

**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'S QUARTERLY STATUS REPORT DATED JULY 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], hereby files this Quarterly Status Report dated July 31, 2024. By way of summary, as of the end

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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.

of the reporting period (June 30, 2024), the Receivership Estate consisted of, among other things, approximately \$17,828,000 of unsold real property,<sup>2</sup> \$596,000 in other unsold tangible assets the Receiver has brought into the Receivership Estate, and \$160,279,955 in cash. As of July 26, 2024, the current cash balance was \$166,295,148. 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 property have decreased from the previous quarter as a result of the sale of real property during the quarter, resulting in an increase in the cash balance. Two (2) properties were sold during July 2024, decreasing the estimated value of unsold remaining property to \$12,352,000.

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 \$160,693,640 in cash through collections, settlements, other recoveries, and asset sales. After accounting for expenses, the total cash balance was \$160,201,903 as of June 30, 2024. As of July 26, 2024, the current cash balance was \$166,295,148. 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 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. Through the first quarter of 2022, the Receiver's quarterly status reports reflected the full accounts receivable balances that had been recorded 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. Starting in the quarter that ended on June 30, 2022, the Receiver identified MCA accounts that should be written off because the merchant had a closed bankruptcy, was no longer in operation, or had neither viable guarantors nor viable collateral. The Receiver also determined that a reserve was required for MCA accounts with ongoing bankruptcies and in other circumstances where full payment was 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, through September 30, 2023), the total receivable balance was further reduced to \$68.5 million. At the end of the fourth quarter of the 2023 reporting period (October 1, 2023, through December 31, 2023), the total receivable balance was further reduced to \$66.4 million. At the end of the first quarter of the 2024 reporting period (January 1, 2024, through March 31, 2024), the total receivable balance was further reduced to \$23.8 million. As of the end of this reporting period, the total receivable balance was further reduced to \$15.4 million. The Receiver anticipates further reductions in the receivable balance.

Based on this collectability analysis, and only using information that was available to CBSG management, the Receiver finalized and filed an amended tax return for 2018, a previously unfiled return for 2019, and an amended return for 2020. Through these returns, the Receiver is requesting a refund of approximately \$10.5 million.

**C. Collection Efforts Through Outside Collection Company and Litigation**

As previously reported, the Receiver engaged Altus Receivables Management, Inc. (“Altus”), a national collection company, 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. Referrals to Altus began on January 9, 2022, and 216 exemplified judgments in total were referred to Altus. Altus has closed 169 files, either by way of settlement or based on a determination that further collection efforts would be futile. Although some collection efforts through Altus are ongoing, 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 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 1 is being actively litigated, with the balance resolved through offers of settlement, default, or confessed judgments.

**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”). Although the remaining balance owed to ESC and HBC by these counterparties is \$29.2 million, the Receiver believes a significant portion of that amount is likely to be uncollectable.

**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”). On June 7, 2024, the Receiver was notified that one of the MSIF life settlement policies had matured and the proceeds from this policy in the amount of \$300,000 should be received in August 2024. To date, the Receiver has received total death benefits payable for policies owned by MSIF in the amount of \$5,532,479, and for policies owned by MSIF II in the amount of \$7,700,000. 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.

### **III. Settlement with Eckert Seamans**

The Receiver and class counsel representing investor plaintiffs in various class action cases reached an agreement in principle to settle their claims against Eckert Seamans and its former partner John W. Pauciulo for \$45 million, which represented the approximate amount of the remaining limits on the law firm’s eroding insurance policy. After the payment of attorneys’ fees to class counsel, the settlement would result in the payment of approximately \$39 million to the Receivership Estate, which would then be available for distribution to investors. The settlement is conditioned on, among other things, the entry of a bar order that prevents additional claims against the law firm and Mr. Pauciulo relating to the issues that are being resolved in the settlement.

On May 3, 2024, the Receiver filed a “Motion for (i) Approval of Settlement Among the Receiver, Putative Class Plaintiffs and Eckert Seamans, (ii) Approval of Form, Content and Manner of Notice of Settlement and Bar Order, (iii) Entry of Bar Order, and (iv) Scheduling a Hearing (the “Motion for Approval”). Following the filing of the Motion for Approval, the Supreme Court of the United States issued an opinion in the case of *Harrington v. Purdue Pharma*, which determined that the bankruptcy code did not support the approval of the bar order that was contemplated in the bankruptcy settlement under review. The Supreme Court made clear that its opinion was limited to whether Chapter 11 of the bankruptcy code authorized the entry of the specific release and injunction at issue in that case, and was not passing more broadly on the propriety of bar orders in

other contexts.

The Court has scheduled a final approval hearing on the Motion for Approval for August 13, 2024. Certain groups have filed responses to the Motion for Approval, including: (1) Defendant Dean Vagnozzi and non-parties Alec Vagnozzi, Albert Vagnozzi, and Terry Kohler (collectively, the “Vagnozzi Group”); (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”); and a group of merchants who received funding from CBSG (the “Merchant Objectors”). In their responses, these groups argue, among other things, that the bar order provided for under the Eckert Seamans settlement is not permitted as a result of the Supreme Court’s recent opinion in *Harrington*.

There is likely to be an appeal of the Court’s order on the Eckert Seamans settlement, regardless of whether the Court grants or denies final approval. This appellate process is expected to last a substantial amount of time, and the settlement provides that the \$45 million settlement payment required thereunder will not be made until there is a final unappealable order approving the settlement. As a result, in an effort to avoid a lengthy delay to the funding of any settlement payment, and the ultimate availability of those funds for distribution to investors, the Receiver filed a motion on July 31, 2024, requesting the Court to stay its consideration of the Motion for Approval for a period of 90 days, so that the Receiver, class counsel, and Eckert Seamans can participate in a mediation with the Vagnozzi Group, the Parker Plaintiffs, and the Merchant Objectors in an effort to resolve their objections to the Motion for Approval. [ECF No. 2004].

#### **IV. Receiver-Controlled Real Estate and Personal Property**

##### **A. Marketing of Personal Residences**

The Receiver has been in control of 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, the Receiver has sold two of the three Single-Family Properties. Each sales price was above the property’s appraised value.

As previously reported, the third Single-Family Property located at 107 Quayside Drive, Jupiter, Florida, was under an Agreement of Sale, but certain title issues, including an IRS lien based on Defendant Lisa McElhone’s pre-receivership federal tax obligations, has prevented the Receiver from closing on that sale. This 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”), and 17 of them were sold through June 30, 2024. Two (2) additional properties were sold during July, 2024. The status of the Philadelphia Properties as of July 31, 2024 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	<b>Sold</b>	\$3,250,000
2.	1427 Melon Street, Philadelphia PA	Fairmount	LoopNet™ Colliers	<b>Sold</b>	\$5,550,000
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	<b>Sold</b>	\$2,750,000
5.	861 N. 3 <sup>rd</sup> Street, Philadelphia PA	Northern Liberties	LoopNet™ Berkshire	<b>Sold</b>	\$1,468,500
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
9.	142 N. 2 <sup>nd</sup> Street (owned by 803 S. 4 <sup>th</sup> St., LLC), Philadelphia PA	Old City	LoopNet Berkshire	<b>Sold</b>	\$175,000
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	<b>Sold</b>	\$5,600,000

	<b>Properties</b>	<b>Neighborhood</b>	<b>Listing Service/Broker</b>	<b>Status</b>	<b>Sale Price</b>
12.	500 Fairmount Avenue, Philadelphia PA	Northern Liberties	LoopNet™ Berkshire	<b>Sold</b>	\$1,450,000
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	<b>Sold</b>	\$250,000
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	<b>Sold</b>	\$2,100,000
21.	20-22 N. 3 <sup>rd</sup> Street (4 units), (2 commercial, 2 residential) Philadelphia PA	Old City	LoopNet™ Berkshire	Listed and actively showing	
22.	205 B Arch Street (104 N. 2 <sup>nd</sup> Street), Philadelphia PA	Old City	LoopNet™ Berkshire	Listed and actively showing	

There are 3 unsold Philadelphia Properties, comprised of a total of 6 separately deeded property units. The Receiver continues to work diligently with Berkshire to market the remaining properties aggressively so as to maximize their value in any sale.

Finally, many 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 Receivership Estate.

**C. Sale of Personal Property**

The Receiver has now sold a substantial amount of personal property within the Receivership Estate, including automobiles, jet skis, fine art, and luxury watches. The Receiver is still in the process of selling two watercraft and one piece of artwork. The Receiver possesses various items of sports memorabilia from the offices at 20-22 N. 3<sup>rd</sup> Street, Philadelphia, Pennsylvania. These items have been consigned to a sports memorabilia vendor for sale. 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.

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 agreed with the amount each claimant sought to recover 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.

On April 22, 2024, the Receiver filed a Motion to (i) Approve Proposed Treatment of Claims and (ii) for Determination of a Ponzi Scheme (the "Claims Motion") (ECF No. 1843). On April 23, 2024, the Court ordered all claimants with outstanding objections who wished to file a response to the Receiver's determination to do so by May 7, 2024, and ordered the Receiver to file a reply to each response, or each category of response if applicable, on or before May 21, 2024 (ECF No. 1845). On June 26, 2024, the Court entered an order on the Claims Motion, finding that CBSG operated as a Ponzi scheme and, generally, approving the Receiver's proposed claims determinations. Following the entry of that order, the Court scheduled a deadline of August 16, 2024, for the Receiver to file a motion to approve his proposed distribution plan and to authorize an initial distribution (the "Distribution Motion"). The Receiver is currently in the process of preparing his Distribution Motion and anticipates filing the motion on or prior to this deadline.

## **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, and Defendants Joseph LaForte, Joseph Cole Barletta, James LaForte, and Lisa McElhone. The Court unsealed the superseding indictment on May 23, 2023. Of note, 21 of the 63 counts in that indictment alleged criminal conduct by Par Funding. Specifically, Par Funding faced charges of conspiracy, wire fraud, and securities fraud. As the Receiver represents Par Funding 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.

In recent months, prosecutors in the United States Attorney's Office have filed a variety of superseding indictments. Various individual defendants related to Par Funding have pled guilty and are awaiting sentencing. For ease of reference for this Court, below is a summary of all criminal dockets within the United States District Court for the Eastern District of Pennsylvania related to Par Funding. The Honorable Mark A. Kearney is presiding over each of the following cases.

- Case number 2:22-cr-00279 charges defendant Renato Gioe with two counts of extortionate collections of credit and one count of conspiracy to the same offense. Mr. Gioe pled guilty and his sentencing hearing has been continued to September 10, 2024.
- Case number 2:23-cr-00010 charges defendant Perry Abbonizio with one count of conspiracy to commit wire fraud. Mr. Abbonizio pled guilty, and his sentencing hearing has been continued to November 25, 2024.
- Case number 2:23-cr-00198 charges defendants Joseph Lafore, James Laforte, and Joseph Cole Barleta with RICO violations, extortion, obstruction, perjury, retaliation, conspiracy, and more. Although this is the original docket number under which the

government charged Par Funding as a corporate defendant, the government has now separated the company in a different indictment, detailed below. All defendants in this case have pled not guilty, and trial is scheduled for October 8, 2024. The Court has set aside 23 trial days for this case. Of note, attached to this RICO indictment are notices of forfeiture. The assets subject to the notices include, but are not limited to, a Cesna Citation Sovereign 680 jet bearing tail number N789MJ that is currently in the possession of the United States, all funds in a Charles Schwab investment account ending in number 7878 in the name of Tradewinds South, LLC, and parcels of land owned by Defendant Joseph Cole Barletta at 1745 Walnut Green Road and 1751 Walnut Green Road in Wilmington, Delaware. The United States has filed notices of lis pendens against both of these Wilmington, Delaware properties.

- Case number 2:24-cr-00065 charges defendants Joseph Laforte, Lisa McElhone, Joseph Cole Barleta, Rodney Ermel, and Kenneth Bacon with tax evasion, wire fraud, conspiracy, and related offenses. Mr. Ermel and Mr. Bacon provided tax and accounting services for Joseph Laforte and Lisa McElhone, individually, as well as for Mr. Laforte and Ms. McElhone's business entities. Defendant Lisa McElhone has pleaded guilty to one count of wire fraud, and her sentencing hearing has been continued to December 19, 2024. The remaining defendants have pled not guilty and are scheduled for trial beginning December 3, 2024. The Court has set aside seven days for trial.
- Case number 2:24-cr-00066 is the new superseding indictment charging Par Funding with the same crimes originally charged on May 18, 2023. By virtue of the superseding indictment, Par Funding, as a corporate defendant, is now on its own timeline. This case is scheduled for trial on December 20, 2024. Both counsel for Par Funding and

the United States Attorney's Office have notified the Court that the parties are exploring a non-trial disposition. The government has made clear that it does not wish to interfere with the Receivership proceedings before this Court in the Southern District of Florida, including the expeditious distribution of funds to investors. To that end, the United States and the Receiver are refraining from exchanging voluminous discovery materials in an effort to save legal fees and costs, as the overwhelming majority of discovery in this criminal case is duplicative of discovery materials obtained from Par Funding in this case. The Court has ordered the parties to file status reports at regular intervals to apprise the Court of the status of the proceedings before this Court in the Southern District of Florida.

The Receiver will continue to monitor and, as necessary, participate in these criminal proceedings, with the goal of minimizing any related expense to the Receivership Estate.

**VII. Conclusion**

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

Dated: July 31, 2024

Respectfully Submitted,

**STUMPHAUZER KOLAYA  
NADLER & SLOMAN, PLLC**  
Two South Biscayne Blvd., Suite 1600  
Miami, FL 33131  
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By: /s/ Timothy A. Kolaya  
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*Co-Counsel for Receiver*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on July 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)

July 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 April 1, 2024 through June 30, 2024 (“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, the assets related to a number of property entities were sold. These included the real estate located at,

- 1248 N 25<sup>th</sup> Street
- 861 N 3<sup>rd</sup> Street
- 627-629 E Girard
- 300 Market Street
- 500 Fairmont Avenue

In addition to the real estate, several pieces of artwork were auctioned and sold.

During the Reporting period, my staff and I continued working with you and counsel. In addition, 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

500 West Cypress Creek Road, Suite 400 • Fort Lauderdale, FL 33309 • Telephone: 305.374.2717 • Fax: 305.374.2718 • [www.DSIConsulting.com](http://www.DSIConsulting.com)

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Mr. Ryan K. Stumphauzer  
July 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 ensured that certain tax reports, mainly for the commercial rental property, were filed and related taxes were paid.

- Other

In addition to assisting counsel with claims, we continue to work with counsel to dissolve individual legal entities for which the assets have been sold.

**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 in default. The following table reflects the portfolio status on July 28, 2020, included in our prior reports, and June 30, 2024, based on this categorization of the balances from reports prepared by operations staff.

<b>\$MM’s</b>	<b>CBSG Portfolio as of:</b>	
	<b>7/28/2020</b>	<b>6/30/2024</b>
Active <sup>1</sup>	\$117.7	\$6.3
Exception Portfolio	203.9	\$151.7

<sup>1</sup> Active portfolio includes all merchants having made a payment from May 1, 2024 through June 30, 2024 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 391 settlement agreements for all MCA companies, with 362 merchants completely paid and the remainder with outstanding payments according to the agreement.

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<i>\$MM's</i>	<b>CBSG Portfolio as of:</b>	
	<b>7/28/2020</b>	<b>6/30/2024</b>
Litigation <sup>2</sup>	4.6	34.1
Non-Performing <sup>3</sup>	34.7	20.5
Bankruptcy <sup>4</sup>	54.7	64.9
<b>Total Portfolio</b>	<b>\$415.6</b>	<b>\$277.5</b>

The reduction in the CBSG Portfolio balance of approximately \$138.1MM 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 June 30, 2024 was approximately \$288.8MM. 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 \$273.4MM. ***The net result of these adjustments reduced the accounts receivable balances of the MCA Receivership Entities to approximately \$15.4MM.*** 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 \$178.7MM 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,

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<sup>2</sup> As of 6/30/2024, there were numerous accounts on hold due to various legal reasons, including collateral issues, pending litigation, legal demands and pending and filed confessions of judgment. 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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litigation efforts and sale of Receivership assets; and, obtained through various settlements with the defendants. More specifically, as of the end of the Reporting Period,

- The Receivership holds approximately \$156.7MM in tangible assets from CBSG and other related entities, including real estate holdings of approximately \$17.8MM and other non-cash, tangible assets of approximately \$0.6MM. This does not include the value of the accounts receivable.
- The Receivership holds approximately \$10.1MM 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 business activities of the Receivership Entities prior to the establishment of the Receivership. This included reviewing the cash activity from 2012 through 2019.

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.

Lastly, during the Reporting Period, we completed our cash analysis and opined that Complete Business Solutions Group, Inc. was a Ponzi scheme. We submitted our report to you, which was included in the Receiver's Motion (1) to Approve Proposed Treatment of Claims and (2) for Determination of Ponzi Scheme (the "Claims Motion") (ECF No. 1843). The Court entered an order granting the Claims Motion and agreeing with the Ponzi determination (ECF No. 1976).

### **Claims Administration**

As previously reported, the deadline to submit claims was set for March 22, 2023. During the Reporting Period and as needed, DSI compiled information from the accounting and other records in order to reconcile the claims against the Receivership Entities and responded to inquiries from creditors or counsel regarding the claims.

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**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 June 30, 2024 is \$162,098,169. All of the cash is unencumbered.

The accrued administrative fees for the quarter ended June 30, 2024 are:

- Receiver/co-counsel – Stumphauzer Kolaya Nadler & Sloman, PLLC \$197,819.90
- Co-counsel – Pietragallo Gordon Alfano Bosick & Raspanti, LLP \$326,505.20
- Financial Advisor/Operations Consultant – Development Specialists, Inc. \$193,059.47
- Digital Evidence/Computer Forensics Prof. – Lawgical Insights, LLC \$3,227.09
- Investigation Firm – HD Investigative Group, LLC \$2,475.00

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:

<b>Asset:</b>	<b>Estimated value</b>
	<b>6/30/2024</b>
Cash in bank	\$160,031,903
Cash held by ACH processors	\$170,000
Portfolio balance <sup>5</sup>	\$15,400,000
Other accounts receivable <sup>6</sup>	\$29,190,000

<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.

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<b>Asset:</b>	<b>Estimated value</b>
Investment in third parties <sup>7</sup>	\$2,300,000
Life settlement policies (gross death benefits) <sup>8</sup>	\$17,750,000
Real estate	\$17,800,000
Other Assets (see Exhibit B)	\$596,000
Furniture and fixtures	\$0

**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.**

As the Receiver is working to wind down the Receivership, the Receiver is closely analyzing any additional claims held by the Receivership Estate that he might pursue. One significant claim is the Receiver’s claim against the law firm of Eckert Seamans. The Receiver has detailed the status of that claim and the potential recovery from this claim in his quarterly status report.

As described in the Court’s Order approving the Claims Motion, now that the Court has determined that CBSG operated as a Ponzi scheme, the Receiver may potentially pursue clawback claims against investors who recovered more than 100 percent of their net investment in CBSG and, therefore, are described as “net winners.” To the extent the Receiver intends to pursue any other claims, including clawback claims against net winners, the Receiver must file a motion to lift the litigation injunction. We will continue to work with counsel to analyze the cost-benefit of pursuing any such additional 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

<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 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 \$13.5MM. 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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Sworn Statement Pursuant To Paragraph 9 Of The Amended Receivership Order. In addition, a listing of claimants were included in the previously mentioned ECF No. 1843 and ECF No. 1976.

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

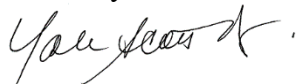
Prior to the Reporting Period, the date by when claimants must file claims was set as March 22, 2023. As of the end of the Reporting Period, approximately 1,291 claims were filed, which includes amended claims and duplicate claims. In addition, since many CBSG investors made investments through their 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 notices of determination (“NOD”). 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.

On April 22, 2024, the Receiver filed the Claims Motion. On June 26, 2024, the Court entered an order granting the Claims Motion and approving the Receiver’s proposed claims determinations. We continue to work with counsel to analyze various proposals for a distribution plan and will provide support for the Receiver’s anticipated motion to approve a distribution plan and to authorize an initial distribution.

**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)



# EXHIBIT A

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis  
 Receivership; Civil Court Docket No. 20-cv-81205-RAR  
 Reporting Period 4/1/2024 to 6/30/2024

Fund Accounting:		Current Period	Prior Period(s)	Case-to-date
		4/1/24 - 6/30/24	7/28/20 - 3/31/24	Total
<b>Line 1</b>	<b>Beginning Balance<sup>4</sup>:</b>	\$150,302,061	\$26,446,083	\$26,446,083
	<i>Increases in Fund Balance:</i>			
<b>Line 2</b>	<b>Business Receipts</b>	831,312	107,275,632	108,106,944
	Business Receipts - Overpayments	0	(98,865)	(98,865)
<b>Line 3</b>	<b>Cash and Securities</b>		0	0
	Pre-Receivership Cash Transfer	0	14,756,649	14,756,649
	Change in Value of Securities	0	573,719	573,719
<b>Line 4</b>	<b>Interest/Dividend Income</b>	1,728,262	6,019,926	7,748,188
<b>Line 5</b>	<b>Real Estate Liquidation</b>	9,168,500	27,743,171	36,911,671
<b>Line 6</b>	<b>Other Asset Liquidation</b>	12,025	1,814,677	1,826,702
<b>Line 7</b>	<b>Third-Party Litigation Income</b>	500,000	3,579,310	4,079,310
<b>Line 8</b>	<b>Miscellaneous<sup>1</sup></b>	0	1,515,243	1,515,243
	<b>Total Receipts<sup>2</sup></b>	12,240,099	163,179,462	175,419,562
	<b>Total Funds Available (Lines 1 - 8):</b>	\$162,542,160	\$189,625,545	\$201,865,644
	<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>			
Line 10a	Disbursements to Receiver or Other Professionals <sup>3</sup>	996,018	23,624,364	24,620,381
Line 10b	Business Asset Expenses			0
	Payroll & Benefits	136,985	3,947,109	4,084,094
	IT Expense	20,854	1,036,559	1,057,412
	Utilities	5,345	115,370	120,716
	Insurance	16,975	172,879	189,855
	Other Operating Expense	53,541	994,021	1,047,562
	Other	66,148	357,080	423,228
	<b>Total Business Asset Expenses<sup>2</sup></b>	299,848	6,623,019	6,922,867
				0
Line 10c	Personal Asset Expenses	0	0	0
Line 10d	Investment Expenses			0
	Premiums Due on Life Settlement Policies	234,921	5,219,041	5,453,962
	Property Expenses	84,539	1,686,662	1,771,201
	Real Estate Liquidation Expenses	724,931	2,125,674	2,850,605
	Other Asset Liquidation Expenses	0	0	0
				0
Line 10e	Third-Party Litigation Expenses			0
	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
Line 10f	Tax Administrator Fees and Bonds	0	0	0
Line 10g	Federal and State Tax Payments	0	0	0
	<b>Total Disbursements for Receivership Operations</b>	\$2,340,257	\$39,323,484	\$41,663,741
<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>	\$2,340,257	\$39,323,484	\$41,663,741
<b>Line 13</b>	<b>Ending Balance:</b>	\$160,201,903	\$150,302,061	\$160,201,903

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis  
 Receivership; Civil Court Docket No. 20-cv-81205-RAR  
 Reporting Period 4/1/2024 to 6/30/2024

		<u>Current Period</u>	<u>Prior Period</u>	<u>Case-to-date</u>
<b>Line 14</b>	<b>Ending Balance of Fund - Net Assets:</b>			
	<i>Line 14a</i>	\$160,201,903	\$150,302,061	\$160,201,903
	<i>Line 14b</i> Investments			Unknown
	<i>Line 14c</i> Other Assets or Uncleared Funds			
	<b>Total Ending Balance of Fund - Net Assets</b>	<b>\$160,201,903</b>	<b>\$150,302,061</b>	<b>\$160,201,903</b>

<b>OTHER SUPPLEMENTAL INFORMATION:</b>				
		<u>Current Period</u>	<u>Prior Period</u>	<u>Case-to-date</u>
<i>Report of Items NOT To Be Paid by the Fund:</i>				
<b>Line 15</b>	<b>Disbursements for Plan Administration Expenses Not Paid by the Fund:</b>			
<b>Line 16</b>	<b>Disbursements to Court/Other Not Paid by the Fund:</b>			
<b>Line 17</b>	<b>DC &amp; State Tax Payments</b>			
<b>Line 18</b>	<b>No. of Claims:</b>			
	<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 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 6/30/2024
<b>Pre-receiver Accounts</b>			
ABFP Income Fund 2	Charles Schwab	x7943	\$1,896,266
<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	\$314
Complete Business Solutions Group, Inc.	City National Bank	x3071	\$6,680
Complete Business Solutions Group, Inc.	City National Bank	x9941	\$47,083,673
Complete Business Solutions Group, Inc.	City National Bank	x0021	\$11,868,232
Complete Business Solutions Group, Inc.	City National Bank	x9781	\$12,335,853
Complete Business Solutions Group, Inc.	Actum	N/A	\$12,000
Complete Business Solutions Group, Inc.	Kotapay	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	\$16,407,614
CBSG dba Par Funding Receivership (QSF)	City National Bank	x2399	\$250,000
Full Spectrum Processing Inc.	City National Bank	x5700	\$5,461
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x3575	\$250,000
ABFP Multi-Strategy Investment Fund LP.	City National Bank	x7463	\$2,611,923
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x3872	\$250,000
ABFP Multi-Strategy Investment Fund 2 LP.	City National Bank	x8902	\$6,550,350
Fidelis Financial Planning LLC.	City National Bank	x5835	\$13,643
The United Fidelis Group Corp.	City National Bank	x5682	\$180,944
Fast Advance Funding LLC	City National Bank	x2069	\$250,000
Fast Advance Funding LLC	City National Bank	x7783	\$1,331,324
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	\$477,221
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	\$837,111
300 Market St LLC	City National Bank	x1186	\$250,000
300 Market St LLC	City National Bank	x7303	\$3,263,790
627-629 E Girard LLC	City National Bank	x9872	\$250,000
627-629 E Girard LLC	City National Bank	x7543	\$2,887,449
803 S 4th St LLC	City National Bank	x9816	\$470,244
1427 Melon St LLC	City National Bank	x3410	\$250,000
1427 Melon St LLC	City National Bank	x7623	\$6,246,083
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 6/30/2024</b>
1530 Christian St. LLC	City National Bank	x0736	\$746,989
1635 East Passyunk LLC	City National Bank	x3293	\$158,132
1932 Spruce St LLC	City National Bank	x2834	\$250,000
1932 Spruce St LLC	City National Bank	x6019	\$1,442,142
4633 Walnut St. LLC	City National Bank	x2843	\$250,000
4633 Walnut St. LLC	City National Bank	x0656	\$513,474
1223 N 25th St. LLC	City National Bank	x9861	\$705,483
1250 N 25th St LLC	City National Bank	x4130	\$944,594
135-137 N. 3rd St. LLC	City National Bank	x9753	\$250,000
135-137 N. 3rd St. LLC	City National Bank	x7223	\$788,218
715 Sansom St. LLC	City National Bank	x9863	\$2,172,916
861 N 3rd St. LLC	City National Bank	x9845	\$250,000
861 N 3rd St. LLC	City National Bank	x7383	\$1,407,421
915-917 S. 11th LLC	City National Bank	x9818	\$250,000
915-917 S. 11th LLC	City National Bank	x0816	\$1,697,128
20 N. 3rd St. Ltd	City National Bank	x1447	\$0
Capital Source 2000, Inc	City National Bank	x2528	\$2,284
Heritage Business Consulting, Inc.	City National Bank	x1745	\$250,000
Heritage Business Consulting, Inc.	City National Bank	x7943	\$1,524,181
Eagle Six Consulting, Inc.	City National Bank	x2519	\$250,000
Eagle Six Consulting, Inc.	City National Bank	x7703	\$16,765,105
Liberty Eighth Avenue LLC	City National Bank	x1700	\$250,000
Liberty Eighth Avenue LLC	City National Bank	x7063	\$10,238
LME 2017 Family Trust	City National Bank	x8827	\$122,977
LWP North LLC	City National Bank	x8115	\$250,000
LWP North LLC	City National Bank	x2102	\$2,987,234
Blue Valley Holdings, LLC	City National Bank	x5460	\$250,000
Blue Valley Holdings, LLC	City National Bank	x2022	\$3,051,193
500 Fairmount Avenue, LLC	City National Bank	x8169	\$1,573,096
Contract Financing Solutions	Actum	N/A	\$64,300
Contract Financing Solutions	City National Bank	x7143	\$3,520,936
Contract Financing Solutions	City National Bank	x4540	\$250,000
Recruiting and Marketing Resources	City National Bank	x4279	\$2,128
<b>Total Bank Balance</b>			<b>\$160,279,955</b>

**Complete Business Solutions et al Receivership**

Net Assets Schedule

Reporting Period 4/1/2024 to 6/30/2024

	2024	2024	2023				2022				2021	2020
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4
<b>RECEIPTS AND ASSETS:</b>												
Net MCA collections	\$778,897	\$867,753	\$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	\$19,545,846
Other accounts receivables	74,000	83,000	62,000	62,000	69,000	279,000	290,692	48,491	138,297	265,300	1,242,828	126,569
Rental income <sup>1</sup>	(21,585)	190,119	348,820	437,657	356,035	537,000	517,000	633,800	493,000	500,000	505,000	-
Insurance proceeds	-	750,000	-	500,000	3,504,924	-	-	3,032,479	-	-	4,432,143	350,000
Litigation proceeds	500,000	547,586	-	-	33,031	15,000	2,614	100,296	394,686	2,486,098	-	-
Other cash receipts <sup>2</sup>	10,908,787	9,343,682	7,820,963	9,756,015	4,275,518	297,061	199,560	4,125,509	38,825	2,579,985	1,290,325	9,935,224
<b>Other Assets:</b>												
Beginning cash	\$148,482,274	\$139,069,429	\$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	\$34,936,278
Marketable securities	1,896,266	1,806,151	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	1,089,936
Net real estate	17,828,000	26,547,000	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	0
Vehicles and watercraft	539,000	539,000	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	0
Other personal assets	56,837	56,837	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	0
<b>TOTAL RECEIPTS AND ASSETS:</b>	<b>181,042,475</b>	<b>179,800,557</b>	<b>\$179,449,126</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>\$65,983,853</b>
<b>EXPENSES AND DISBURSEMENTS:</b>												
Operating expenses	299,848	313,515	307,735	517,388	411,242	2,797,136	443,305	418,005	486,364	567,952	444,717	472,173
Personal asset expenses	-	-	-	-	-	-	-	-	-	-	-	-
Premium due on life settlement policies	234,921	294,200	321,103	360,063	315,145	360,691	260,378	305,154	583,232	324,481	354,434	324,301
Real estate property expenses	84,539	109,410	16,329	227,311	153,095	270,030	23,174	94,636	138,833	286,565	18,724	-
Real Estate liquidation expenses	724,931	590,613	796,299	535,751	201,641	-	-	-	-	-	-	-
Other Asset liquidation expenses	-	-	-	-	-	-	-	-	-	-	-	-
Third party attorney fees and expenses	-	-	-	-	-	-	-	-	-	(100)	100	-
Professional fees	996,018	1,047,961	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	-
<b>TOTAL EXPENSES AND DISBURSEMENTS</b>	<b>2,340,257</b>	<b>2,355,699</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>\$796,474</b>
<b>NET ASSET VALUE (NAV)</b>	<b>178,702,218</b>	<b>177,444,858</b>	<b>\$176,903,527</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>\$65,187,380</b>

Note 1: The negative rental income represents the payment of prepaid rent to the new buyers. Additionally, Q1 2024 rental income was adjusted to include the return of rental income to the new buyer for the sale of 715 Sansom.

Note 2: 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>	\$57,000
<b>Total</b>	<b>\$596,000</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 6/30/2024

	CBSG	Abbonizio	ABFP	Vagnozzi	Retirement Evolution	Fidelis	Total (as of 6/30/24)
<b>Assets On-hand:</b>							
<b>Cash and Investment Accounts:</b>							
Cash	\$ 138,299,116	\$ 5,656,610	\$ 8,246,563	\$ 4,730,272	\$ 1,256,542	\$ 194,587	\$ 158,383,690
SEP Account (Retirement Funds)	-	-	-	-	-	-	-
ABFP Income Fund 2 (Stock and cash)	-	-	1,896,266	-	-	-	1,896,266
<b>Other Assets:</b>							
Real Estate	17,828,000	-	-	-	-	-	17,828,000
Auto	-	-	-	-	-	-	-
Watercraft	539,000	-	-	-	-	-	539,000
Other Assets	56,837	-	-	-	-	-	56,837
<b>Total Assets On-hand</b>	<b>\$ 156,722,952</b>	<b>\$ 5,656,610</b>	<b>\$ 10,142,829</b>	<b>\$ 4,730,272</b>	<b>\$ 1,256,542</b>	<b>\$ 194,587</b>	<b>\$ 178,703,792</b>

Note 1: In Q1'23, 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 \$17.7MM; 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 future payments due under settlement agreements with various merchants and counterparties.

Note 4: The above schedule does not include approximately \$650K 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.