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STANDARDIZED FUND ACCOUNTING REPORT

CIVIL - RECEIVERSHIP FUND

Consolidated Founding Partners Entities¹
Civil Court Docket No. 2:09-cv-229-FtM-29SPC

Reporting Period 10/01/18 to 12/31/18

Note 1: Founding Partners Capital Management, Co. ("FPCMC"), Founding Partners Stable-Value Fund, LP ("SVF"), Founding Partners Stable-Value Fund II, LP ("SVFII"), and Founding Partners Hybrid-Value Fund, LP ("HVF") have been consolidated and are collectively referred to in this report as the "Consolidated Founding Partners Entities."

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
Receivership; Civil Court Docket No. 2:09-cv-229-FtM-29SPC
Reporting Period 10/01/18 to 12/31/18

| FUND ACCOUNTING (See Instructions): | | | | |
|-------------------------------------|----------------------------------------------------------------------------|-----------|--------------|-----------------|
| | | Detail | Subtotal | Grand Total |
| Line 1 | Beginning Balance (As of 10/01/2018): (See Schedule 1.1) | | | \$ 3,555,049.92 |
| | <i>Increases in Fund Balance:</i> | | | |
| Line 2 | Business Income | | | |
| Line 3 | Cash and Securities | - | | |
| Line 4 | Interest / Dividend Income (See Schedule 4.1) | 8,500.15 | | |
| Line 5 | Business Asset Liquidation (See Schedule 5.1) | - | | |
| Line 6 | Personal Asset Liquidation | | | |
| Line 7 | Third-Party Litigation Income | 11,000.00 | | |
| Line 8 | Miscellaneous - Other | - | | |
| | Total Funds Available (Lines 1-8) | | \$ 19,500.15 | \$ 3,574,550.07 |
| | <i>Decreases in Fund Balance:</i> | | | |
| Line 9 | Disbursements to Investors | | | |
| Line 10 | Disbursements for Receivership Operations (See Schedule 10.1) ² | | | |
| Line 10a | Disbursements to Professionals | - | | |
| Line 10b | Business Asset Expenses | - | | |
| Line 10c | Personal Asset Expenses | | | |
| Line 10d | Investment Expenses | - | | |
| Line 10e | Third-Party Litigation Expenses | | | |
| | 1. Attorney Fees | - | | |
| | 2. Litigation Expenses | 17,597.04 | | |
| | Total Third-Party Litigation Expenses | 17,597.04 | | |
| Line 10f | Tax Administrator Fees and Bonds | | | |
| Line 10g | Federal and State Tax Payments | - | | |
| | Total Disbursements for Receivership Operations | | \$ 17,597.04 | |
| Line 11 | Disbursements for Distribution Expenses Paid by the Fund: | | | |
| Line 11a | Distribution Plan Development Expenses: | | | |
| | 1. Fees: | | | |
| | Fund Administrator | | | |
| | Independent Distribution Consultant (IDC) | | | |
| | Distribution Agent | | | |
| | Consultants | | | |
| | Legal Advisers | | | |
| | Tax Advisers | | | |
| | 2. Administrative Expenses | | | |
| | 3. Miscellaneous | | | |
| | Total Plan Development Expenses | | | |
| Line 11b | Distribution Plan Implementation Expenses: | | | |
| | 1. Fees: | | | |
| | Fund Administrator | | | |
| | IDC | | | |
| | Distribution Agent | | | |
| | Consultants | | | |
| | Legal Advisers | | | |
| | Tax Advisers | | | |
| | 2. Administrative Expenses | | | |
| | 3. Investor Identification: | | | |
| | Notice / Publishing Approved Plan | | | |
| | Claimant Identification | | | |
| | Claims Processing | | | |
| | Web Site Maintenance / Call Center | | | |
| | 4. Fund Administrator Bond | | | |
| | 5. Miscellaneous | | | |
| | 6. Federal Account for Investor Restitution (FAIR) Reporting Expenses | | | |
| | Total Plan Implementation Expenses | | | |
| | Total Disbursements for Distribution Expenses Paid by the Fund | | - | |
| Line 12 | Disbursements to Court / Other: | | | |
| Line 12a | Investment Expenses / Court Registry Investment System (CRIS) Fees | | | |
| Line 12b | Federal Tax Payments | | | |
| | Total Disbursements to Court / Other: | | | |
| | Total Funds Disbursed (Lines 9-11) | | | \$ 17,597.04 |
| Line 13 | Ending Balance (As of 12/31/2018): (See Schedule 13.1) | | | \$ 3,556,953.03 |

Note 2: Transfers between accounts of the consolidated entities on this report are not included in the schedules contained herein.

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
Receivership; Civil Court Docket No. 2:09-cv-229-FtM-29SPC
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| | | Detail | Subtotal | Grand Total |
|----------|--------------------------------------------------|--------|----------|------------------------|
| Line 14 | Ending Balance of Fund - Net Assets | | | |
| Line 14a | <i>Cash & Cash Equivalents</i> | | | \$ 3,556,953.03 |
| Line 14b | <i>Investments</i> | | | |
| Line 14c | <i>Other Assets or Uncleared Funds</i> | | | |
| | Total Ending Balance of Fund - Net Assets | | | \$ 3,556,953.03 |

| 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: | | | |
| | Fund Administrator | | | |
| | IDC | | | |
| | Distribution Agent | | | |
| | Consultants | | | |
| | Legal Advisers | | | |
| | Tax Advisers | | | |
| | 2. Administrative Expenses | | | |
| | 3. Miscellaneous | | | |
| | <i>Total Plan Development Expenses Not Paid by the Fund</i> | | | |
| Line 15b | <i>Plan Implementation Expenses Not Paid by the Fund:</i> | | | |
| | 1. Fees: | | | |
| | Fund Administrator | | | |
| | IDC | | | |
| | Distribution Agent | | | |
| | Consultants | | | |
| | Legal Advisers | | | |
| | Tax Advisers | | | |
| | 2. Administrative Expenses | | | |
| | 3. Investor Identification: | | | |
| | Notice / Publishing Approved Plan | | | |
| | Claimant Identification | | | |
| | Claims Processing | | | |
| | Web Site Maintenance / Call Center | | | |
| | 4. Fund Administrator Bond | | | |
| | 5. Miscellaneous | | | |
| | 6. Federal Account for Investor Restitution | | | |
| | (FAIR) Reporting Expenses | | | |
| | <i>Total Plan Implementation Expenses Not Paid by the Fund</i> | | | |
| Line 15c | <i>Tax Administrator Fees & Bonds Not Paid by the Fund</i> | | | |
| | Total Disbursements for Plan Administration Expenses Not Paid by the Fund | | | |
| Line 16 | Disbursements to Court / Other Not Paid by the Fund: | | | |
| Line 16a | <i>Investment Expenses / CRIS Fees</i> | | | |
| Line 16b | <i>Federal Tax Payments</i> | | | |
| | Total Disbursements for to Court / Other Not Paid by the Fund: | | | |
| | | | | |
| Line 17 | DC & State Tax Payments | | | |
| Line 18 | No. of Claims ³ | | | |
| Line 18a | # of Claims Received This Reporting Period | | | |
| Line 18b | # of Claims Received Since Inception of Fund | | | 215 |
| Line 19 | No. of Claimants / Investors | | | |
| Line 19a | # of Claimants / Investors Paid This Reporting Period | | | |
| Line 19b | # of Claimants / Investors Paid Since Inception of Fund | | | |

Note 3: "Claims" refers to Proof of Claims submitted in response to the Receiver's Amended Motion to Approve Claims Process [D.E. 338] and the Court Order approving same [D.E. 349].

Receiver:

By:

(signature)

(printed name)

(title)

Date:

SCHEDULE 1.1

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
Receivership; Civil Court Docket No. 2:09-cv-229-FtM-29SPC
Reporting Period 10/01/18 to 12/31/18

DETAIL OF LINE 1, BEGINNING BALANCE

| Entity | Bank Name | Account Number | As of Date | Balance |
|------------------------------------------|-------------------|----------------|------------|------------------------|
| Founding Partners Capital Management Co. | Citi Private Bank | 9118148273 | 10/1/2018 | \$ 5,892.19 |
| Founding Partners Capital Management Co. | Citi Private Bank | 9135068309 | 10/1/2018 | 41,939.46 |
| Hybrid Value Fund | Citi Private Bank | 9135069476 | 10/1/2018 | 1,837,905.08 |
| Stable Value Fund | Citi Private Bank | 9135069434 | 10/1/2018 | 57,732.00 |
| Stable Value Fund II | Citi Private Bank | 9135069463 | 10/1/2018 | 1,611,581.19 |
| | | | | <u>\$ 3,555,049.92</u> |

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| Date | Bank Name | Account Name | Account Number | Ref | Payee | Purpose | Amount |
|------------|-------------------|--------------|----------------|---------|------------------------------------------|-----------------|-------------|
| 10/31/2018 | Citi Private Bank | FPCMC | 9135068309 | Deposit | Founding Partners Capital Management Co. | Interest Income | \$ 29.41 |
| 11/30/2018 | Citi Private Bank | FPCMC | 9135068309 | Deposit | Founding Partners Capital Management Co. | Interest Income | 24.45 |
| 12/31/2018 | Citi Private Bank | FPCMC | 9135068309 | Deposit | Founding Partners Capital Management Co. | Interest Income | 22.76 |
| 1/29/1900 | Citi Private Bank | HVF | 9135069476 | Deposit | Hybrid Value Fund | Interest Income | 1,483.49 |
| 1/24/1900 | Citi Private Bank | HVF | 9135069476 | Deposit | Hybrid Value Fund | Interest Income | 1,436.78 |
| 1/22/1900 | Citi Private Bank | HVF | 9135069476 | Deposit | Hybrid Value Fund | Interest Income | 1,485.85 |
| 10/31/2018 | Citi Private Bank | SVF | 9135069434 | Deposit | Stable Value Fund | Interest Income | 1,300.81 |
| 11/30/2018 | Citi Private Bank | SVF | 9135069434 | Deposit | Stable Value Fund | Interest Income | 1,266.44 |
| 12/31/2018 | Citi Private Bank | SVF | 9135069434 | Deposit | Stable Value Fund | Interest Income | 1,311.76 |
| 10/31/2018 | Citi Private Bank | SVF II | 9135069463 | Deposit | Stable Value Fund II | Interest Income | 46.60 |
| 11/30/2018 | Citi Private Bank | SVF II | 9135069463 | Deposit | Stable Value Fund II | Interest Income | 45.13 |
| 12/31/2018 | Citi Private Bank | SVF II | 9135069463 | Deposit | Stable Value Fund II | Interest Income | 46.67 |
| | | | | | | | \$ 8,500.15 |

SCHEDULE 7.1

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
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DETAIL OF LINE 7, THIRD-PARTY LITIGATION

| Date | Bank Name | Account Name | Account Number | Ref | Payor | Purpose | Amount |
|-----------|-------------------|--------------|----------------|---------|-------------------|--------------------------------------------------------------------|---------------------|
| 11/7/2018 | Citi Private Bank | SVF | 9135069434 | Deposit | Beus Gilbert PLLC | Overpayment refund for American Arbitration Association filing fee | \$ 11,000.00 |
| | | | | | | | <u>\$ 11,000.00</u> |

Note 3: Refund for \$11,000 was issued for over-payment of the American Arbitration Association filing fee for the arbitration filed against Ernst & Young .

SCHEDULE 10.1

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
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DETAIL OF LINE 10a, DISBURSEMENTS TO PROFESSIONALS

| Date | Bank Name | Account Name | Account Number | Ref/ Chk # | Payee | Purpose | Amount |
|------|-----------|--------------|----------------|------------|-------|---------|--------|
|------|-----------|--------------|----------------|------------|-------|---------|--------|

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DETAIL OF LINE 10b, BUSINESS ASSET EXPENSES

| Date | Bank Name | Account Name | Account Number | Ref/ Chk # | Payee | Purpose | Amount |
|------|-----------|--------------|----------------|------------|-------|---------|--------|
|------|-----------|--------------|----------------|------------|-------|---------|--------|

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DETAIL OF LINE 10d, INVESTMENT EXPENSES

| Date | Bank Name | Account Name | Account Number | Ref/ Chk # | Payee | Purpose | Amount |
|------|-----------|--------------|----------------|------------|-------|---------|--------|
|------|-----------|--------------|----------------|------------|-------|---------|--------|

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DETAIL OF LINE 10e1, THIRD-PARTY LITIGATION EXPENSES - Attorney Fees

| Date | Bank Name | Account Name | Account Number | Ref/ Chk # | Payee | Purpose | Amount |
|------|-----------|--------------|----------------|------------|-------|---------|--------|
|------|-----------|--------------|----------------|------------|-------|---------|--------|

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DETAIL OF LINE 10e2, THIRD-PARTY LITIGATION EXPENSES - Litigation Expenses

| Date | Bank Name | Account Name | Account Number | Ref/ Chk # | Payee | Purpose | Amount |
|------|-----------|--------------|----------------|------------|-------|---------|--------|
|------|-----------|--------------|----------------|------------|-------|---------|--------|

| | | | | | | | |
|------------|-------------------|-------|------------|------|-------------------------------|-----------------------------|--------------|
| 10/16/2018 | Citi Private Bank | FPCMC | 9135068309 | 1061 | Innovative Service Technology | Data Processing and Storage | \$ 10,670.34 |
| 12/18/2018 | Citi Private Bank | FPCMC | 9135068309 | 1062 | Innovative Service Technology | Data Processing and Storage | 6,926.70 |

\$ 17,597.04

SCHEDULE 13.1

STANDARDIZED FUND ACCOUNTING REPORT for Consolidated Founding Partners Entities - Cash Basis
Receivership; Civil Court Docket No. 2:09-cv-229-FtM-29SPC
Reporting Period 10/01/18 to 12/31/18

DETAIL OF LINE 13, ENDING BALANCE

| Entity | Bank Name * | Account Number | As of Date | Balance |
|------------------------------------------|-------------------|----------------|------------|-----------------|
| Founding Partners Capital Management Co. | Citi Private Bank | 9118148273 | 12/31/2018 | \$ 5,892.19 |
| Founding Partners Capital Management Co. | Citi Private Bank | 9135068309 | 12/31/2018 | 24,419.04 |
| Hybrid Value Fund | Citi Private Bank | 9135069476 | 12/31/2018 | 1,842,311.20 |
| Stable Value Fund | Citi Private Bank | 9135069434 | 12/31/2018 | 57,870.40 |
| Stable Value Fund II | Citi Private Bank | 9135069463 | 12/31/2018 | 1,626,460.20 |
| | | | | <hr/> |
| | | | | \$ 3,556,953.03 |
| | | | | <hr/> |