

UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
)
vs.) Case No. 15-CV-00191-S-LDA
)
PATRICK CHURCHVILLE,)
CLEARPATH WEALTH MANAGEMENT, LLC,)
)
Defendants,)
)
and)
)
CLEARPATH MULTI-STRATEGY FUND I, L.P.,)
CLEARPATH MULTI-STRATEGY FUND II, L.P.,)
CLEARPATH MULTI-STRATEGY FUND III, L.P.,)
HCR VALUE FUND, L.P.,)
)
Relief Defendants.)

RECEIVER’S FIFTH INTERIM FEE APPLICATION

Now comes, Stephen F. Del Sesto, the Court-appointed Receiver for Defendants Patrick Churchville and ClearPath Wealth Management, LLC and Relief Defendants ClearPath Multi-Strategy Fund I, L.P., ClearPath Multi-Strategy Fund II, L.P., and ClearPath Multi-Strategy Fund III, L.P. (collectively “Receivership Entities”) and hereby submits his Fifth Interim Fee Application. This Fee Application conforms to the “Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission” as required pursuant to Paragraph 59 of this Court’s July 30, 2015 Order Appointing Receiver (Document No. 16). The billing invoices of Summit Health Law Partners, PC (f/k/a Donoghue Barrett & Singal, P.C.), the Receiver’s prior law firm, and Pierce Atwood, LLP, the Receiver’s present law firm supporting this Fifth Interim Fee Application were previously provided to the Commission and this Court under separate cover.

1. Information About the Applicant and the Application

- a. The period of time covered by this Application is from January 1, 2017 through and including September 30, 2022.
- b. The Receiver was appointed on July 30, 2015.
- c. The Applicant has utilized the following professionals and paraprofessionals at the following rates:

Summit Health Law Partners, PC (f/k/a Donoghue Barrett & Singal, P.C.)

- i. Stephen Del Sesto, Partner: \$350/hour
- ii. William Dolan III, Partner: \$350/hour
- iii. Nicholas Nybo, Associate: \$250/hour
- iv. Andrew Maglione, Associate: \$250/hour
- v. Julie Zaccagnini, Paralegal: \$185/hour
- vi. Deborah Medeiros, Paralegal: \$185/hour

Pierce Atwood, LLP

- i. Stephen Del Sesto, Partner: \$350/hour
- ii. Stephen MacGillivray, Partner: \$350/hour
- iii. Michael Daly, Partner: \$350/hour
- iv. Katherine Kohm, Partner: \$350/hour
- v. Nicole Matteo, Associate: \$250/hour
- vi. Brenna Charette, Associate: \$250/hour
- vii. Matthew O'Connor, Associate: \$250/hour
- viii. Kati Gaulkin, Paralegal: \$140/hour
- ix. Julie Zaccagnini, Paralegal: \$185/hour
- x. Carolyn Hardie, Paralegal: \$185/hour
- xi. Mary DeFontes, Legal Assistant: \$85/hour

- d. This Fee Application is the fifth interim application and, as such, there have been four previous fee applications. The Receiver's First Interim Fee Application which requested approval of fees, costs and expenses in the amount of \$79,522.29, which accrued from the commencement of the receivership proceeding through and including September 30, 2015, was approved by Order of this Court dated January 28,

2016 (Document No. 55). The Receiver was authorized to fully satisfy those fees, costs and expenses and has done so since the entry of the January 28, 2016 Order.

The Receiver's Second Interim Fee Application which requested approval of the Receiver's fees, costs and expenses in the amount of \$123,086.81, which accrued from October 1, 2015 through and including December 31, 2015, was approved by Order of this Court dated May 31, 2016 (Document No. 74). The Receiver was authorized to fully satisfy those fees, costs and expenses and has done so since the entry of the May 31, 2016 Order.

In addition, the May 31, 2016 Order also approved the fees incurred from Sansiveri, Kimball & Co., LLP, the Receiver's financial advisor, in the amount of \$10,077.30, which accrued from September 15, 2015 through and including December 31, 2015. The Receiver was authorized to fully satisfy those fees and has done so since the entry of the May 31, 2016 Order.

The Receiver's Third Interim Fee Application which requested approval of the Receiver's fees, costs and expenses in the amount of \$202,765.27, which accrued from January 1, 2016 through and including June 30, 2016, was approved by Order of this Court dated December 9, 2016 (Document No. 93). The Receiver was authorized to fully satisfy those fees, costs and expenses and has done so since the entry of the December 9, 2016 Order.

In addition, the December 9, 2016 Order also approved the fees incurred from Sansiveri, Kimball & Co., LLP, in the amount of \$4,480.50, which accrued from January 1, 2016 through and including March 30, 2016. The Receiver was authorized to fully satisfy those fees and has done so since the entry of the December 9, 2016 Order.

The Receiver's Fourth Interim Fee Application which requested approval of the Receiver's fees, costs and expenses in the amount of \$89,364.29, which accrued from July 1, 2016 through and including December 31, 2016, was approved by Order of this Court dated October 1, 2018 (Document No. 126). The Receiver was authorized to fully satisfy those fees, costs and expenses and has done so since the entry of the October 1, 2018 Order.

In addition, the October 1, 2018 Order also approved the fees incurred from Sansiveri, Kimball & Co., LLP, in the amount of \$2,701.50, which accrued from February 1, 2017 through and including April 30, 2017. The Receiver was authorized to fully satisfy those fees and has done so since the entry of the October 1, 2018 Order.

2. Case Status (Narrative)

- a. Since the commencement of the receivership proceeding through the filing of this Application the Receiver has collected funds totaling \$5,201,965.85¹. As of the filing of this Fee Application the Receiver has \$516,992.78 on hand comprised of the following funds:
 - i. \$903,356.60 in funds that were in the possession of the law firm of Lepizzera & Laprocina²;
 - ii. \$35,523.57 in funds collected via the Receiver's closeout of bank accounts held by Defendants at Bank of America;
 - iii. \$89,224.99 in NET sale proceed funds collected via the sale of the Parade Street, Providence, Rhode Island property owned by Macaw Investment Company, LLC ("Macaw")³;
 - iv. \$1,500 in funds collected via the sale of furnishings owned by Defendant Churchville which were located in the Doyle Avenue, Providence, Rhode Island property;
 - v. \$129,559.74 in NET sale proceed funds collected via the sale of the Doyle Avenue, Unit 2, Providence, Rhode Island property owned by Macaw⁴;
 - vi. \$714,226.09 in funds wired to the Receivership Estate in connection with and subject to this Court's Orders entered on or about November 4, 2015

¹ This total is inclusive of \$79,252.61 earned in interest as a result of the Estate funds being held in multiple interest bearing deposit accounts.

² The origin of these funds was more fully described in the Receiver's First Quarterly Status Report.

³ These funds were previously being held in escrow pending a determination of allocation among the Macaw Investment Company, LLC members, specifically, Defendant Churchville and Mr. Drew Churchville Carlin. It was determined that Defendant Churchville was entitled to the proceeds.

⁴ Similar to the funds identified in 2(a)(iii), these funds were previously being held in escrow pending a determination of allocation among the Macaw Investment Company, LLC members, specifically, Defendant Churchville and Mr. Drew Churchville Carlin. It was determined that Defendant Churchville was entitled to the proceeds.

- (Document Nos. 40 and 41) regarding the HCR Value Fund, LP Amendment and Settlement with the Acrewood Parties and Capio Parties;
- vii. \$4,152.75 in funds wired into the Receivership Estate as a supplemental distribution in connection with and subject to this Court's Orders entered on or about November 4, 2015 (Document Nos. 40 and 41) regarding the HCR Value Fund, LP Amendment and Settlement with the Acrewood Parties and Capio Parties;
 - viii. \$6,000.00 in funds collected from Point Judith Country Club which was due to be refunded to Defendant Churchville;
 - ix. \$4,025.62 in funds collected via the Receiver's closeout of a bank account held by Defendant ClearPath Wealth Management, LLC at Commerce Bank;
 - x. \$7,916.93 in NET sale proceeds from the public auction of Defendant Churchville's 1998 thirty-foot Doral powerboat;
 - xi. \$180,613.00 in funds collected from Apex Fund Services (US) Inc. ("Apex") as full settlement payment under the Order Instituting Proceedings dated June 16, 2016 issued in the administrative proceeding initiated against Apex by the U.S. Securities and Exchange Commission;
 - xii. \$278,363.25 in NET sale proceed funds from the Court approved sale of real property located at 121 Nayatt Road, Barrington, Rhode Island;
 - xiii. \$276,783.10 in sale proceed funds from the Court approved sale of real property located at 6 Whitney Court, Unit 10, Narragansett, Rhode Island⁵;
 - xiv. \$187,041.64 in funds wired to the Receivership Estate from Hastings Equity Fund II, L.P. ("Hastings II") due ClearPath Multi-Strategy Fund I, L.P. as limited partner in Hastings II;
 - xv. \$109,810.32 in funds wired to the Receivership Estate from Hastings II as a second distribution to ClearPath Multi-Strategy Fund I, L.P. as limited partner in Hastings II;

⁵ This amount is inclusive of funds later disbursed to Seyfarth Shaw, LLP as attorneys for Wells Fargo Bank, N.A. in the amount of \$253,783.10 in accordance with the June 24, 2016 Joint Stipulation Between Wells Fargo Bank, N.A. and Receiver Regarding Sale of Real Property Located at 6 Whitney Court (Document No. 79).

- xvi. \$16,298.27 in funds wired to the Receivership Estate from Hastings II as a final distribution to ClearPath Multi-Strategy Fund I, L.P. as limited partner in Hastings II;
- xvii. \$311,529.52 in funds wired to the Receivership Estate from Fox Chase Bank representing the close-out of the account held in the name of HCR Value Fund, LP Series A in connection with and subject to this Court's Orders entered on or about November 4, 2015 (Document Nos. 40 and 41) regarding the HCR Value Fund, LP Amendment and Settlement with the Acrewood Parties and Capiro Parties;
- xviii. \$772,869.91 in funds wired to the Receivership Estate from Capiro Partners, LLC pursuant to this Court's Order entered November 1, 2016 (Document No. 88) in connection with monies due ClearPath Multi-Strategy Fund II, ClearPath Multi-Strategy Fund III and Receivable Partners, LLC;
- xix. \$18.55 in funds received from the settlement of Wells Fargo Bank class action suit;
- xx. \$500,000.00 in funds received from Burns & Levinson, LLP and CRS Capstone Partners LLC as full and final satisfaction and settlement of all claims held by the Receiver pursuant to the terms of the Court-approved settlement;
- xxi. \$260,000.00 in funds collected from Grassi & Co., CPAs, P.C. ("Grassi") as full settlement payment of the civil money penalty under the Order Instituting Proceedings dated November 21, 2016 issued in the administrative proceeding initiated against Grassi by the U.S. Securities and Exchange Commission;
- xxii. \$141,510.43 in funds collected from Grassi as full settlement payment of disgorgement and prejudgment interest under the Order Instituting Proceedings dated November 21, 2016 issued in the administrative proceeding initiated against Grassi by the U.S. Securities and Exchange Commission;
- xxiii. \$105,000.50 in funds wired into the Receivership Estate as supplemental quarterly distributions in connection with and subject to this Court's Order

entered on November 1, 2016 (Document No. 88) in connection with monies due ClearPath Multi-Strategy Fund II, ClearPath Multi-Strategy Fund III and Receivable Partners, LLC;

- xxiv. \$79,252.61 in interest earned as a result of the Receiver holding the above referenced funds in multiple interest bearing deposit accounts;
- xxv. \$79,030.14 in funds wired into the Receivership Estate as supplemental quarterly distributions plus the agreed upon settlement buyout in connection with and subject to this Court's Order entered on November 1, 2016 (Document No. 88) in connection with monies due ClearPath Multi-Strategy Fund II, ClearPath Multi-Strategy Fund III and Receivable Partners, LLC;
- xxvi. \$8,314.22 in funds from the closeout of two (2) CollegeBound Saver accounts held by Defendant Churchville; and
- xxvii. \$44.10 in funds received from a State Constable as payment in connection with service of a US District Court Subpoena upon the Receiver/Receivership Estate.

In terms of accrued administrative expenses, since the filing of the Receiver's Fourth Interim Fee Application the Receiver has incurred the following:

- i. \$10,186.89 incurred from Relevant Discover-e, 128 Dorrance Street, Suite 450, Providence, Rhode Island. This expense is related to the reproduction and postage necessary to mail multiple motions and pleadings filed with the Court, notices of hearings on same, claim analyses and supporting documentation and notifications concerning the calculations and distributions on claims to all investors, creditors and other parties in interest;
- ii. \$665.00 incurred from various financial institutions holding Receivership Estate deposit accounts as a result of fees incurred in connection with incoming and outgoing wire transfers and statement fees;
- iii. \$234.35 incurred from the Court Reporter for the US District Court for the District of Rhode Island to obtain the transcript from the hearing held on November 20, 2018;

- iv. \$726.80 incurred by Pierce Atwood, LLP, the Receiver's law firm, for out-of-pocket expenses (mailing, postage) in 2017 and 2018; and
- v. \$27,617.52 incurred from Marcum, LLP, 10 Melville Park Road, Melville, New York. This expense is related to the engagement of Marcum by the Receiver to perform a calculation of value for PharmLogic's interest in OATD-01 Pharmaceutical Technology.

As stated above, and as of the filing of this Application, the Receiver has funds on hand totaling \$516,992.78. The entirety of these funds are unencumbered⁶.

- b. As set forth above, since the commencement of the Receivership proceeding the Receiver has collected funds totaling \$5,201,965.85. In addition to the disbursements in the amounts set forth in Paragraph 2(a) above and the disbursements previously approved by this Court as itemized in the Receiver's First, Second, Third and Fourth Interim Fee Applications, the Receiver has made disbursements to investors on their court-approved, qualified claims totaling \$3,541,987.26.

At this time, the Receiver cannot estimate when the case is expected to close; however, expects the case to become 'dormant' until such a time as funds are paid to the Receiver, for the benefit of claimants/investors in this action, by the US Marshall's Office/MD Court in connection with the MD Ponzi Scheme. At such a time the Receiver will recalculate the rising tide and prepare and make additional distributions to those qualified claimants. Unfortunately, the MD officials have not been able to provide a timeframe as to their distribution to this Receivership Estate.

c. Claims Proceedings

- i. The Receiver provided a Notice of Claims Bar Date and Procedures for Submitting Proofs of Claim along with a Creditor Proof of Claim Form and an

⁶ Included in the current funds on hand are amounts owed to three (3) deceased claimants/investors based upon the rising tide calculations and Claim Analysis prepared by the Receiver's financial advisor and forensic accountant. The total disbursements owed to the three deceased investors total \$44,378.43. The Receiver has been unable to make these distributions as next of kin have not been located.

Investor Proof of Claim Form (collectively referred to as “Claim Documents”), all of which were approved by this Court’s September 23, 2016 Order Granting Motion to Establish a Claims Bar Date, Approve the Manner and Form of Notice of Claims Bar Date and Approve the Process for Submitting Claims (Document No. 87), to all creditors, investors and other parties in interest presently known to the Receiver. In an effort to reach both known and unknown Claimants, the Claim Documents (i) were provided via electronic mail to those Claimants the Receiver has an electronic mail address for; (ii) were sent via regular mail to all known Claimants; (iii) are published on the Receiver’s dedicated receivership website which is accessible to all parties; (iv) were published, as required by the September 23, 2016 Order, in the Providence Journal on two separate dates; and (v) were published, as required by this Court’s Text Order dated November 10, 2016, in The New York Times on November 17, 2016 and December 1, 2016.

The Claims Bar Date was January 21, 2017.

- ii. As of the filing of this Application, the Receiver has received 132 Claims (121 Investor Claims, 1 Priority Claim and 10 General Creditor Claims). Both the Receiver and the Receiver’s financial advisor, Sansiveri, Kimball & Co., LLP, have reviewed the Claims received for content, accuracy, supporting documentation and compliance with the procedures for submitting Claims as approved by this Court. The Receiver and financial advisor participated in numerous calls with claimants/investors to review their claims and respond to questions posed by claimants.
- iii. As described in further detail in this Court’s July 1, 2018 Order Approving Distribution Procedures and Certain Other Related Relief (Document No. 118), the Receiver sought and received approval in connection with (1) procedures for the resolution of certain Claims reconciliation matters, including, but not limited to, granting the Receiver authority to settle Claims asserted against the Receivership Entities, establishing a procedure for settling Claims filed against

the Receivership Entities and establishing the method by which a Claimant may challenge the Receiver's Claim determination, after attempted settlement, to this Court; (2) the establishment of the priority of distributions to the holders of allowed Claims; (3) the establishment of the "rising tide" methodology for determining the distributions to be made on account of the allowed Claims held by Investors; and (4) the procedures for making distributions, including, but not limited to, the collection of necessary information to make distributions to holders of allowed Claims, and the establishment of the procedure for making distributions. The Receiver filed (i) a Motion to Authorize Initial Interim Distribution to Approved Class 3 Claims, Establish Record Dates and Set Initial Interim Distribution Date (Document No. 121); (ii) Recommendation and Motion to Allow Recommended Class 3 Claims (Document No. 128); and (iii) Report and Request for Entry of Orders (Document No. 153). As further described in this Court's Orders approving the above referenced Motions and Report, dated September 14, 2018 (Document No. 122), June 13, 2019 (Document No. 151), February 3, 2020 (Document No. 155), respectively, this Court approved processes and procedures for analyses of investor claims, methodology for calculations of distributions on approved Class 3 Claims, distributions on Class 3 Claims, approval of designations of certain claimants as "insiders" with a formal objection process and other related relief.

As of the filing of this Application, the Receiver has made two rounds of distributions to qualified Class 3 Claimants. The rising tide methodology was used by the Receiver's forensic accountant to calculate the first interim distributions, based upon the Receiver distributing a total of \$3,000,000.00. This resulted in the Receiver sending two checks to qualified claimants (the first check remitting payment of 70% of the calculated distribution with the second check paying the remaining 30% holdback of the calculated

distribution)⁷. The rising tide was then adjusted to calculate the second interim distributions based upon the Receiver distributing a total of \$586,365.13. An additional distribution to qualified Class 3 Claimants will be calculated and made upon the Receiver's receipt of funds paid from the MD Ponzi Scheme.

- d. On November 3, 2022 the Receiver filed a Motion for Authorization to Transfer ClearPath Wealth Investment, LLC Investment in PharmLogic, LLC to Individual Investors (Document No. 181). As a result of the analysis performed by Marcum and the "Calculation of Value for PharmLogic, LLC's Effective Interest in OATD-01 Pharmaceutical Technology" prepared by Marcum, the Receiver requests approval to transfer ownership of the PharmLogic investment to the individual investors so they may be able to maintain or liquidate their respective investment interests. This matter is currently scheduled to be heard by this Court on November 22, 2022.

- e. Relative to the JER Receivables, LLC and Receivable Partners, LLC matters (also referred to as the MD Ponzi Scheme), and as this Court is aware, the Restoration Petition was approved and the US Marshals Service was directed to pay the forfeited funds over to the MD Clerk of Court for payment to victims. The Receiver was advised the MD US Attorneys' Office requested the MD Clerk treat this matter with a sense of urgency; however, the Receiver still has not been advised as to an anticipated timeframe for payment by the MD officials to victims (i.e. Receiver for ClearPath Wealth Management and on behalf of this Receivership Estate's victims). While the timeframe for receipt of funds and the total amount of funds remains unknown, the Receiver has confirmed this Receivership Estate is a claimant/victim in the MD Ponzi Scheme and will be receiving a distribution.

⁷ The holdback of payment of a portion of the first interim distributions was necessary to account for certain 'insider' designations and disallowance of related claims which had not yet been resolved and decided at the time the first interim distributions were being made.

3. Current and Previous Billings

- a. The Receiver currently requests approval in the amount of \$438,031.92, comprised of both compensation for fees and reimbursable expenses incurred from January 1, 2017 through and including September 30, 2022. In connection with the Receiver's First, Second, Third and Fourth Interim Fee Applications, the Receiver previously requested compensation in the amounts of \$79,522.29, \$123,086.81, \$202,765.27 and \$89,364.29, respectively. In addition, this Court previously approved the fees incurred from Sansiveri, Kimball & Co., LLP, the Receiver's financial advisor, in the amounts of \$10,077.30, \$4,480.50 and \$2,701.50, which accrued from September 15, 2015 through and including December 31, 2015, from January 1, 2016 through and including March 30, 2016, and from February 1, 2017, through and including April 30, 2017, respectively.

In addition to the Receiver's fees, costs and reimbursable expenses identified above, the Receiver is also requesting ratification of the fees incurred from Sansiveri, Kimball & Co., LLP for the period of April 2017 through and including September 30, 2022, totaling \$76,189.25.

- b. Pursuant to this Court's January 28, 2016, May 31, 2016, December 9, 2016, and October 1, 2018 Orders (Document Nos. 55, 74, 93 and 126), compensation and expenses totaling \$79,522.29, \$123,086.81, \$202,765.27 and \$89,364.29 were previously awarded in connection with the Receiver's First, Second, Third and Fourth Interim Fee Applications.

Total Hours and Amounts Billed by Summit Health Law Partners, PC (f/k/a Donoghue Barrett & Singal, P.C.)

- | | | |
|------|------------------------------|---------------------------------|
| i. | Stephen Del Sesto, Partner: | 98.6 hours totaling \$34,510.00 |
| ii. | William Dolan III, Partner: | 18.2 hours totaling \$6,370.00 |
| iii. | Nicholas Nybo, Associate: | 80.1 hours totaling \$20,025.00 |
| iv. | Andrew Maglione, Associate: | 59.7 hours totaling \$14,925.00 |
| v. | Julie Zaccagnini, Paralegal: | 86.4 hours totaling \$15,984.00 |

vi. Deborah Medeiros, Paralegal: 8.6 hours totaling \$1,591.00

Total Hours and Amounts Billed by Pierce Atwood, LLP:

i. Stephen Del Sesto, Partner: 444.2 hours totaling \$155,470.00
ii. Stephen MacGillivray, Partner: 43.3 hours totaling \$15,155.00
iii. Michael Daly, Partner: 0.8 hours totaling \$280.00
iv. Katherine Kohm, Partner: 21.4 hours totaling \$7,490.00
v. Nicole Matteo, Associate: 19.3 hours totaling \$4,825.00
vi. Brenna Charette, Associate: 47.3 hours totaling \$11,825.00
vii. Matthew O'Connor, Associate: 12.9 hours totaling \$3,225.00
viii. Kati Gaulkin, Paralegal: 3.3 hours totaling \$462.00
ix. Julie Zaccagnini, Paralegal: 752.1 hours totaling \$139,138.50
x. Carolyn Hardie, Paralegal: 6.8 hours totaling \$1,258.00
xi. Mary DeFontes, Legal Assistant: 3.3 hours totaling \$280.50

4. Standardized Fund Accounting Report

As required by the "Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission", the Standardized Fund Accounting Report is attached hereto as "Exhibit A".

CERTIFICATION

The Certifying Professional has read the Application. To the best of the Applicant's knowledge, information and belief formed after reasonable inquiry, the Application and all fees and expenses therein are true and accurate and comply with the Billing Instructions. All fees contained in the Application are based on the rates listed in the Applicant's fee schedule and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed. The Applicant has not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission). In seeking reimbursement for a service which the

Applicant justifiably purchased or contracted for from a third party (such as copying, imaging, bulk mail, messenger service, overnight courier, computerized research, or title and lien searches), the Applicant requests reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor. If such services are performed by the Receiver, the Receiver will certify that it is not making a profit on such reimbursable service.

In addition, the Applicant certifies that any and all charges incurred in connection with any potential litigation is likely to produce a net economic benefit to the Estate based on reviews of: (i) the legal theories upon which the action is based, including issues of standing; (ii) the likelihood of collection on any judgment which might be obtained; and (iii) alternative methods of seeking relief, such as retention of counsel on a contingency basis.

/s/ Stephen F. Del Sesto, Receiver

Stephen F. Del Sesto, Esq.
Certifying Professional and Applicant

/s/ Stephen F. Del Sesto, Receiver

Stephen F. Del Sesto, Esq. (Bar #6336)
Receiver for Patrick Churchville, ClearPath Wealth Management, LLC, ClearPath Multi-Strategy Fund I, L.P., ClearPath Multi-Strategy Fund II, L.P., and ClearPath Multi-Strategy Fund III, L.P. and not individually
Pierce Atwood, LLP
One Financial Plaza, 26th Floor
Providence, RI 02903
401-490-3415
sdelsesto@pierceatwood.com
November 15, 2022

EXHIBIT A

STEPHEN F. DEL SESTO, ESQ.
PIERCE ATWOOD LLP
ONE FINANCIAL PLAZA, 26TH FLOOR
PROVIDENCE, RHODE ISLAND 02903
401-490-3415
sdelsesto@pierceatwood.com

STANDARDIZED FUND ACCOUNTING REPORT

CIVIL – RECEIVERSHIP FUND

PATRICK CHURCHVILLE
CLEARPATH WEALTH MANAGEMENT, LLC,
CLEARPATH MULTI-STRATEGY FUND I, L.P.
CLEARPATH MULTI-STRATEGY FUND II, L.P.
CLEARPATH MULTI-STRATEGY FUND III, L.P.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF
RHODE ISLAND
CIVIL COURT DOCKET NO.: 1:15-CV-00191-S-LDA

REPORTING PERIOD 03/01/2017 TO 09/30/2022

STANDARDIZED FUND ACCOUNTING REPORT for CLEARPATH WEALTH MANAGEMENT, LLC , ET AL. - Cash Basis

Patrick Churchville and ClearPath Wealth Management, LLC Receivership; Civil Court Docket No.: 1:15-cv-00191-S-LDA

Reporting Period 03/01/2017 to 09/30/2022

FUND ACCOUNTING:

		Detail	Subtotal	Grand Total
Line 1	Beginning Balance **	\$3,191,548.82		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	\$177,899.96		
Line 3	Cash and Securities	\$0.00		
Line 4	Interest/Dividend Income	\$68,397.23		
Line 5	Business Asset Liquidation	\$0.00		
Line 6	Personal Asset Liquidation	\$8,314.22		
Line 7	Third-Party Litigation Income	\$831,231.31		
Line 8	Miscellaneous - Other	\$44.10		
	Total Funds Available (Lines 1 - 8)			\$4,277,435.64
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	-\$3,541,987.26		
Line 10	Disbursements for Receivership Operations:			
Line 10a	Disbursements to Receiver or Other Professionals	-\$192,555.11		
Line 10b	Business Asset Expenses	-\$11,787.00		
Line 10c	Personal Asset Expenses	\$0.00		
Line 10d	Investment Expenses	-\$320.00		
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees	-\$2,125.00		
	2. Litigation Expenses	-\$321.35		
	Total Third-Party Litigation Expenses		-\$2,446.35	
Line 10f	Tax Administrator Fees and Bonds	\$0.00		
Line 10g	Federal and State Tax Payments	\$0.00		
	Total Disbursements for Receivership Operations		-\$207,108.46	
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	<i>Distribution Plan Development Expenses:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		
	Total Plan Development Expenses		\$0.00	
Line 11b	<i>Distribution Plan Implementation Expenses:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	-\$10,186.89		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		

	5. Miscellaneous	\$0.00		
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses</i>		-\$10,186.89	
	Total Disbursements for Distribution Expenses Paid by the Fund		-\$10,186.89	
Line 12	Disbursements to Court/Other:	\$0.00		
Line 12a	<i>Investment Expenses/Court Registry Investment System (CRIS) Fees</i>			
Line 12b	<i>Federal Tax Payments</i>			
	Total Disbursements to Court/Other:		\$0.00	
	Total Funds Disbursed (Lines 9 - 12)			-\$3,759,282.61
Line 13	Ending Balance (As of 8/31/2022)			\$518,153.03
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	<i>Cash & Cash Equivalents</i>			
Line 14b	<i>Investments</i>			
Line 14c	<i>Other Assets or Uncleared Funds</i>			
	Total Ending Balance of Fund - Net Assets			\$518,153.03

OTHER SUPPLEMENTAL INFORMATION:

		Detail	Subtotal	Grand Total
	<i>Report of Items NOT to Be Paid by the Fund:</i>			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	<i>Plan Development Expenses Not Paid by the Fund:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Miscellaneous	\$0.00		
	<i>Total Plan Development Expenses Not Paid by the Fund</i>		\$0.00	
Line 15b	<i>Plan Implementation Expenses Not Paid by the Fund:</i>			
	1. Fees:	\$0.00		
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisers			
	Tax Advisers			
	2. Administrative Expenses	\$0.00		
	3. Investor Identification:	\$0.00		
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond	\$0.00		
	5. Miscellaneous	\$0.00		
	6. FAIR Reporting Expenses	\$0.00		
	<i>Total Plan Implementation Expenses Not Paid by the Fund</i>		\$0.00	
Line 15c	<i>Tax Administrator Fees & Bonds Not Paid by the Fund</i>	\$0.00		
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund		\$0.00	

Line 16	Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	<i>Investment Expenses/CRIS Fees</i>		\$0.00	
Line 16b	<i>Federal Tax Payments</i>		\$0.00	
	Total Disbursements to Court/Other Not Paid by the Fund:			\$0.00
Line 17	DC & State Tax Payments		\$0.00	
Line 18	Number of Claims:			
Line 18a	<i>Number of Claims Received This Reporting Period</i>		17	
Line 18b	<i>Number of Claims Received Since Inception of Fund</i>		131	
Line 19	Number of Claimants/Investors:			
Line 19a	<i>Number of Claimants/Investors Paid This Reporting Period</i>		67	
Line 19b	<i>Number of Claimants/Investors Paid Since Inception of Fund</i>		72	
<p>** Beginning Balance of Fund is \$294,248.62 less than the Ending Balance of Fund on prior SFAR to correct a duplicate addition of funds received from HCR Value Fund, LP Series A in April 2016. Reference is made to line 14(c) <i>Other Assets/Uncleared Funds</i> on SFAR for reporting period 7.30.15 - 2.29.16 - \$294,248.62. The amount was reported although not yet received at that time by the Estate, then erroneously subsequently reported on the SFAR for the reporting period 3.1.16 - 5.31.16 as the Estate actually received the funds in April 2016.</p>				