

UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND

SECURITIES AND EXCHANGE :
 COMMISSION, :
 Plaintiff, :
 :
 vs. :
 :
 PATRICK CHURCHVILLE; and :
 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. :

Case No. 15-CV-00191-WES-LDA

**OBJECTION OF LINDA ROSENBERG, INDIVIDUALLY, AND AS THE EXECUTRIX
 OF THE ESTATE OF S. MICHAEL ROSENBERG, TO THE RECEIVER’S
 DESIGNATION OF BOTH OF THEM AS INSIDERS**
(Memorandum of Law Incorporated Herewith)

Pursuant to this Court’s January 31, 2020 Order, in which the Court ordered “those ‘insider’ parties . . . [to] appear and show cause as to why they should not be designated as ‘insiders’ as set forth in the Report,” Linda Rosenberg, individually, and Linda Rosenberg, as Executrix of the Estate of S. Michael Rosenberg (*hereinafter together*, the “Rosenbergs”), hereby object to the Receiver Stephen Del Sesto’s (*hereinafter*, the “Receiver”) determination that they are both insiders. The Rosenbergs did not have knowledge of Patrick Churchville’s and/or ClearPath Wealth Management, LLC’s (*hereinafter together*, “Churchville”) fraud until the filing of charges against Patrick Churchville by the United States Attorney for the District of Rhode Island. They did not participate in Churchville’s Ponzi scheme or any other fraudulent activities.

The Rosenbergs are victims who lost over \$1.66 million that they had invested with Churchville. The Receiver's determination appears to rest simply on the Rosenbergs' familial connection with their son, Jonathan Rosenberg. No other evidence or documentation supporting the Rosenbergs' insider status, despite numerous requests, has been provided to this Court or to the Rosenbergs by the Receiver, or by the Securities and Exchange Commission (*hereinafter*, the "SEC") and the United States Attorney's Office for the District of Rhode Island (*hereinafter*, the "U.S. Attorney").

The Rosenbergs should not be punished for the actions of their son in a separate criminal matter that was venued in the District of Maryland. The Receiver has set forth no evidence, nor has he disclosed or produced any such evidence to the Rosenbergs, to support a finding of "insider" status. The Receiver cannot meet his burden of proof under the law. For these reasons, this Court should determine that the Rosenbergs are not insiders and allow them to be paid as claimants who were victimized by Churchville.

RELEVANT FACTS AND TRAVEL

Linda Rosenberg is a seventy-nine year old widow living in New Jersey. *See* June 18, 2020 Affidavit of Linda Rosenberg at ¶ 1 (*hereinafter*, "Aff."). A licensed court stenographer by trade, she is the principal and owner of Rosenberg & Associates, Inc., a court reporting service located in Roseland, New Jersey. The late S. Michael Rosenberg (*hereinafter individually*, "Michael Rosenberg"), Linda's husband, passed away on February 25, 2019. Aff. at ¶ 4.

For several years prior to 2008, Linda Rosenberg's financial advisor was a person named Nina Hakim at Merrill Lynch. *Id.* at ¶ 7. In 2008, Ms. Haskim became semi-retired and Linda Rosenberg and her husband were looking for a new investment advisor. *Id.* Their son, Jonathan Rosenberg, suggested that they invest with Churchville, whom he knew professionally. *Id.* at ¶ 8.

Thereafter, Linda Rosenberg invested approximately \$841,820.00 with Churchville. Id. Michael Rosenberg invested approximately \$824,189.00 with Churchville, as well. Id. at ¶ 11. The Rosenbergs' investment funds were withdrawn from their individual IRA retirement accounts and were transferred to ClearPath Wealth Management, LLC. The Rosenbergs do not recall receiving any distributions or withdrawals from Churchville. Id. at ¶¶ 10, 12.

Linda Rosenberg understood Churchville to be a registered investment advisor. Id. at ¶ 20. She only recalls meeting Patrick Churchville once for 5-10 minutes, while she was eating lunch at the Capital Grille in Manhattan where there was a group of 8-9 people present. Id. at ¶ 2. To the best of Linda Rosenberg's recollection, Michael Rosenberg never met Patrick Churchville. Id. at ¶ 3. Other than the 5-10 minute conversation in New York City with Patrick Churchville, Linda Rosenberg does not recall ever communicating with Patrick Churchville again. Id. at ¶ 5. Linda Rosenberg does not remember Michael Rosenberg ever communicating with Patrick Churchville. Id. at ¶ 6.

The Rosenbergs were not aware of Churchville's fraud or Ponzi scheme. Id. at ¶¶ 14, 15. They only found out about Churchville's crimes after he was charged by the U.S. Attorney for the District of Rhode Island. Id. Statements for the Rosenbergs' account would periodically come in from Churchville and/or ClearPath Wealth Management, LLC. Id. at ¶ 21. Those statements were mailed to the Rosenbergs c/o Rosenberg & Associates, Inc. in Roseland, New Jersey. Id.

Michael Rosenberg passed away on February 25, 2019. Id. at ¶ 4. Linda Rosenberg is the Executrix of his Estate. Id. Neither Michael Rosenberg nor Linda Rosenberg ever recommended to others that they invest with Churchville. Id. at ¶¶ 18-19. Further, neither of the Rosenbergs participated in any way in Churchville's fraudulent activities.

This Court “approved the Receiver’s recommendation relative to the definition of an ‘insider’ in this matter.” *See* Jan. 17, 2020 Receiver’s Report and Request for Entry of Orders at

4. The Court approved the following definition:

An “Insider Claimant” shall be defined as Defendant Patrick Churchville (“Churchville”) or Jonathan E. Rosenberg (West Orange, New Jersey) (“Rosenberg”) or any Class 3 Claimant who (a) has familial relationship, direct or indirect or immediate or extended, with either Churchville or Rosenberg; or (b) was a business associate or agent, paid or unpaid, of Churchville, Rosenberg, ClearPath Wealth Management or any other affiliated or other entity in which Churchville or Rosenberg held an ownership interest of twenty-five percent (25%) or more; or (c) served as a director, officer, manager or employee, paid or unpaid, of ClearPath Wealth Management or any other affiliated or other entity in which Churchville or Rosenberg held an ownership interest of twenty-five percent (25%) or more; or (d) any individual(s) or entity(ies) who are found to have received or obtained insider information regarding any investments related to Churchville, Rosenberg or ClearPath Wealth Management funds or other investments or investment vehicles.

Id.

LEGAL STANDARD

The purpose of an SEC receivership is to “safeguard the assets, administer the property as suitable, and to assist the district court in achieving a final, equitable distribution of the assets if necessary.” Sec. & Exch. Comm’n v. Vescor Capital Corp., 599 F.3d 1189, 1194 (10th Cir. 2010) (*quoting* Liberte Capital Corp., LLC v. Capwill, 462 F.3d 543, 441 (6th Cir. 2006)). “[T]he ultimate goal of a receivership is to maximize the recovery of the investor class.” Sec. & Exch. Comm’n v. Wealth Mgmt. LLC, 628 F.3d 323, 336 (7th Cir. 2010). “Sitting in equity, the district court is a ‘court of conscience.’” United States v. Durham, 86 F.3d 70, 73 (5th Cir. 1996) (citations omitted). In furthering this purpose, receivers are appointed by a court sitting in equity to determine a course of action that they find to be the most prudent and equitable. Sec. & Exch. Comm’n v. Byers, 637 F. Supp. 2d 166, 168 (S.D.N.Y. 2009).

“[A] district court’s power to supervise an equity receivership and to determine the appropriate action to be taken in the administration of the receivership is extremely broad . . . [and]

the district court has broad powers and wide discretion to determine the appropriate relief in an equity receivership.” Sec. & Exch. Comm’n v. Capital Consultants, LLC, 397 F.3d 733, 750 (9th Cir. 2005); *see also*, Sec. & Exch. Comm’n v. Elliott, 953 F.2d 1560, 1566 (11th Cir. 1992); McFarland v. Winnebago South, Inc., 863 F. Supp. 1025, 1034 (W.D. Mo. 1994) (“A federal district court presiding over an equity receivership has extremely broad power to supervise the receivership and protect receivership assets”); Sec. & Exch. Comm’n v. Lincoln Thrift Ass’n, 577 F.2d 600, 606 (9th Cir. 1978) (“The district court has broad powers and wide discretion to determine the appropriate relief in an equity receivership.”). “As equitable theories govern distribution plans in S.E.C. receiverships, [the claimant’s] status as an insider whose actions furthered the fraud [may] defeat his claim.” Sec. & Exch. Comm’n v. Aquacell Batteries, Inc., No. 6:07-cv-608-Orl-22DAB, 2009 WL 1854671, at *2 (M.D. Fla. June 29, 2009); *see also*, Sec. & Exch. Comm’n v. Pension Fund of Am. L.C., 377 Fed. Appx. 957, 963 (11th Cir. 2010)).

LEGAL ARGUMENT

The Receiver essentially seeks to equitably subordinate the Rosenbergs’ claims to avoid payment of any amounts to them out of the estate. Subordination, BLACK’S LAW DICTIONARY (11th ed. 2019) (“A court’s act of lowering a claim’s priority for the purposes of equity, esp[ecially] when the claimant engaged in unfair conduct toward junior claimants.”). “The principles of equitable subordination are also applicable in receiverships.” S.E.C. v. Spongetech Delivery Sys., Inc., 98 F. Supp. 3d 530, 551 (E.D. N.Y. 2015) (*citing* S.E.C. v. Am. Bd. of Trade, 719 F.Supp. 186, 195–96 (S.D.N.Y.1989) *aff’d*, 932 F.2d 957 (2d Cir. 1991) (table); *See also*, Norwest Bank Wis. Nat. Ass’n v. The Malachi Corp., Inc., No. 99–CV–40146, 2009 WL 5217660, at *2 (E.D. Mich. Dec. 30, 2009)).

Notably, the Eleventh Circuit has “analyzed the question before [the Court] through the lens of [the Court’s] bankruptcy decisions” in S.E.C. receivership actions, stating that “a primary purpose of both receivership and bankruptcy proceedings is to promote the efficient and orderly administration of estates for the benefit of creditors.” Sec. & Exch. Comm’n v. Wells Fargo Bank, N.A., 848 F.3d 1339, 1344 (11th Cir. 2017) (citing S.E.C. v. Elliott, 953 F.2d 1560, 1572–73 (11th Cir. 1992)). Such bankruptcy case law establishes a burden on the moving party, here the Receiver, to make a showing of a substantial basis for equitably subordinating a claim. S.E.C. v. Spongetech Delivery Sys., Inc., 98 F. Supp. 3d 530, 553–54 (E.D.N.Y. 2015) (quoting In re 80 Nassau Assocs., 169 B.R. at 832, 839 n.5 (Bankr. S.D.N.Y. 1994)) (further citations omitted) (A party seeking equitable subordination must show “a substantial basis to support the charge of unfairness.”). Here, there has been no evidence presented by the Receiver to date, which supports any basis for subordinating the Rosenbergs’ claims against the estate.

I. The burden of proof rests with the Receiver to show that the Rosenbergs are allegedly insiders.

The Rosenbergs file this Objection without the benefit of any knowledge as to what materials the Receiver, the SEC and/or or the U.S. Attorney may present as evidence supporting the Receiver’s initial determination that the Rosenbergs are purportedly insiders. This conundrum effectively shifts the burden of proof to the Rosenbergs, which requires them to disprove a negative – that they indeed are not insiders of Churchville.¹ Here, the Receiver should have been required to provide evidence supporting his determination that the Rosenbergs are purportedly “insiders,”

¹ Such inability to understand the factual basis for the Receiver’s initial determination that the Rosenbergs are insiders may also raise due process concerns. S.E.C. v. Elliott, 953 F.2d 1560, 1572 (11th Cir. 1992). Here, initially the Rosenbergs are only capable of submitting affidavits stating they are not insiders. There is no way to submit evidence to dispute the SEC, U.S. Attorney, and the Receiver’s evidence until the Receiver actually submits his response to their Objection.

prior to the Rosenbergs' submitting their objection. In any event, given the present posture of these proceedings, the Rosenbergs hereby object to the Receiver's determination they are insiders.

In bankruptcy law – to which a District Court may look for guidance in SEC receivership proceedings – it is clear that the receiver or trustee bears the burden of proof as to “insider” status: “If the claimant is an insider, the proponent of equitable subordination has the initial burden of presenting evidence of unfair conduct by a preponderance of the evidence.” In re Kreisler, 331 B.R. 364, 382 (Bankr. N.D. Ill. 2005), aff'd, 352 B.R. 671 (N.D. Ill. 2006), rev'd and remanded, 546 F.3d 863 (7th Cir. 2008) (further citations omitted). “The three traditional factors for determining whether equitable subordination is appropriate [are]: (1) whether the creditor engaged in inequitable conduct; (2) whether the conduct resulted in injury to other creditors or an unfair advantage for the claimant; and (3) whether subordination of the debt would be inconsistent with other Bankruptcy Code provisions.” In re Auto. Professionals, Inc., 398 B.R. 256, 259 (Bankr. N.D. Ill. 2008) (*citing* In re Kreisler, 331 B.R. at 382)).

Here, the Receiver should have the burden of proving the Rosenbergs were “insiders” with respect to Churchville.² In trying to prepare their Objection, the Rosenbergs have requested from the Receiver any documents and information supporting the Receiver's claim by letter to the Receiver dated May 4, 2020 and through a *Subpoena Duces Tecum* to the Receiver served electronically on May 21, 2020. The Rosenbergs also sent letters to counsel for the SEC and the U.S. Attorney on May 12, 2020, requesting documents in their possession regarding the Rosenbergs. The Rosenbergs received no materials in response thereto. The Rosenbergs then

² This Court sits with broad equitable powers to fashion equitable remedies in this receivership action. Capital Consultants, LLC, 397 F.3d at 750. The Rosenbergs assume that the Receiver will respond to their objection with evidence to support his determination. However, this Court should apply the bankruptcy case law holding that the Receiver has the initial burden, and that he has failed to meet this burden.

issued *Subpoenas Duces Tecum* to the SEC and the U.S. Attorney on May 21, 2020 electronically. The SEC's counsel provided a written response on June 10, 2020, refusing to produce documents. The U.S. Attorney sent a similar letter on June 12, 2020.

Clearly, the Rosenbergs, through counsel, have not sat idly by as the deadline for filing of this Objection neared. Instead, the Rosenbergs attempted diligently to elicit any relevant materials from the Receiver, the SEC and/or the U.S. Attorney that could support the Receiver's determination, in order to respond herein. No documentation supporting the insider determination has been provided or produced by the Receiver or by any person or entity working with him.

For these reasons, the Rosenbergs are left without any understanding as to the basis for the Receiver's determination, other than the fact that they are the parents of Jonathan E. Rosenberg, who pled guilty to certain financial crimes in the District of Maryland. Indeed, in the absence of specific identifiable facts consistent with the case law cited herein, the mere existence of their familial relationship with Jonathan E. Rosenberg (who is not a Respondent in this case) by itself is not enough to conclude that the Rosenbergs are "insiders."

II. The mere fact that the Rosenbergs are the parents of Jonathan E. Rosenberg, a non-party to this matter, does not automatically establish that they are insiders.

It has generally been observed by many cultures for centuries that the sins or iniquities of one generation shall not pass to another. *See e.g., Deuteronomy 24:16* ("The fathers shall not be put to death for the children, neither shall the children be put to death for the fathers."). Here, however, the Receiver seeks to "visit" the sins of Jonathan E. Rosenberg, a non-party to this action, upon his parents, to bar their recovery from the receivership estate. The Receiver's definition of insider in this case provides that: if there is a familial relationship between any claimant and Jonathan E. Rosenberg, those claimants are *per se* deemed to be insiders. However, the Receiver makes no showing that anything more than the familial relationship with a non-Respondent makes

the Rosenbergs insiders of Churchville, with no evidence that the Rosenbergs have acted inequitably. Thus, the Court should not classify them as such.

The First Circuit Court of Appeals has adopted the test set forth in In re Mobile Steel Co., 563 F.2d 692, 703 (5th Cir. 1997), which requires proof that “(i) [t]he claimant must have engaged in some type of inequitable conduct[;] (ii) [t]he misconduct must have resulted in injury to the creditors of the bankrupt or conferred an unfair advantage on the claimant[; and] (iii) [e]quitable subordination of the claim must not be inconsistent with the provisions of the Bankruptcy Act” in order to equitably subordinate a claim. In re 604 Columbus Ave. Realty Tr., 968 F.2d 1332, 1353 (1st Cir. 1992). “While the burden of proof on the movant is less demanding when the respondent is an insider . . . it is axiomatic that [i]nsider status alone . . . is insufficient to warrant subordination.” In re HH Liquidation, LLC, 590 B.R. 211, 298 (Bankr. D. Del. 2018) (internal quotations and citations omitted). “First, the party seeking equitable subordination must show that there was some unfair conduct, and a degree of culpability, on the part of the insider.” Virginia Broadband, LLC v. Manuel, 538 B.R. 253, 264 (W.D. Va. 2015) (internal quotations and citations omitted).

Here, the Receiver has made no allegations or factual assertions that the Rosenbergs have acted in any way as insiders. Nor are there any assertions at this time that the Rosenbergs have “engaged in some type of inequitable conduct.” *See* In re 604 Columbus Ave. Realty Tr., 968 F.2d at 1353. Further, there are no allegations that the Rosenbergs either injured other claimants in this matter, or had an unfair advantage over other claimants. *See id.* In fact, there is no evidence that the Rosenbergs have any culpability whatsoever. It is noteworthy that the Rosenbergs have never been interviewed or contacted by the Receiver, the SEC, the Department of Justice, or by any other federal agency relative to Churchville or this matter. Aff. at ¶ 23.

While certain circumstances may arise in SEC receiverships when “sometimes the sins of the child are visited upon the father, and even the mother” under the law, S.E.C. v. Andrescu, 117 F. App’x 160, 161 (2d Cir. 2004), there is no familial relationship *between the Rosenbergs and Churchville*. The only familial relationship is with Jonathan E. Rosenberg, an individual who is not a party to this matter. There simply is no cognizable basis to visit the sins of Jonathan E. Rosenberg on his parents in an action in which he is neither a party nor a Respondent.

The Receiver has not presented any evidence that the Rosenbergs are “insiders” as to Churchville’s fraud. They did not participate in any way in his schemes. The Rosenbergs do not recall receiving any distributions from any of their investments with Churchville. They collectively invested \$1,666,009.00 with Churchville and have not gotten their money back. For these reasons, the Rosenbergs should not be considered insiders and therefore, should not be subject to equitable subordination. This Court should order the Receiver to treat the Rosenbergs equally with the other claimants of the subject receivership estate.

CONCLUSION

WHEREFORE, the Rosenbergs object to the Receiver’s determination that they are both insiders. The Receiver has not made a showing of a “substantial basis” for his initial determination that the Rosenbergs’ familial relationship with Jonathan E. Rosenberg makes them both insiders of Churchville. Further, there has been no showing of “inequitable conduct” by the Rosenbergs that would permit the subordination of their claims. For these reasons, this Court should deem the Rosenbergs as non-insider claimants entitled to distributions from the receivership estate in accord with that which any other blameless claimants would receive.

Dated: June 18, 2020

Respectfully submitted,

**LINDA ROSENBERG, individually, and
as the Executrix of the ESTATE OF S.
MICHAEL ROSENBERG,**

By and through her attorneys,

/s/ Randall L. Souza
Randall L. Souza, Esq. (#4082)
Michael A. Kelly, Esq. (#2116)
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128 Dorrance Street, Suite 300
Providence, RI 02903
Tel. 401.490.7334 | Fax 401.490.7874
mkelly@ksrplaw.com
rsouza@ksrplaw.com

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of June, 2020, I electronically filed this *Objection to Receiver's Designation as Insider* in this case with the Clerk of this Court using the CM/ECF System and that notice will be sent electronically to all counsel who are registered participants identified on the Mailing Information for Case No. 15-cv-00191-S-LDA.

/s/ Randall L. Souza

**UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

vs.

Case No. 15-CV-00191-S-LDA

**PATRICK CHURCHVILLE; and
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.

AFFIDAVIT OF LINDA ROSENBERG

I, Linda Rosenberg, hereby depose and state under oath as follows:

1. I am a resident of New Jersey. I am over the age of 21. Unless otherwise stated, the statements made herein are based upon my personal knowledge and/or records obtained by me or my counsel.

2. I recall meeting Patrick Churchville only once; it occurred about six or seven years ago in New York City. I was at lunch at the Capital Grille in Manhattan, when I was introduced to Mr. Churchville who was sitting at another table with a group of 8 or 9 people. I chatted with Mr. Churchville for about 5-10 minutes.

3. I have no recollection of my late husband, S. Michael Rosenberg (*hereinafter*, "Michael"), ever meeting Patrick Churchville.

4. Michael passed away on February 25, 2019. I am the Executrix of his Estate.

5. I do not recall ever communicating with Patrick Churchville other than the one meeting in New York City, referenced in paragraph 2 above. I never spoke with him on the phone.

6. I do not recall Michael ever communicating with Patrick Churchville.

7. For several years prior to 2008, my financial advisor was a woman named Nina Hakim at Merrill Lynch. In 2008, Ms. Haskim became semi-retired, and Michael and I were looking for a new investment advisor.

8. On our son's recommendation, I invested with Patrick Churchville and ClearPath Wealth Management, LLC, in the approximate total net amount of \$841,820.00. See the spreadsheet attached hereto as **Exhibit A**.

9. On November 10, 2009, Patrick Churchville, on ClearPath Wealth Management, LLC letterhead, confirmed that I had assets at ClearPath Wealth Management with a value as of November 1, 2009 of \$857,485.96. A true and correct copy of Churchville's letter is attached hereto as **Exhibit B**.

10. To the best of my recollection, I did not receive any distributions or make any withdrawals from my accounts with Patrick Churchville and ClearPath Wealth Management, LLC.

11. Michael invested with Patrick Churchville and ClearPath Wealth Management, LLC in the approximate total net amount of \$824,189.00. See **Exhibit A**.

12. To the best of my recollection, Michael did not receive any distributions or make any withdrawals from his accounts with Patrick Churchville and ClearPath Wealth Management, LLC.

13. On November 10, 2009, Patrick Churchville, on ClearPath Wealth Management, LLC letterhead, confirmed that Michael had assets at ClearPath Wealth Management with a value as of November 1, 2009 of \$830,991.09. See **Exhibit B**.

14. At all times prior to the United States Attorney for the District of Rhode Island bringing charges against Patrick Churchville, I did not have knowledge that ClearPath Wealth Management, LLC or Patrick Churchville was involved in a Ponzi scheme or any other financial crimes.

15. At all times prior to the United States Attorney for the District of Rhode Island bringing charges against Patrick Churchville, I do not believe Michael had any knowledge that ClearPath Wealth Management, LLC or Patrick Churchville was involved in a Ponzi scheme or any other financial crimes.

16. I have no knowledge of any relationship or agreement between Patrick Churchville and my son, Jonathan Rosenberg, regarding Churchville's Ponzi scheme or any other fraudulent activities.

17. To the best of my knowledge, Michael had no knowledge of any relationship or agreement between Patrick Churchville and our son, Jonathan Rosenberg.

18. I did not recommend investing with Patrick Churchville or ClearPath Wealth Management, LLC to any individuals.

19. To the best of my knowledge, Michael did not recommend investing with Patrick Churchville or ClearPath Wealth Management, LLC to any individuals.

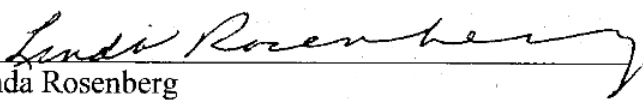
20. At all times I believed that Patrick Churchville was a registered investment advisor. Michael and I completed and signed investment disclosure forms for ClearPath Wealth Management, LLC.

21. Periodically, I would receive statements from ClearPath Wealth Management, LLC that were sent to Rosenberg & Associates, Inc., 425 Eagle Rock Avenue, Roseland, New Jersey 07052.

22. The Receiver, Stephen DelSesto, Esq. never spoke to Michael or I about this matter, nor did he return my numerous telephone calls. Occasionally, Mr. DelSesto's paralegal (Julie) would call me back but she never provided information as to how Michael and I could get back the money we invested and lost with Patrick Churchville.

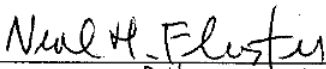
23. Neither Michael or were interviewed or contacted by anyone from the government regarding ClearPath Wealth Management, LLC and/or Patrick Churchville – not the Securities and Exchange Commission, the Federal Bureau of Investigation, the Department of Justice, the U.S. Attorney's Office or any other federal agency.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY ON THIS 18th DAY OF JUNE, 2020.


Linda Rosenberg

State of New Jersey :
County of Morris :

In Florham Park, New Jersey, on this 18th day of June, 2020, before me personally appeared Linda Rosenberg, to me known and known by me to be the party executing the foregoing instrument, and who acknowledged said instrument by her so executed to be true and correct and her free act and deed.


Notary Public Attorney at Law State
of New Jersey
Print Name: Neal H. Fluster

My Commission Expires: N/A

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 18th day of June, 2020, I filed and served the within *Affidavit of Linda Rosenberg* in this case with the Clerk of this Court using the CM/ECF System and that notice will be sent electronically to all counsel who are registered participants identified on the Mailing Information for Case No. 15-cv-00191-S-LDA.

/s/ Sarah Desroches

Legal Assistant

Kelly, Souza, Rocha and Parmenter, PC

Exhibit A

Linda	Acct #	ACCT TYPE	FUND	Date Purchased	SERIES	Net Initial Investment	Updated Value
ROSENBERG, LINDA	674-564249	IRA	CPPE	7/1/2008	Alpha	\$ 4,000.00	\$ 4,039.88
ROSENBERG, LINDA	674-564249	IRA	CPPE	5/6/2009	Mu	\$ 49,000.00	\$ 49,299.29
ROSENBERG, LINDA	674-564249	IRA	CPPE	02/12/09	Zeta	\$ 131,320.00	\$ 134,119.07
ROSENBERG, LINDA	674-564249	IRA	CPPE	03/31/09	Eta	\$ 171,500.00	\$ 171,752.98
ROSENBERG, LINDA	674-564249	IRA	CPHCR	10/1/2009	Omicrom	\$ 490,000.00	\$ 490,026.43
Total - Linda IRA						\$ 845,820.00	\$ 849,237.65

Michael	Acct #	ACCT TYPE	FUND	Date Purchased	SERIES	Net Initial Investment	Updated Value
ROSENBERG, M	674-506869	IRA	CPPE	03/31/09	Eta	\$ 171,500.00	\$ 171,752.98
ROSENBERG, M	674-506869	IRA	CPPE	5/6/2009	Mu	\$ 147,000.00	\$ 147,897.87
ROSENBERG, M	674-506869	IRA	CPPE	02/12/09	Zeta	\$ 505,680.00	\$ 516,458.52
Total - Michael IRA						\$ 824,180.00	\$ 836,109.37

Exhibit B

Patrick Churchville
 President
 (410)455-3794 (direct)
 (877)455-3794 (toll free)
 (866)422-3245 (fax)
 pchurchville@clearpathwealth.com



November 10, 2009

To whom it may concern,

I am writing to confirm that as of November 10, 2009, Michael & Linda Rosenberg have assets at ClearPath Wealth Management with values as follows:

Linda Rosenberg IRA

Account Name	Investment Name	Acct Number	Account Type	11/1/2009 Value
Rosenberg, Linda IRA	IPI - Mu	674-564249	IRA	\$ 50,000.00
Rosenberg, Linda IRA	IPI - Eta	674-564249	IRA	\$ 175,000.00
Rosenberg, Linda IRA	IPI - Zeta	674-564249	IRA	\$ 131,320.00
Rosenberg, Linda IRA	IPI - Omicrom	674-564249	IRA	\$ 500,000.00
Rosenberg, Linda IRA	Cash	674-564249	IRA	\$ 1,165.96
TOTAL				\$ 857,485.96

S. Michael Rosenberg IRA

Account Name	Investment Name	Acct Number	Account Type	11/1/2009 Value
Rosenberg, Michael IRA	IPI - Mu	674-506869	IRA	\$ 150,000.00
Rosenberg, Michael IRA	IPI - Eta	674-506869	IRA	\$ 175,000.00
Rosenberg, Michael IRA	IPI - Zeta	674-506869	IRA	\$ 505,680.00
Rosenberg, Michael IRA	Cash	674-564249	IRA	\$ 311.09
TOTAL				\$ 830,991.09

Please call or email me with any questions or to confirm,

Best Regards,

Patrick E. Churchville
 President
CLEARPATH WEALTH MANAGEMENT
 170 Westminster Street - 9th Floor
 Providence, RI 02903
 Direct 401-455-3794 (ext 101)
 Toll Free 877-455-3794 (ext 101)
 Fax 866-422-3245