded the market value of the policies in the portfolio (as of the February 2021 valuation) is less than \$10.0MM. Since February 2021, policies have matured with death benefits received totaling approximately \$12.5MM. 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. Additionally, during the Reporting Period, one additional policy matured and the proceeds were received during the Reporting Period.

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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 continuing to collect outstanding merchant and loan balances. The professional staffing changes that occurred will reduce fees going forward. Current professionals are knowledgeable 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,



Yale Scott Bogen
Senior Managing Director

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@sknlaw.com)
Mr. George E. Shoup, III (e-mail GShoup@DSIConsulting.com)
Mr. Tom J. Frey (e-mail TFrey@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 7/1/2023 to 9/30/2023

^[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; 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 property located at 107 Quayside Dr., Jupiter FL 33477.

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR
 Reporting Period 7/1/2023 to 9/30/2023

Fund Accounting:		Current Period	Prior Period(s)	Case-to-date
		7/1/23 - 9/30/23	7/28/20 - 6/30/23	Total
Line 1	Beginning Balance⁴:	\$123,641,030	\$26,446,083	\$26,446,083
	<i>Increases in Fund Balance:</i>			
Line 2	Business Receipts	2,376,997	100,363,709	102,740,707
	Business Receipts - Overpayments	0	(96,205)	(96,205)
Line 3	Cash and Securities			
	Pre-Receivership Cash Transfer	0	14,756,649	14,756,649
	Change in Value of Securities	41,280	302,117	343,397
Line 4	Interest/Dividend Income	1,327,355	1,441,781	2,769,135
Line 5	Real Estate Liquidation	7,517,000	7,284,765	14,801,765
Line 6	Other Asset Liquidation	875,612	0	875,612
Line 7	Third-Party Litigation Income	0	3,031,724	3,031,724
Line 8	Miscellaneous¹	36,049	1,445,811	1,481,860
	Total Receipts²	12,174,293	128,530,351	140,704,644
	Total Funds Available (Lines 1 - 8):	\$135,815,322	\$154,976,434	\$167,150,727
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	0	0	0
Line 10	Disbursements for Receivership Operations:			
<i>Line 10a</i>	<i>Disbursements to Receiver or Other Professionals³</i>	1,446,268	20,026,002	21,472,270
<i>Line 10b</i>	<i>Business Asset Expenses</i>			
	Payroll & Benefits	227,372	3,351,455	3,578,827
	IT Expense	44,680	938,991	983,670
	Utilities	10,274	84,836	95,110
	Insurance	14,954	113,326	128,280
	Other Operating Expense	128,031	760,469	888,499
	Other	92,078	235,304	327,382
	Total Business Asset Expenses²	517,388	5,484,380	6,001,768
<i>Line 10c</i>	<i>Personal Asset Expenses</i>	0	0	0
<i>Line 10d</i>	<i>Investment Expenses</i>			
	Premiums Due on Life Settlement Policies	360,063	4,243,673	4,603,737
	Property Expenses	227,311	1,333,612	1,560,923
	Real Estate Liquidation Expenses	535,751	203,011	738,762
	Other Asset Liquidation Expenses	0	0	0
<i>Line 10e</i>	<i>Third-Party Litigation Expenses</i>			
	1. Attorney Fees	0	44,726	44,726
	2. Litigation Expenses	0	0	0
	3. Forensic Accounting	0	0	0
	<i>Total Third-Party Litigation Expenses</i>	0	44,726	44,726
<i>Line 10f</i>	<i>Tax Administrator Fees and Bonds</i>	0	0	0
<i>Line 10g</i>	<i>Federal and State Tax Payments</i>	0	0	0
	Total Disbursements for Receivership Operations	\$3,086,782	\$31,335,404	\$34,422,186
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)	\$3,086,782	\$31,335,404	\$34,422,186
Line 13	Ending Balance:	\$132,728,540	\$123,641,030	\$132,728,540

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR
 Reporting Period 7/1/2023 to 9/30/2023

	<u>Current Period</u>	<u>Prior Period(s)</u>	<u>Case-to-date</u>
Line 14 Ending Balance of Fund - Net Assets:			
<i>Line 14a</i>	\$132,728,540	\$123,641,030	\$132,728,540
<i>Line 14b</i> Investments			Unknown
<i>Line 14c</i> Other Assets or Uncleared Funds			
Total Ending Balance of Fund - Net Assets	\$132,728,540	\$123,641,030	\$132,728,540

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:		
<i>Line 18a</i>	# of Claims Received This Reporting Period		
<i>Line 18b</i>	# of Claims Received Since Inception of Fund		
Line 19			
<i>Line 19a</i>	# of Claimants/Investors Paid This Reporting Period		
<i>Line 19b</i>	# of Claimants/Investors Paid Since Inception of Fund		

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

Note 2: Excludes inter-receivership receipts/disbursements.

Note 3: Disbursements to Receiver or Other Professionals includes payments for certain IT related expenses and tax preparation.

Note 4: In Q1 2023, the SEC approved removing Capital Source 2000 from the Receivership. All cash relating to Capital Source 2000 was transferred to the prior members in accordance with the SEC's decision. Cash has been adjusted to reflect this change.

Schedule 1.1

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR

Entity	Bank Name	Account Number	Ending Cash Balance as of 9/30/2023
Pre-receiver Accounts			
SEP Account	Axos Bank	x3264	\$0
ABFP Income Fund 2	TD Ameritrade	x1080	\$1,575,829
Receiver Accounts			
Complete Business Solutions Group, Inc.	City National Bank	x1839	\$0
Complete Business Solutions Group, Inc.	City National Bank	x5736	\$0
Complete Business Solutions Group, Inc.	City National Bank	x2430	\$250,000
Complete Business Solutions Group, Inc.	City National Bank	x5554	\$1,527
Complete Business Solutions Group, Inc.	City National Bank	x3071	\$13,611
Complete Business Solutions Group, Inc.	City National Bank	x9941	\$48,441,314
Complete Business Solutions Group, Inc.	City National Bank	x0021	\$9,374,822
Complete Business Solutions Group, Inc.	City National Bank	x9781	\$11,917,524
Complete Business Solutions Group, Inc.	Actum	N/A	\$12,000
Complete Business Solutions Group, Inc.	FedChex	N/A	\$0
Complete Business Solutions Group, Inc.	Priority Payment Systems	N/A	\$50,000
CBSG dba Par Funding Receivership (QSF)	City National Bank	x8813	\$13,931,471
CBSG dba Par Funding Receivership (QSF)	City National Bank	x2399	\$250,000
Full Spectrum Processing Inc.	City National Bank	x5700	\$9,308
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x3575	\$250,000
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x7463	\$3,149,867
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x3872	\$250,000
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x8902	\$5,900,576
Fidelis Financial Planning LLC.	City National Bank	x5835	\$13,161
The United Fidelis Group Corp.	City National Bank	x5682	\$174,554
Fast Advance Funding LLC	City National Bank	x2069	\$250,000
Fast Advance Funding LLC	City National Bank	x7783	\$1,272,635
Fast Advance Funding LLC	Actum	N/A	\$43,613
118 Olive PA LLC	City National Bank	x1195	\$702,752
205 B Arch St Management LLC	City National Bank	x1420	\$0
242 S 21st St LLC	City National Bank	x9339	\$90,423
300 Market St LLC	City National Bank	x1186	\$250,000
300 Market St LLC	City National Bank	x7303	\$186,403
627-629 E Girard LLC	City National Bank	x9872	\$250,000
627-629 E Girard LLC	City National Bank	x7543	\$310,937
803 S 4th St LLC	City National Bank	x9816	\$447,124
1427 Melon St LLC	City National Bank	x3410	\$250,000
1427 Melon St LLC	City National Bank	x7623	\$846,380
1530 Christian St. LLC	City National Bank	x3401	\$133,964
1635 East Passyunk LLC	City National Bank	x3293	\$135,653
1932 Spruce St LLC	City National Bank	x2834	\$95,240
4633 Walnut St. LLC	City National Bank	x2843	\$734,361
1223 N 25th St. LLC	City National Bank	x9861	\$98,288
1250 N 25th St LLC	City National Bank	x4130	\$83,683
135-137 N. 3rd St. LLC	City National Bank	x9753	\$250,000

Schedule 1.1

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
 Receivership; Civil Court Docket No. 20-cv-81205-RAR

Entity	Bank Name	Account Number	Ending Cash Balance as of 9/30/2023
135-137 N. 3rd St. LLC	City National Bank	x7223	\$639,525
715 Sansom St. LLC	City National Bank	x9863	\$182,505
861 N 3rd St. LLC	City National Bank	x9845	\$250,000
861 N 3rd St. LLC	City National Bank	x7383	\$45,915
915-917 S. 11th LLC	City National Bank	x9818	\$1,874,696
20 N. 3rd St. Ltd	City National Bank	x1447	\$0
Capital Source 2000, Inc	City National Bank	x2528	\$2,203
Heritage Business Consulting, Inc.	City National Bank	x1745	\$250,000
Heritage Business Consulting, Inc.	City National Bank	x7943	\$1,341,101
Eagle Six Consulting, Inc.	City National Bank	x2519	\$250,000
Eagle Six Consulting, Inc.	City National Bank	x7703	\$15,341,218
LME 2017 Family Trust	City National Bank	x8827	\$118,634
LWP North LLC	City National Bank	x8115	\$3,125,887
Blue Valley Holdings, LLC	City National Bank	x5460	\$3,187,633
500 Fairmount Avenue, LLC	City National Bank	x8169	\$199,339
Contract Financing Solutions	Actum	N/A	\$64,300
Contract Financing Solutions	City National Bank	x7143	\$3,355,353
Contract Financing Solutions	City National Bank	x4540	\$250,000
Recruiting and Marketing Resources	City National Bank	x4279	\$2,203
Total Bank Balance¹			\$132,728,500

Complete Business Solutions et al Receivership

Net Assets Schedule

Reporting Period 7/1/2023 to 9/30/2023

	2023			2022				2021				2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
RECEIPTS AND ASSETS:													
Net MCA collections	\$1,377,340	\$839,117	\$1,744,287	\$3,182,887	\$3,169,061	\$5,864,888	\$4,796,064	\$5,329,687	\$6,475,426	\$8,179,540	\$7,961,651	\$19,545,846	\$7,439,944
Other accounts receivables	62,000	69,000	279,000	290,692	48,491	138,297	265,300	1,242,828	3,828,799	2,512,869	68,879	126,569	-
Rental income	437,657	356,035	537,000	517,000	633,800	493,000	500,000	505,000	422,000	485,000	400,000	-	-
Insurance proceeds	500,000	3,504,924	-	-	3,032,479	-	-	4,432,143	-	450,000	250,000	350,000	-
Litigation proceeds	-	33,031	15,000	2,614	100,296	394,686	2,486,098	-	-	-	-	-	-
Other cash receipts ¹	9,756,015	4,275,518	297,061	199,560	4,125,509	38,825	2,579,985	1,290,325	20,138	34,508	2,124,994	9,935,224	7,358
Other Assets:													
Beginning cash	\$122,106,441	\$115,311,109	\$117,211,559	\$115,115,250	\$106,067,856	\$101,850,882	\$94,219,460	\$84,687,504	\$77,433,972	\$69,395,800	63,997,180	\$34,936,278	\$27,776,006
Marketable securities	1,575,829	1,534,549	1,491,363	1,427,855	1,392,926	1,461,227	1,682,483	1,523,709	1,552,283	1,480,515	1,335,714	1,089,936	1,003,564
Net real estate	40,000,000	52,684,000	55,129,000	55,129,000	55,129,000	56,408,685	56,008,685	52,831,900	52,831,900	52,831,900	52,831,900	0	0
Vehicles and watercraft	539,000	1,181,600	1,181,600	1,181,600	1,181,600	1,181,600	1,181,600	1,181,600	1,181,600	949,000	949,000	0	0
Other personal assets	2,160,000	2,314,500	2,314,500	2,314,500	2,314,500	2,314,500	2,314,500	2,314,500	2,314,500	2,160,000	2,160,000	0	0
TOTAL RECEIPTS AND ASSETS:	\$178,514,282	\$182,103,384	\$180,200,370	\$179,360,958	\$177,195,517	\$170,146,590	\$166,034,175	\$155,339,196	\$146,060,618	\$138,479,132	\$132,079,318	\$65,983,853	\$36,226,872
EXPENSES AND DISBURSEMENTS:													
Operating expenses	517,388	411,242	2,797,136	443,305	418,005	486,364	567,952	444,717	590,477	513,489	534,649	472,173	138,256
Personal asset expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium due on life settlement policies	360,063	315,145	360,691	260,378	305,154	583,232	324,481	354,434	514,854	384,480	363,938	324,301	152,585
Real estate property expenses	227,311	153,095	270,030	23,174	94,636	138,833	286,565	18,724	37,827	263,946	46,784	-	-
Real Estate liquidation expenses	535,751	201,641	-	-	-	-	-	-	1,370	-	-	-	-
Other Asset liquidation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Third party attorney fees and expenses	-	-	-	-	-	-	(100)	100	-	-	44,726	-	-
Professional fees	1,446,268	1,201,172	1,148,291	1,383,415	1,232,486	1,470,064	1,821,366	2,441,777	2,486,118	2,380,767	4,460,546	-	-
TOTAL EXPENSES AND DISBURSEMENTS	\$3,086,782	\$2,282,294	\$4,576,149	\$2,110,272	\$2,050,280	\$2,678,493	\$3,000,263	\$3,259,752	\$3,630,647	\$3,542,681	\$5,450,643	\$796,474	\$290,841
NET ASSET VALUE (NAV)	\$175,427,500	\$179,821,090	\$175,624,221	\$177,250,686	\$175,145,237	\$167,468,097	\$163,033,912	\$152,079,444	\$142,429,971	\$134,936,451	\$126,628,675	\$65,187,380	\$35,936,031

Note 1: Balance includes receipts of legacy accounts from the expansions of the Receivership.

EXHIBIT B

Other Assets

Asset	Approximate Value ⁹
Yacht	\$333,000
Manitou XT Pontoon boat	\$188,000
Yamaha Waverunner jet skis (2)	\$18,000
Artwork ¹⁰	\$2,160,000
Total	\$2,699,000

⁹ Except for the automobiles, amount represents approximate purchase price. An appraisal of each asset has not been done.

¹⁰ During the Reporting Period, the artwork has been consigned to an auction house. Sales of the artwork are ongoing. No sales were made during the reporting period.

EXHIBIT C**Complete Business Solutions et al Receivership****Tangible Assets Schedule**
Reporting Period as of 9/30/2023

	CBSG	Abbonizio	ABFP	Vagnozzi	Retirement Evolution	Fidelis	Total
Assets On-hand:							
Cash and Investment Accounts:							
Cash	\$ 111,186,799	\$ 5,656,610	\$ 8,134,733	\$ 4,730,272	\$ 1,256,542	\$ 187,715	\$ 131,152,672
SEP Account (Retirement Funds)	-	-	-	-	-	-	-
ABFP Income Fund 2 (Stock and cash)	-	-	1,575,829	-	-	-	1,575,829
Other Assets:							
Real Estate	40,000,000	-	-	-	-	-	40,000,000
Auto	-	-	-	-	-	-	-
Watercraft	539,000	-	-	-	-	-	539,000
Other Assets	2,160,000	-	-	-	-	-	2,160,000
Total Assets On-hand	\$ 153,885,799	\$ 5,656,610	\$ 9,710,562	\$ 4,730,272	\$ 1,256,542	\$ 187,715	\$ 175,427,500

Note 1: In Q1 2023, the SEC approved removing Capital Source 2000 from the Receivership. All cash relating to Capital Source 2000 was transferred to the prior members in accordance with the SEC's decision. Cash has been adjusted to reflect this change.

Note 2: The above schedule does not include ABFP life insurance policies with total face value death benefits of approximately \$18.8MM; although the Receiver believes that the present value of these policies, if sold in an arms-length transaction, would be substantially less.

Note 3: The above schedule does not include approximately \$1.7MM in installment payments due under settlement agreements with various merchants and counterparties.

Note 4: The above schedule does not include approximately \$750K due under settlements with Abbonizio.

Note 5: The above schedule does not include restricted stock in Sustainable Resources Group, LLC and Telemachus India LLC transferred to the Receiver pursuant to the settlement with Mr. Vagnozzi. Both investments were highly speculative and there is no readily available market for either stock.