

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 THIRD 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 Third 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 Donoghue Barrett & Singal, P.C. and Sansiveri, Kimball & Co., LLP, the Receiver’s financial advisor as approved by this Court’s October 19, 2015 Order (Document No. 32), supporting this Third 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, 2016 through and including June 30, 2016.
- b. The Receiver was appointed on July 30, 2015.
- c. The Applicant has utilized the following professionals and paraprofessionals at the following rates:

Donoghue Barrett & Singal, P.C.

- i. Stephen F. Del Sesto, Partner: \$350/hour
- ii. William M. Dolan III, Partner: \$350/hour
- iii. Nicholas L. Nybo, Associate: \$250/hour
- iv. Julie A. Zaccagnini, Paralegal: \$185/hour
- v. Deborah L. Medeiros, Paralegal: \$185/hour
- vi. Rebecca E. Filippo, Legal Assistant: \$95/hour

Sansiveri, Kimball & Co., LLP

- i. Catherine M. Parente, CPA, Partner: \$275/hour
- ii. Kenji Greenberg, CPA: \$126/hour

- d. This Fee Application is the third interim application and, as such, there have been two 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.

2. Case Status (Narrative)

- a. Since the commencement of the receivership proceeding through the filing of this Application the Receiver has collected funds totaling \$3,883,105.16. As of the filing of this Fee Application the Receiver has \$3,186,871.33 on hand comprised of the following funds:
 - i. \$903,356.60 in funds that were in the possession of the law firm of Lepizzera & Laprocina¹;
 - 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")²;
 - 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 Macaw³;

¹ The origin of these funds was more fully described in the Receiver's First Quarterly Status Report.

² These funds are being held in escrow pending a determination of allocation among the Macaw Investment Company, LLC members, specifically, Defendant Churchville and Mr. Drew Churchville Carlin. Based upon the Receiver's review of the Macaw company documents and a discussion with Mr. Carlin, it is the Receiver's belief that Defendant Churchville is entitled to the entirety of the proceeds after satisfaction of Macaw's reasonable and appropriate business debts. The Receiver anticipates seeking instruction from this Court regarding these funds in the near future.

³ Similar to the funds identified in 2(a)(iii), these funds are 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 is the Receiver's belief that Defendant Churchville is entitled to the entirety of the proceeds after satisfaction of Macaw's reasonable and appropriate business debts.

- 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 (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. \$45,153.25 in funds collected from Apex Fund Services (US) Inc. ("Apex") as the first 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 Island⁴;
- 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;

⁴ 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).

- 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;
- xvi. \$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;
- xvii. \$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; and
- xviii. \$6,067.88 in interest earned as a result of the Receiver holding the above referenced funds in multiple interest bearing deposit accounts.

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

- i. \$62.00 incurred from the Town of Barrington, Rhode Island, Town Clerk's Office, 283 County Road, Barrington, Rhode Island. This expense is related to the Receiver's recording of this Court's Order Granting Receiver's Petition to Sell Real Property Located at 121 Nayatt Road Via Private Sale Free and Clear of Liens, Claims and Encumbrances with the Town of Barrington's Registry of Deeds;
- ii. \$49.00 incurred from the Town of Barrington, Rhode Island, Town Clerk's Office, 283 County Road, Barrington, Rhode Island. This expense is related to the Receiver's recording of a Discharge of Mortgage with the Town of Barrington's Registry of Deeds in anticipation of the closing on the court approved sale of the real property located at 121 Nayatt Road, Barrington, Rhode Island;

- iii. \$585.49 incurred from Providence Journal, 75 Fountain Street, Providence, Rhode Island. This expense is related to the publication of the Notice of Receiver's Private Sale of Real Property Located at 121 Nayatt Road, Barrington, Rhode Island;
- iv. \$275.00 incurred from Armeny Inc. Property Management, PO Box 6758, Warwick, Rhode Island. This expense is related to the Receiver's request for issuance of a Resale Certificate needed for the Receiver's sale of the real property located at 6 Whitney Court, Unit 10, Narragansett, Rhode Island;
- v. \$56.00 incurred from the Town of Narragansett, Rhode Island, Town Clerk's Office, 25 Fifth Avenue, Narragansett, Rhode Island. This expense is related to the Receiver's recording of this Court's Order Granting Receiver's Petition to Sell Condominium Located at 6 Whitney Court, Unit 10 at 'The Polo Club' Via Private Sale Free and Clear of Liens, Claims and Encumbrances with the Town of Narragansett's Registry of Deeds;
- vi. \$49.00 incurred from the Town of Narragansett, Rhode Island, Town Clerk's Office, 25 Fifth Avenue, Narragansett, Rhode Island. This expense is related to the Receiver's recording of a Discharge of Mortgage with the Town of Narragansett's Registry of Deeds in connection with the closing on the Court approved sale of the real property located at 6 Whitney Court, Unit 10, Narragansett, Rhode Island;
- vii. \$1,500.00 incurred from Colo Solutions, Inc., 100 W. Lucerne Circle, Suite 201, Orlando, Florida. This expense is related to the Receiver's request of Colo Solutions, Inc. to provide a full and complete copy of Defendant ClearPath Wealth Management, LLC's computer server, inclusive of all electronic mail files;
- viii. \$4,814.69 incurred from Providence Journal, 75 Fountain Street, Providence, Rhode Island. This expense is related to the Receiver's publication of the Notice of Claims Bar Date and Procedures for

- Submitting Proofs of Claim, as approved by this Court, and pursuant to the terms of this Court's Order dated September 23, 2016 (Document No. 87);
- ix. \$3,240.00 incurred from Gentle Giant Storage, 125 Amaral Street, East Providence, Rhode Island. This expense is related to the monthly storage charges (April 2016 through and including September 2016) for items removed from the former ClearPath Wealth Management, LLC office previously located at Maple Avenue, Barrington, Rhode Island;
 - x. \$2,500.00 incurred from Irving Shechtman & Co., Inc., 141 Power Road, Pawtucket, Rhode Island. This expense is related to (i) preparation of an inventory and appraisal of the contents of the Barrington property; (ii) the removal and transportation of Defendant Churchville's boat from Brewer Cove Haven Marina; (iii) preparation of an inventory and appraisal of the contents of the Narragansett condominium; (iv) preparation of an inventory and appraisal of the contents of the Doyle Avenue property; and (v) retrieval and appraisal of Defendant Churchville's vehicles;
 - xi. \$558.10 incurred from Bank of America, Legal Order Processing, PO Box 15047, Wilmington, Delaware. This expense is related to the reproduction of bank records for accounts held by Defendants requested by the Receiver;
 - xii. \$5.00 incurred from Rhode Island Department of Environmental Management, 235 Promenade Street, Providence, Rhode Island. This expense is related to the Receiver's request for RI DEM to issue a duplicate title to effectuate the Court approved sale of Defendant Churchville's boat; and
 - xiii. \$270.00 incurred from various financial institutions holding Receivership Estate deposit accounts as a result of fees incurred in connection with incoming and outgoing wire transfers.

As stated above, and as of the filing of this Application, the Receiver has funds on hand totaling \$3,186,871.33. Of these funds, the Receiver has identified encumbered funds totaling \$605,219.69 leaving \$2,581,651.64 of unencumbered funds. It is the

Receiver's belief that in the future the encumbered funds will become fully unencumbered. Of course, the possibility exists for additional funds collected in the future by the Receiver to be encumbered.

- b. As set forth above, since the commencement of the Receivership proceeding the Receiver has collected funds totaling \$3,883,105.16. In addition to the amounts set forth in Paragraph 2(a) above, and the disbursements previously approved by this Court as itemized in the Receiver's First Interim Fee Application and Second Interim Fee Application, the Receiver has made the following disbursements:
- i. \$16,194.00 to Acrewood 2013, LP in accordance with this Court's Memorandum and Order dated July 12, 2016 (Document No. 84);
 - ii. \$253,783.10 to Seyfarth Shaw, LLP as attorneys for Wells Fargo Bank, N.A. 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);
 - iii. Distribution of the HCR Value Fund, L.P. Series A funds in the amount of \$16,614.91 to James Rosati in accordance with the terms of this Court's April 11, 2016 Order Approving Receiver's Petition for Instructions Regarding the Distribution of HCR Value Fund, L.P. Series A Funds (Document No. 61);
 - iv. Distribution of the HCR Value Fund, L.P. Series A funds in the amount of \$128,765.53 to Acrewood 2013, LP in accordance with the terms of this Court's April 11, 2016 Order Approving Receiver's Petition for Instructions Regarding the Distribution of HCR Value Fund, L.P. Series A Funds (Document No. 61);
 - v. Distribution of the HCR Value Fund, L.P. Series A funds in the amount of \$12,461.18 to Bernard Buonanno in accordance with the terms of this Court's April 11, 2016 Order Approving Receiver's Petition for Instructions Regarding the Distribution of HCR Value Fund, L.P. Series A Funds (Document No. 61);

- vi. Distribution of the HCR Value Fund, L.P. Series A funds in the amount of \$20,768.63 to Vincent Buonanno in accordance with the terms of this Court's April 11, 2016 Order Approving Receiver's Petition for Instructions Regarding the Distribution of HCR Value Fund, L.P. Series A Funds (Document No. 61); and
- vii. Distribution of the HCR Value Fund, L.P. Series A funds in the amount of \$16,614.91 to Thomas Ryan Trust in accordance with the terms of this Court's April 11, 2016 Order Approving Receiver's Petition for Instructions Regarding the Distribution of HCR Value Fund, L.P. Series A Funds (Document No. 61).

At this time, the Receiver cannot estimate when the case is expected to close.

- c. 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 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) are being published, as required by this Court's Text Order dated November 10, 2016, in The New York Times on two separate dates.

The Claims Bar Date is January 21, 2017.

As of the filing of this Application, the Receiver has received 24 Claims (22 Investor Claims and 2 Creditor Claims). The Receiver has preliminarily reviewed the Claims received and will further review all Claims in a more comprehensive manner for content, accuracy, supporting documentation and compliance with the procedures for submitting Claims as approved by this Court. As stated in this Court's September 23, 2016 Order (Document No. 87), the Receiver will negotiate with any Claimants regarding any disputed Claims in an attempt to resolve all such Claims. In the event the Receiver and a Claimant are unable to resolve a dispute the Receiver may move the Court for summary disposition of the dispute. The Receiver will be in a position to inform the Court of all Claims received and provide recommendations for payment and denial of Claims subsequent to the expiration of the Claims Bar Date and the Receiver's comprehensive review of all Claims.

- d. Description of the Assets in the Receivership Estate:
 - i. Various home and office furnishings. Appraisal: Approximately \$3,000-\$5,000. At this time, the Receiver intends to dispose of the property through a public auction sale.

- e. The Receiver is currently investigating but is not in a position to report the liquidated or unliquidated claims that are available to the Receiver (or the likelihood of success thereof). Pursuant to his September 30, 2015, Petition to Engage Financial Advisor and this Court's October 19, 2015, Order granting the Receiver's Petition (Document No. 32), the Receiver engaged a financial advisor to assist the Receiver in the financial and accounting analyses required to understand the nature of the Receivership Entities' potential claims.

3. Current and Previous Billings

- a. The Receiver currently requests approval in the amount of \$202,765.27, comprised of both compensation for fees and reimbursable expenses incurred from January 1, 2016 through and including June 30, 2016. In connection with the Receiver's First and Second Interim Fee Applications, the Receiver previously requested compensation in

the amounts of \$79,522.29 and \$123,086.81, respectively. In addition, this Court previously 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.

In addition to the Receiver's fees, costs and reimbursable expenses identified above, the Receiver is also requesting approval of the fees incurred from Sansiveri, Kimball & Co., LLP for the period of January 2016 through and including March 2016 totaling \$4,480.50.

b. Pursuant to this Court's January 28, 2016 and May 31, 2016 Orders (Document Nos. 55 and 74), compensation and expenses totaling \$79,522.29 and \$123,086.81 were previously awarded in connection with the Receiver's First and Second Interim Fee Applications.

c. Total Hours and Amounts Billed by Donoghue Barrett & Singal, P.C.:

i.	Stephen F. Del Sesto, Partner:	290.60 hours totaling \$100,555.00
ii.	William M. Dolan III, Partner:	44.40 hours totaling \$15,540.00
iii.	Nicholas L. Nybo, Associate:	155.40 hours totaling \$38,850.00
iv.	Julie A. Zaccagnini, Paralegal:	267.70 hours totaling \$42,772.00
v.	Deborah L. Medeiros, Paralegal:	16.90 hours totaling \$3,126.50
vi.	Rebecca E. Filippo, Legal Assistant:	7.30 hours totaling \$693.50

Total Hours and Amounts Billed by Sansiveri, Kimball & Co., LLC:

i.	Catherine Parente, CPA, Partner:	6.9 hours totaling \$1,897.50
ii.	Kenji Greenberg, CPA:	20.5 hours totaling \$2,583.00

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”⁵.

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

⁵ Exhibit A includes two Standardized Fund Accounting Reports for the reporting periods of March 1, 2016 through and including May 31, 2016 and June 1, 2016 through and including August 31, 2016.

/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*
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November 21, 2016

EXHIBIT A

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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 03/01/2016 TO 05/31/2016

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 03/01/2016 to 05/31/2016

FUND ACCOUNTING:

		Detail	Subtotal	Grand Total
Line 1	Beginning Balance	\$2,038,008.80		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	\$120,457.11		
Line 3	Cash and Securities	\$0.00		
Line 4	Interest/Dividend Income	\$1,596.44		
Line 5	Business Asset Liquidation	\$0.00		
Line 6	Personal Asset Liquidation	\$294,613.25		
Line 7	Third-Party Litigation Income	\$0.00		
Line 8	Miscellaneous - Other	\$195,225.16		
	Total Funds Available (Lines 1 - 8)			\$2,649,900.76
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	-\$195,225.16		
Line 10	Disbursements for Receivership Operations:			
Line 10a	<i>Disbursements to Receiver or Other Professionals</i>	-\$133,164.11		
Line 10b	<i>Business Asset Expenses</i>	\$0.00		
Line 10c	<i>Personal Asset Expenses</i>	-\$121,029.49		
Line 10d	<i>Investment Expenses</i>	-\$190.00		
Line 10e	<i>Third-Party Litigation Expenses</i>	\$0.00		
	1. Attorney Fees			
	2. Litigation Expenses			
	<i>Total Third-Party Litigation Expenses</i>		\$0.00	
Line 10f	<i>Tax Administrator Fees and Bonds</i>	\$0.00		
Line 10g	<i>Federal and State Tax Payments</i>	\$0.00		
	Total Disbursements for Receivership Operations		-\$254,383.60	
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		
	<i>Total Plan Development Expenses</i>		\$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	\$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. Federal Account for Investor Restitution (FAIR) Reporting Expenses		\$0.00	
	<i>Total Plan Implementation Expenses</i>			\$0.00
	Total Disbursements for Distribution Expenses Paid by the Fund			\$0.00
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)			-\$449,608.76
Line 13	Ending Balance (As of 05/31/2016)			\$2,200,292.00
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	<i>Cash & Cash Equivalents</i>		\$2,200,155.77	
Line 14b	<i>Investments</i>			
Line 14c	<i>Other Assets or Uncleared Funds</i>			
	Total Ending Balance of Fund - Net Assets			\$2,200,292.00

OTHER SUPPLEMENTAL INFORMATION:

		Detail	Subtotal	Grand Total
	Report of Items NOT to Be Paid by the Fund:			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the			
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	Federal Tax Payments	\$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:	0		
Line 18a	Number of Claims Received This Reporting Period	0		
Line 18b	Number of Claims Received Since Inception of Fund	0		
Line 19	Number of Claimants/Investors:	0		
Line 19a	Number of Claimants/Investors Paid This Reporting Period	5		
Line 19b	Number of Claimants/Investors Paid Since Inception of Fund	5		

STEPHEN F. DEL SESTO, ESQ.
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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 06/01/2016 TO 08/31/2016

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 06/01/2016 to 08/31/2016

FUND ACCOUNTING:

		Detail	Subtotal	Grand Total
Line 1	Beginning Balance	\$2,200,292.00		
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	\$187,041.64		
Line 3	Cash and Securities	\$0.00		
Line 4	Interest/Dividend Income	\$2,039.57		
Line 5	Business Asset Liquidation	\$0.00		
Line 6	Personal Asset Liquidation	\$414,259.77		
Line 7	Third-Party Litigation Income	\$45,153.25		
Line 8	Miscellaneous - Other	\$0.00		
	Total Funds Available (Lines 1 - 8)			\$2,848,786.23
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	\$0.00		
Line 10	Disbursements for Receivership Operations:			
Line 10a	<i>Disbursements to Receiver or Other Professionals</i>	-\$14,750.00		
Line 10b	<i>Business Asset Expenses</i>	-\$16,194.00		
Line 10c	<i>Personal Asset Expenses</i>	-\$258,915.10		
Line 10d	<i>Investment Expenses</i>	-\$40.00		
Line 10e	<i>Third-Party Litigation Expenses</i>	\$0.00		
	1. Attorney Fees			
	2. Litigation Expenses			
	<i>Total Third-Party Litigation Expenses</i>		\$0.00	
Line 10f	<i>Tax Administrator Fees and Bonds</i>	\$0.00		
Line 10g	<i>Federal and State Tax Payments</i>	\$0.00		
	Total Disbursements for Receivership Operations		-\$289,899.10	
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		
	<i>Total Plan Development Expenses</i>		\$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	\$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. Federal Account for Investor Restitution (FAIR) Reporting Expenses		\$0.00	
	<i>Total Plan Implementation Expenses</i>			\$0.00
	Total Disbursements for Distribution Expenses Paid by the Fund			\$0.00
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)			-\$289,899.10
Line 13	Ending Balance (As of 08/31/2016)			\$2,558,887.13
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	<i>Cash & Cash Equivalents</i>		\$2,558,887.13	
Line 14b	<i>Investments</i>			
Line 14c	<i>Other Assets or Uncleared Funds</i>			
	Total Ending Balance of Fund - Net Assets			\$2,558,887.13
OTHER SUPPLEMENTAL INFORMATION:				
		Detail	Subtotal	Grand Total
	Report of Items NOT to Be Paid by the Fund:			
Line 15	Disbursements for Plan Administration Expenses Not Paid by the			
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	Federal Tax Payments	\$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:	0		
Line 18a	Number of Claims Received This Reporting Period	0		
Line 18b	Number of Claims Received Since Inception of Fund	0		
Line 19	Number of Claimants/Investors:	0		
Line 19a	Number of Claimants/Investors Paid This Reporting Period	0		
Line 19b	Number of Claimants/Investors Paid Since Inception of Fund	5		