

**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.

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**RECEIVER RYAN K. STUMPHAUZER'S  
QUARTERLY STATUS REPORT DATED JANUARY 31, 2024**

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

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<sup>1</sup> 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 Drive, Jupiter, Florida 33477.

hereby files this Quarterly Status Report dated January 31, 2024. By way of summary, as of the end of the reporting period (December 31, 2023), the Receivership Estate consisted of, among other things, approximately \$35,000,000 of unsold real property, \$800,000 in other unsold tangible assets the Receiver has brought into the Receivership Estate,<sup>2</sup> and \$140,884,766 in cash. As of January 31, 2024, the current cash balance was \$141,921,772. 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, including the need for forensic and/or investigatory resources; approximate valuations of claims;

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<sup>2</sup> 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.

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 \$134,316,373 in cash through collections, settlements, other recoveries, and asset sales. After accounting for expenses, the total cash balance was \$140,884,766 as of December 31, 2023. As of January 31, 2024, the current cash balance was \$141,969,672. This increase of the cash balance is the result of, among other things, collections activities, 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. As of the end of this reporting period, the total receivable balance was further reduced to \$66.4 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 has finalized an amended tax return for 2018 and a previously unfiled return for 2019 (as well as an amended return for 2020), through which the Receiver is requesting a refund of the tax CBSG previously paid for those periods. If the IRS accepts these returns, the Receivership Estate would potentially be entitled to receive a tax refund of approximately \$10.5 million.

**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 164 files, either by way of settlement or based on a determination that further collection efforts would be futile. The Receiver has not referred any additional files to

Altus for several months, does not plan to send 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”). The Receiver did not receive notice of the maturity of any additional policies during the prior quarter, and did not receive payments for additional death benefits for any policies that matured during previous quarters. 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. Settlement with 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 the law firm of Eckert Seamans and its former partner, 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' and investor class's claims against Eckert Seamans and Mr. 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, the Receiver attempted 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 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 occurred on November 13, 2023 (ECF No. 1728), but no settlement was reached (ECF No. 1746).

Following these unsuccessful settlement conferences, the Receiver intends to proceed with filing his motion to approve the settlement with Eckert Seamans. Before filing the motion, however, the Receiver provided the SEC with an opportunity to review and provide its position on the motion and proposed settlement. Once the SEC has confirmed its position, the Receiver will finalize and file the motion and seek the Court's approval of the settlement with Eckert Seamans.

#### **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 Drive, Jupiter, Florida, was under an Agreement of Sale. Certain title 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. That property is no longer under an Agreement of Sale, as the buyer under that agreement cancelled the contract when it became clear that these title issues



could not be resolved promptly. The Receiver is continuing to explore methods to resolve these title issues, and anticipates filing a motion with the Court once he has determined the relief that will be necessary to satisfy a title insurance company for the purpose of providing title insurance on the sale of that property.

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

<b>Properties</b>	<b>Location</b>	<b>Listing Service</b>	<b>Status</b>	<b>Sale Price</b>
105 Rebecca Court,	Paupack, PA	Jack Muehlhan Realty	<b>Sold</b>	\$3,300,000
568 Ferndale Lane	Haverford, PA	MLS	<b>Sold</b>	\$3,338,000
107 Quayside Drive	Jupiter, FL	Waterfront Properties and Club Communities - MLS	Previously Under Contract, But Sale Cancelled	

#### **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 initially divided the listings among three brokerage firms. COMPASS Real Estate (“COMPASS”) was the listing Broker for five of the Philadelphia Properties. Compass has sold four of its five assigned properties, and the Receiver is finalizing an Agreement of Sale for the fifth property.

Berkshire Hathaway/Fox & Roach REALTORS® (“Berkshire”) was assigned six of the Philadelphia Properties. Berkshire sold all six of their assigned properties. The remaining 11 Philadelphia Properties, which are primarily commercial or mixed-use properties, were listed with Colliers. (COMPASS, Berkshire and Colliers, collectively, the “Listing Brokers”). The Receiver

has an Agreement of Sale for one of Colliers' assigned properties and is finalizing an Agreement of Sale for a second Colliers' assigned property. Colliers' listing agreement expired on December 15, 2023. The Receiver did not renew Colliers' listing agreement and has assigned Berkshire as Listing Broker for any unsold properties in the former Colliers' portfolio.

Of the 22 properties, ten have sold, and an eleventh property is scheduled to close on February 15, 2024. The Receiver also is finalizing Agreements of Sale for two (2) additional properties. The status of the Philadelphia Properties is summarized below:

	<b>Properties</b>	<b>Neighborhood</b>	<b>Listing Service/Broker</b>	<b>Status</b>	<b>Sale Price</b>
1	300 Market Street, Philadelphia PA	Old City	LoopNet™ Berkshire	Listed and actively showing	
2.	1427 Melon Street, Philadelphia PA	Fairmount	LoopNet™ Colliers	Agreement of Sale (\$5,550,000) Closing on February 15, 2024	
3.	1530 Christian Street, Philadelphia PA	Graduate Hospital	Bright MLS® Berkshire	<b>Sold</b>	\$890,000
4.	627-629 E. Girard Avenue, Philadelphia, PA	Fishtown	LoopNet™ Berkshire	Listed and actively showing	
5.	861 N. 3 <sup>rd</sup> Street, Philadelphia PA	Northern Liberties	LoopNet™ Berkshire	Listed and actively showing	
6.	1223 N. 25 <sup>th</sup> Street, Units A, B, C, Philadelphia PA	Sharswood	Bright MLS® COMPASS	<b>Sold</b>	\$650,000
7.	4633 Walnut Street, Philadelphia PA	Walnut Hill	Bright MLS® COMPASS	<b>Sold</b>	\$700,000
8.	803 S. 4 <sup>th</sup> Street, Philadelphia PA	Queens Village	Bright MLS® Berkshire	<b>Sold</b>	\$430,000

	<b>Properties</b>	<b>Neighborhood</b>	<b>Listing Service/Broker</b>	<b>Status</b>	<b>Sale Price</b>
9.	142 N. 2 <sup>nd</sup> Street (owned by 803 S. 4 <sup>th</sup> St., LLC), Philadelphia PA	Old City	LoopNet Berkshire	Listed and actively showing	
10.	915-917 S. 11 <sup>th</sup> Street, Philadelphia PA	Hawthorne	Bright MLS® Berkshire	<b>Sold</b>	\$1,750,000
11.	135-137 N. 3 <sup>rd</sup> Street, Philadelphia PA	Old City	LoopNet™ Berkshire	Listed and actively showing	
12.	500 Fairmount Avenue, Philadelphia PA	Northern Liberties	LoopNet™ Berkshir e	Listed and actively showing	
13.	2413 Roma Drive, Philadelphia PA	Sienna Place	Bright MLS® Berkshire	<b>Sold</b>	\$676,000
14.	118 Olive Street, Philadelphia PA	Northern Liberties	Bright MLS® COMPASS	<b>Sold</b>	\$661,000
15.	1250 N. 25 <sup>th</sup> Street, Units A, B C, Philadelphia PA	Sharswood	Bright MLS® COMPASS	<b>Sold</b>	\$650,000
16.	1248 N. 25 <sup>th</sup> Street, Unit A (owned by 1250 North 25 <sup>th</sup> St., LLC), Philadelphia PA	Sharswood	Bright MLS® COMPASS	Finalizing Agreement of Sale	
17.	1932 Spruce Street, Philadelphia PA	Rittenhouse Square	Bright MLS® Berkshire	<b>Sold</b>	\$1,650,000
18.	242 S. 21 <sup>st</sup> Street, Philadelphia PA	Rittenhouse Square	Bright MLS® Berkshire	<b>Sold</b>	\$1,025,000
19.	1635 Passyunk Ave, Philadelphia PA	East Passyunk	LoopNet™ Berkshire	Listed and actively showing	
20.	715 Sansom Street, Philadelphia PA	Jewelers' Row	LoopNet™ Colliers	Finalizing Agreement of Sale	
21.	20-22 N. 3 <sup>rd</sup> Street (4 units), Philadelphia PA	Old City	LoopNet™ Berkshir e	Listed and actively showing	

	<b>Properties</b>	<b>Neighborhood</b>	<b>Listing Service/Broker</b>	<b>Status</b>	<b>Sale Price</b>
22.	205 B Arch Street (104 N. 2 <sup>nd</sup> Street), Philadelphia PA	Old City	LoopNet™ Berkshire	Listed and actively showing	

The Receiver has continued to receive 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) Rates<sup>3</sup> 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 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

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<sup>3</sup> 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.

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 was placed on consignment with a national auction house, which assumed full responsibility for packing, transporting, insuring, and selling the artwork at auction. All of the artwork, with the exception of two of the works, have been sold, realizing sales prices within or above the estimated auction ranges. 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).

Beginning on November 21, 2023, the Receiver began to send out Notices of the Receiver's Determination ("NODs") as to these proofs of claim. In these NODs, the Receiver indicated whether the Receiver agreed with the validity of each claim and, 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 NODs provided each claimant with a 30-day window to submit a response to the NODs, indicating whether they had any objections to the Receiver's determinations. Approximately 300 claimants filed objections to the Receiver's NODs. These objections included various grounds, including objections to the Receiver's basis for rejecting particular claims and calculating approved claim amounts, objections to distributions being paid to various "Agent Funds, rather than direct distributions to the end investors, and objections from several investors who invested through a self-directed IRA at CamaPlan, whose individual claims were deemed to be duplicative of the bulk claim CamaPlan submitted on behalf of each of its account holders.

The Receiver is in the process of trying to resolve these objections, with the majority of time dedicated towards attempting to resolve objections over claims that were rejected, and objections over the Receiver's calculation of the approved claim amount. In addition, several merchants also filed objections to the Receiver's NODs for their claims, and those objections were referred to United States Magistrate Judge Bruce E. Reinhart for a settlement conferences. The settlement conference with this merchant group commenced on January 23, 2024 (ECF No. 1777). Although no agreement was reached at that initial conference, the parties continue to engage in settlement discussions through Judge Reinhart (ECF Nos. 1788, 1789).

Following the conclusion of this process for attempting to resolve objections, the Receiver will present to the Court for adjudication any remaining objections the Receiver cannot resolve

directly with the claimants. The distribution process will occur at some time following the conclusion of the claims process and resolution of any remaining objections. 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 all 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, November 17, 2023, and December 11, 2023, Judge Kearney convened conferences with all counsel present to discuss the status of the criminal matter. The government represented to the Court that it plans to supersede the current indictment. The government will endeavor to do so as soon as possible so as not to delay the case. 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.

Defendants Joseph Laforte and James Laforte have moved to continue the trial date from April 11, 2024 to an undetermined date in the fall of 2024 (ECF Doc. Nos. 125, 126) based primarily upon the large volume of discovery produced by the government and challenges the Laforte brothers claim they face in reviewing the discovery while incarcerated. Judge Kearney has denied without prejudice these motions for continuance (ECF Doc. No. 127) and will convene another status conference on February 26, 2024.

## **VII. Conclusion**

**WHEREFORE**, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully files this Quarterly Status Report dated January 31, 2024.



Dated: January 31, 2024

Respectfully Submitted,

**STUMPHAUZER KOLAYA  
NADLER & SLOMAN, PLLC**  
Two South Biscayne Blvd., Suite 1600  
Miami, FL 33131  
Telephone: (305) 614-1400

By: /s/ Timothy A. Kolaya  
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*Co-Counsel for Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on January 31, 2024, 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)

January 31, 2024

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 October 1, 2023 through December 31, 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 242 S. 21<sup>st</sup> St. LLC, 1530 Christian St. LLC, 1932 Spruce St. LLC, 1223 N. 25<sup>th</sup> St. LLC and 1250 N 25<sup>th</sup> St. LLC, mainly the real estate accounted for under these legal entities, were sold. No other assets were sold and 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.

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Mr. Ryan K. Stumphauzer  
 January 31, 2024  
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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 any remaining amended tax returns and worked with you and the tax preparer on reconciliations.

- Other

In addition to assisting counsel with claims, as described herein, we are working to dissolve individual legal entities for which the assets have been sold. This mainly includes the various property entities that no longer own the underlying real estate.

**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 December 31, 2023 based on this categorization of the balances from reports prepared by operations staff.

<i>\$MM’s</i>	<b>CBSG Portfolio as of:</b>	
	<b>7/28/2020</b>	<b>12/31/2023</b>
Active <sup>1</sup>	\$117.7	\$6.7
Exception Portfolio	203.9	\$155.0
Litigation <sup>2</sup>	4.6	33.2

<sup>1</sup> Active portfolio includes all merchants having made a payment from November 1, 2023 through December 31, 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 352 settlement agreements for all MCA companies with 328 merchants completely paid and the remainder with outstanding payments according to the agreement.

<sup>2</sup> As of 12/31/2023, 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

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<i>\$MM's</i>	<b>CBSG Portfolio as of:</b>	
	<b>7/28/2020</b>	<b>12/31/2023</b>
Non-Performing <sup>3</sup>	34.7	21.0
Bankruptcy <sup>4</sup>	54.7	68.2
Total Portfolio	\$415.6	\$284.1

The reduction in the CBSG Portfolio balance of approximately \$131.5MM 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 December 31, 2023 was approximately \$284.1MM. 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.

Additionally, the on-going review process has resulted in reserves and write-offs of approximately \$229.5MM. *The net result of these adjustments reduced the accounts receivable balances of the MCA Receivership Entities to approximately \$66.4MM.* 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 \$176.9MM 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,

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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.

<sup>3</sup> 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.

<sup>4</sup> 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.

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- The Receivership holds approximately \$155.4MM in tangible assets from CBSG and other related entities including real estate holdings of approximately \$35.2MM and other non-cash, tangible assets of approximately \$0.8MM. 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 compiled information from the accounting and other records in order to reconcile the claims against the Receivership Entities. Additionally, during the quarter, Notices of Determination ("NOD") were sent to creditors informing them about the status of the claim and whether or not the Receiver agreed with the filed proof of claim. Finally, we responded to numerous inquiries from creditors about the NOD's.

### **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 December 31, 2023 is \$140,884,600. All of the cash is unencumbered.

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The accrued administrative fees for the quarter ended December 31, 2023 are:

- Receiver/co-counsel – Stumphauzer Kolaya Nadler & Sloman, PLLC \$163,414.30
- Co-counsel – Pietragallo Gordon Alfano Bosick & Raspanti, LLP \$363,114.91
- Financial Advisor/Operations Consultant – Development Specialists, Inc. \$234,441.21
- Digital Evidence/Computer Forensics Prof. – Lawgical Insights, LLC \$7,513.75
- Investigation Firm – HD Investigative Group, LLC \$1,012.50

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:

<b>Asset:</b>	<b>Estimated value</b>
	<b>12/31/2023</b>
Cash in bank	\$140,715,000
Cash held by ACH processors	\$170,000
Portfolio balance <sup>5</sup>	\$66,400,000
Other accounts receivable <sup>6</sup>	\$29,280,000
Investment in third parties <sup>7</sup>	\$2,300,000
Life settlement policies (gross death benefits) <sup>8</sup>	\$18,800,000

<sup>5</sup> 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.

<sup>6</sup> This balance of “other accounts receivable” includes, among other things, amounts owed by third parties to ESC and HBC, *without regard to collectability except for those accounts which have filed bankruptcy*. 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.

<sup>7</sup> 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.

<sup>8</sup> 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  
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<b>Asset:</b>	<b>Estimated value</b>
Real estate	\$35,220,000
Other Assets (see Exhibit B)	\$798,000
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, creditors were notified whether or not the Receiver agreed with the filed proof of claim and were sent NOD’s. We responded to over 300 creditors with inquiries about the NOD that was sent and the allowance of the claim. The deadline for creditors to have file formal objections to the NOD was December 21, 2023. Approximately 300 objections were filed including those by participants in CamaPlan. We continue to work with counsel to assess the claims and claims objections.

**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 continue to review and analyze the claims and claims objections. 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

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Consolidated Par Funding Receivership Entities <sup>1</sup>

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

Reporting Period 10/1/2023 to 12/31/2023

<sup>[1]</sup> 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; LM Property Management LLC; and ALB Management, Inc.; 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 10/1/2023 to 12/31/2023

Fund Accounting:		Current Period	Prior Period(s)	Case-to-date
		10/1/23 - 12/31/23	7/28/20 - 9/30/23	Total
<b>Line 1</b>	<b>Beginning Balance<sup>4</sup>:</b>	\$132,728,540	\$26,446,083	\$26,446,083
	<i>Increases in Fund Balance:</i>			
<b>Line 2</b>	<b>Business Receipts</b>	2,644,053	102,740,707	105,384,760
	Business Receipts - Overpayments	(2,660)	(96,205)	(98,865)
<b>Line 3</b>	<b>Cash and Securities</b>			
	Pre-Receiver'ship Cash Transfer	0	14,756,649	14,756,649
	Change in Value of Securities	239,509	343,397	582,906
<b>Line 4</b>	<b>Interest/Dividend Income</b>	1,590,226	2,769,135	4,359,362
<b>Line 5</b>	<b>Real Estate Liquidation</b>	5,291,406	14,801,765	20,093,171
<b>Line 6</b>	<b>Other Asset Liquidation</b>	924,760	875,612	1,800,372
<b>Line 7</b>	<b>Third-Party Litigation Income</b>	0	3,031,724	3,031,724
<b>Line 8</b>	<b>Miscellaneous<sup>1</sup></b>	14,570	1,481,860	1,496,430
	<b>Total Receipts<sup>2</sup></b>	10,701,865	140,704,644	151,406,509
	<b>Total Funds Available (Lines 1 - 8):</b>	\$143,430,406	\$167,150,727	\$177,852,592
	<i>Decreases in Fund Balance:</i>			
<b>Line 9</b>	<b>Disbursements to Investors</b>	0	0	0
<b>Line 10</b>	<b>Disbursements for Receivership Operations:</b>			
<i>Line 10a</i>	<i>Disbursements to Receiver or Other Professionals<sup>3</sup></i>	1,104,133	21,472,270	22,576,403
<i>Line 10b</i>	<i>Business Asset Expenses</i>			
	Payroll & Benefits	184,816	3,578,827	3,763,644
	IT Expense	30,841	983,670	1,014,511
	Utilities	7,922	95,110	103,032
	Insurance	13,978	128,280	142,257
	Other Operating Expense	53,033	888,499	941,532
	Other	17,145	327,382	344,527
	<b>Total Business Asset Expenses<sup>2</sup></b>	307,735	6,001,768	6,309,503
<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	321,103	4,603,737	4,924,840
	Property Expenses	16,329	1,560,923	1,577,252
	Real Estate Liquidation Expenses	796,299	738,762	1,535,061
	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
	<b>Total Disbursements for Receivership Operations</b>	\$2,545,599	\$34,422,186	\$36,967,785
<b>Line 11</b>	<b>Disbursements for Distribution Expenses Paid by the Fund:</b>	0	0	0
<b>Line 12</b>	<b>Disbursements to Court/Other:</b>	0	0	0
	<b>Total Funds Disbursed (Line 9 - 12)</b>	\$2,545,599	\$34,422,186	\$36,967,785
<b>Line 13</b>	<b>Ending Balance:</b>	\$140,884,806	\$132,728,540	\$140,884,806

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis  
 Receivership; Civil Court Docket No. 20-cv-81205-RAR  
 Reporting Period 10/1/2023 to 12/31/2023

	<u>Current Period</u>	<u>Prior Period(s)</u>	<u>Case-to-date</u>
<b>Line 14</b> Ending Balance of Fund - Net Assets:			
<i>Line 14a</i>	\$140,884,806	\$132,728,540	\$140,884,806
<i>Line 14b</i> Investments			Unknown
<i>Line 14c</i> Other Assets or Uncleared Funds			
<b>Total Ending Balance of Fund - Net Assets</b>	\$140,884,806	\$132,728,540	\$140,884,806

**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>			
<b>Line 15</b> Disbursements for Plan Administration Expenses Not Paid by the Fund:			
<b>Line 16</b> Disbursements to Court/Other Not Paid by the Fund:			
<b>Line 17</b> DC & State Tax Payments			
<b>Line 18</b> No. of Claims:			
<i>Line 18a</i> # of Claims Received This Reporting Period .....			
<i>Line 18b</i> # of Claims Received Since Inception of Fund .....			
<b>Line 19</b>			
<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 12/31/2023
<b>Pre-receiver Accounts</b>			
ABFP Income Fund 2	TD Ameritrade	x1080	\$1,815,338
<b>Receiver Accounts</b>			
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	\$5,349
Complete Business Solutions Group, Inc.	City National Bank	x3071	\$8,064
Complete Business Solutions Group, Inc.	City National Bank	x9941	\$47,874,068
Complete Business Solutions Group, Inc.	City National Bank	x0021	\$10,723,045
Complete Business Solutions Group, Inc.	City National Bank	x9781	\$12,057,362
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	\$15,007,751
CBSG dba Par Funding Receivership (QSF)	City National Bank	x2399	\$250,000
Full Spectrum Processing Inc.	City National Bank	x5700	\$9,923
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x3575	\$250,000
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x7463	\$2,962,516
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x3872	\$250,000
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x8902	\$5,858,167
Fidelis Financial Planning LLC.	City National Bank	x5835	\$13,321
The United Fidelis Group Corp.	City National Bank	x5682	\$176,674
Fast Advance Funding LLC	City National Bank	x2069	\$250,000
Fast Advance Funding LLC	City National Bank	x7783	\$1,293,556
Fast Advance Funding LLC	Actum	N/A	\$43,613
118 Olive PA LLC	City National Bank	x1195	\$250,000
118 Olive PA LLC	City National Bank	x1942	\$460,296
205 B Arch St Management LLC	City National Bank	x1420	\$0
242 S 21st St LLC	City National Bank	x9339	\$250,000
242 S 21st St LLC	City National Bank	x2182	\$811,930
300 Market St LLC	City National Bank	x1186	\$250,000
300 Market St LLC	City National Bank	x7303	\$236,009
627-629 E Girard LLC	City National Bank	x9872	\$250,000
627-629 E Girard LLC	City National Bank	x7543	\$335,343
803 S 4th St LLC	City National Bank	x9816	\$458,937
1427 Melon St LLC	City National Bank	x3410	\$250,000
1427 Melon St LLC	City National Bank	x7623	\$957,231
1530 Christian St. LLC	City National Bank	x3401	\$250,000

**Schedule 1.1**

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

<b>Entity</b>	<b>Bank Name</b>	<b>Account Number</b>	<b>Ending Cash Balance as of 12/31/2023</b>
1530 Christian St. LLC	City National Bank	x0736	\$723,875
1635 East Passyunk LLC	City National Bank	x3293	\$151,632
1932 Spruce St LLC	City National Bank	x2834	\$250,000
1932 Spruce St LLC	City National Bank	x6019	\$1,398,606
4633 Walnut St. LLC	City National Bank	x2843	\$250,000
4633 Walnut St. LLC	City National Bank	x0656	\$492,288
1223 N 25th St. LLC	City National Bank	x9861	\$690,641
1250 N 25th St LLC	City National Bank	x4130	\$693,042
135-137 N. 3rd St. LLC	City National Bank	x9753	\$250,000
135-137 N. 3rd St. LLC	City National Bank	x7223	\$745,971
715 Sansom St. LLC	City National Bank	x9863	\$204,837
861 N 3rd St. LLC	City National Bank	x9845	\$250,000
861 N 3rd St. LLC	City National Bank	x7383	\$45,902
915-917 S. 11th LLC	City National Bank	x9818	\$250,000
915-917 S. 11th LLC	City National Bank	x0816	\$1,646,408
20 N. 3rd St. Ltd	City National Bank	x1447	\$0
Capital Source 2000, Inc	City National Bank	x2528	\$2,230
Heritage Business Consulting, Inc.	City National Bank	x1745	\$250,000
Heritage Business Consulting, Inc.	City National Bank	x7943	\$1,392,241
Eagle Six Consulting, Inc.	City National Bank	x2519	\$250,000
Eagle Six Consulting, Inc.	City National Bank	x7703	\$16,315,212
Liberty Eighth Avenue LLC	City National Bank	x1700	\$250,000
Liberty Eighth Avenue LLC	City National Bank	x7063	\$4,027
LME 2017 Family Trust	City National Bank	x8827	\$120,074
LWP North LLC	City National Bank	x8115	\$250,000
LWP North LLC	City National Bank	x2102	\$2,912,724
Blue Valley Holdings, LLC	City National Bank	x5460	\$250,000
Blue Valley Holdings, LLC	City National Bank	x2022	\$2,975,217
500 Fairmount Avenue, LLC	City National Bank	x8169	\$224,943
Contract Financing Solutions	Actum	N/A	\$64,300
Contract Financing Solutions	City National Bank	x7143	\$3,407,924
Contract Financing Solutions	City National Bank	x4540	\$250,000
Recruiting and Marketing Resources	City National Bank	x4279	\$2,179
<b>Total Bank Balance<sup>1</sup></b>			<b>\$140,884,766</b>

**Complete Business Solutions et al Receivership**

Net Assets Schedule

Reporting Period 10/1/2023 to 12/31/2023

	2023				2022				2021				2020	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<b>RECEIPTS AND ASSETS:</b>														
Net MCA collections	\$2,230,574	\$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	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	348,820	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 <sup>1</sup>	7,820,963	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
<b>Other Assets:</b>														
Beginning cash	\$131,152,672	\$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	1,815,338	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	35,221,000	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	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	258,761	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
<b>TOTAL RECEIPTS AND ASSETS:</b>	<b>\$179,449,127</b>	<b>\$178,514,282</b>	<b>\$182,103,384</b>	<b>\$180,200,370</b>	<b>\$179,360,958</b>	<b>\$177,195,517</b>	<b>\$170,146,590</b>	<b>\$166,034,175</b>	<b>\$155,339,196</b>	<b>\$146,060,618</b>	<b>\$138,479,132</b>	<b>\$132,079,318</b>	<b>\$65,983,853</b>	<b>\$36,226,872</b>
<b>EXPENSES AND DISBURSEMENTS:</b>														
Operating expenses	307,735	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	321,103	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	16,329	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	796,299	535,751	201,641	-	-	-	-	-	-	1,370	-	-	-	-
Other Asset liquidation expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third party attorney fees and expenses	-	-	-	-	-	-	-	(100)	100	-	-	44,726	-	-
Professional fees	1,104,133	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	-	-
<b>TOTAL EXPENSES AND DISBURSEMENTS</b>	<b>\$2,545,599</b>	<b>\$3,086,782</b>	<b>\$2,282,294</b>	<b>\$4,576,149</b>	<b>\$2,110,272</b>	<b>\$2,050,280</b>	<b>\$2,678,493</b>	<b>\$3,000,263</b>	<b>\$3,259,752</b>	<b>\$3,630,647</b>	<b>\$3,542,681</b>	<b>\$5,450,643</b>	<b>\$796,474</b>	<b>\$290,841</b>
<b>NET ASSET VALUE (NAV)</b>	<b>\$176,903,528</b>	<b>\$175,427,500</b>	<b>\$179,821,090</b>	<b>\$175,624,221</b>	<b>\$177,250,686</b>	<b>\$175,145,237</b>	<b>\$167,468,097</b>	<b>\$163,033,912</b>	<b>\$152,079,444</b>	<b>\$142,429,971</b>	<b>\$134,936,451</b>	<b>\$126,628,675</b>	<b>\$65,187,380</b>	<b>\$35,936,031</b>

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



## EXHIBIT B

### Other Assets

Asset	Approximate Value <sup>9</sup>
Yacht	\$333,000
Manitou XT Pontoon boat	\$188,000
Yamaha Waverunner jet skis (2)	\$18,000
Artwork <sup>10</sup>	\$259,000
<b>Total</b>	<b>\$798,000</b>

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<sup>9</sup> Amount represents approximate purchase price. An appraisal of each asset has not been done.

<sup>10</sup> During the Reporting Period, the artwork has been consigned to an auction house. Sales of the artwork are ongoing. Sales were made during the Reporting Period which has reduced the original balance.

**EXHIBIT C****Complete Business Solutions et al Receivership**

Tangible Assets Schedule

Reporting Period as of 12/31/2023

	CBSG	Abbonizio	ABFP	Vagnozzi	Retirement Evolution	Fidelis	Total (as of 12/31/23)
<b>Assets On-hand:</b>							
<b>Cash and Investment Accounts:</b>							
Cash	\$ 119,331,037	\$ 5,656,610	\$ 7,904,973	\$ 4,730,272	\$ 1,256,542	\$ 189,994	\$ 139,069,429
SEP Account (Retirement Funds)	-	-	-	-	-	-	-
ABFP Income Fund 2 (Stock and cash)	-	-	1,815,175	-	-	-	1,815,175
<b>Other Assets:</b>							
Real Estate	35,221,000	-	-	-	-	-	35,221,000
Auto	-	-	-	-	-	-	-
Watercraft	539,000	-	-	-	-	-	539,000
Other Assets	258,761	-	-	-	-	-	258,761
<b>Total Assets On-hand</b>	<b>\$ 155,349,798</b>	<b>\$ 5,656,610</b>	<b>\$ 9,720,148</b>	<b>\$ 4,730,272</b>	<b>\$ 1,256,542</b>	<b>\$ 189,994</b>	<b>\$ 176,903,365</b>

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 \$2.5MM 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. Mr Abbonizio has defaulted on this payment. The Receiver is exploring his options including enforcing the settlement agreement.

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.