
MESSAGE FROM THE RECEIVER

TO: All ClearPath Wealth Management, LLC Investors and Claimants
FROM: Stephen Del Sesto, Esq., Court-Appointed Receiver
SUBJECT: Status Update – SEC v. ClearPath Wealth Management LLC, *et. al.*
Case #: 15-CV-00191-S-LDA
DATE: 7/3/2018

I want to give you a status update concerning this Receivership, including the plans for initial, interim distributions to investor claimants and the continued investigation regarding possible additional assets that can be brought into this Receivership Estate. First, as you may recall, on June 18, 2018, Chief Judge William E. Smith of the United States District Court for the District of Rhode Island held a hearing on and approved the Receiver’s Motion for an Order Approving Distribution Procedures and Certain Other Related Relief (“Motion”). In connection with the Motion, the Court approved: (1) a procedure for amending claims and settling objections to claims; (2) established an order of claim priority; (3) the “Rising Tide” distribution method; (4) a multi-step distribution procedure and related procedures; (5) a timeframe for the Receiver to submit a recommendation as to claims and initial distributions; and (6) other related and requested relief. Regarding the Receiver’s recommendation as to claim amounts for an initial distribution, the Court required that the Receiver submit said recommendation on or about July 31, 2018, with a hearing to be set by the Court thereafter. Unless I am able to identify and recover additional and substantial assets in the future, it is expected that the first interim distribution that will be presented for approval to the Court will be the largest (although not the only) distribution that you will receive from the Receivership Estate. A proposed Order has been submitted to the Court for entry and, once entered, the full Order will be posted to the website for you to read.

Also, I continue to pursue potential receivership assets that may exist in connection with the Rosenberg (JER, RP) ponzi scheme in Maryland. I very much hope that I am able to confirm the existence or non-existence of additional assets related to the Rosenberg ponzi during 2018.

Finally, while I cannot guarantee anything, absent the identification of significant assets in Maryland, it is my goal to bring the Receivership to an end in 2019.

As always, I and the Receivership team appreciate your support and patience.