



*Robert Sonnenschein, et. al. v. PVPE, L.L.C., et. al.*

*CV 2013-012420*

*Receivership Status Report*

*Of*

*Peter S. Davis*

*Court Appointed Receiver*

*June 15, 2016*

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## **1.0 Background**

On September 27, 2013, Lynne H. Anthony Revocable Trust dated 11/30/2001, Lynne H. Anthony as Trustee; Robert Sonnenschein, as an individual; Gerald R. Hale, as an individual; C. Scott Anthony, as an individual; Janie B. Hale, individually and as Trustee of Janie B. Hale Revocable Trust dated 11/4/1994; Carolyn Sue McMillon, as an individual; Larry McMillon, as an individual; James Stanley Powers, as an individual; and Patricia Ann Powers Trust, Patricia Ann Powers as Trustee (collectively the “Plaintiffs”) filed a Plaintiff’s Verified Complaint for Receivership (“Complaint”) against Palo Verde Capital, L.L.C., an Arizona limited liability company; PVPE, L.L.C., an Arizona limited liability company, Palo Verde Fund, L.P., a Delaware limited partnership; Palo Verde Private Equity Fund, L.P., a Delaware limited partnership; and Anthony R. Stacy, a married man (“Defendants”).

Plaintiffs alleged in both the Complaint and in the Amended Complaint (“Complaints”) for Receivership that they relied on and trusted Defendant Stacy as their investment advisor to properly manage monies entrusted to him, and that Defendant Stacy failed to do so.

## **2.0 Appointment of Receiver**

On October 9, 2013, Peter S. Davis (“Receiver”) of Simon Consulting, L.L.C. (“Simon”) was appointed Receiver over PVPE, L.L.C. (f.k.a. Palo Verde Capital, L.L.C., f.k.a. Paragon Capital Advisors, L.L.C.); Palo Verde Fund, L.P.; and Palo Verde Private Equity Fund, L.P., (collectively referred to throughout as “the Fund”) with full power of an equity receiver. The appointment of the Receiver was by stipulation of the Plaintiffs and Defendants. The Receivership Order requires the Receiver to, among other things, identify, locate, recover, take control of and liquidate the receivership assets.

## **3.0 Previous Reports**

The Receiver hereby incorporates the information contained in prior receivership reports in this report. The Receiver’s analyses are ongoing; therefore, information contained herein is preliminary and tentative, and subject to change.

## **4.0 Investor Committee**

Section 8(a) of the Order requires the formation of an Investor Committee consisting of representatives of the following five limited partners of the Funds: Craig Jackson Trust, C. Scott Anthony, Gerald R. Hale and Larry McMillon.

The Receiver is required to obtain Committee approval prior to employing any attorneys, accountants, contractors or other specialists in the administration of the receivership. The Receiver is also required to consult with and gain approval of the Committee prior to becoming involved with other actions or proceedings in state, federal or foreign courts. Further, the Receiver must obtain Committee approval prior to undertaking any forensic accounting activities relating to the Receivership Defendants, their accountants, auditors or other advisors/agents.

The Receiver continues to maintain regular communication with the investor committee, and updates individual investors as necessary. To date, the Receiver has conducted seven investor committee meetings, and continues to keep committee members apprised of events impacting the receivership.

## 5.0 Update on Asset Liquidation

The Receiver has successfully liquidated six assets to date: Empire Financial Services, L.L.C.; Acumen Energy Solutions, Inc.; Palo Properties, L.L.C.; Beesfree, Inc.; TCP-GBS I, L.L.C.; and AF-1, L.L.C. In addition, funds have been received from other investments for a variety of reasons. Recoveries to date, by investment, are detailed in Exhibit 1. The liquidation of Empire has not been finalized and is discussed in detail below. The other liquidations are final; therefore, a detailed summary is not included herein.

No material changes have occurred on the following investments since the February 10, 2016 Receiver's report:

- Aeromedical Collection Services
- TCP Peds Rehab (Sante)
- WP Bistro, L.L.C.
- Ice Now
- FF Arabian
- Palo Verde Energy
- Asian Investments
- TCP Apollo (a.k.a. Mach Speed)<sup>1</sup>
- TCP SuccessEd
- HPCG Hospital Investments, L.L.C.
- SDX Acquisition, LLC
- PV Capital, LLC

Updates on the remaining investments are detailed below.

## 5.1 Empire Financial Services of Tulsa, L.L.C.

The Receiver successfully liquidated the Fund's interest in Empire Financial Services of Tulsa, L.L.C. ("Empire") in July 2014 for a total of \$655,000. The purchaser paid \$400,000 in cash and a promissory note for the \$255,000 balance was executed ("the Note"). The terms of the note require monthly payments of principal and interest in the amount of \$3,135 beginning on December 15, 2014 and ending on October 15, 2017, when a balloon payment encompassing the remaining principal and interest is due. In addition, two balloon payments of \$50,000 each were due on March 15 and October 15, 2015, respectively. The purchaser paid \$50,000 on March 16, 2016 toward the payment of these past due balloon payments. The Receiver continues to work closely with the purchaser on collecting the remaining balance. The purchaser continues to make each monthly payment of \$3,135 within the deadlines specified in the Note.

The Receiver believes that the purchaser remains committed to raising the funds to satisfy their agreement. As previously reported that the purchaser is working to secure funding from its investor group to satisfy this obligation, as Empire is not generating enough free cash from business operations to make these payments.<sup>2</sup> The \$50,000 payment is evidence of partial success on this front.

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<sup>1</sup> In the fourth quarter of 2012 Mach Speed rebranded itself as Apollo Brands.

<sup>2</sup> January 31, 2016 Empire Finance, LLC financial statements.

Based on this, and the fact that the monthly payments are being made in a timely fashion, the Receiver will continue to work with the purchaser to resolve this issue. Late fees continue to accrue at \$5,000 per month.

The Receiver will act appropriately and in the Fund's best interest should circumstances change, and will keep the Court informed regarding the status of this issue.

## 5.2 **Acumen Energy Solutions, Inc.**

The Receiver was successful in liquidating two Acumen assets, including Acumen's energy management service, to Brightergy, LLC.<sup>3</sup> In consideration for this sale Acumen received a cash payment of \$350,000, a portion of which was paid directly to secured creditor CrossFirst bank to pay off Acumen's existing debt. In addition, the terms of the Asset Purchase Agreement ("APA") entitle Acumen to fifty percent of all retail commissions received by the purchaser until all contracts are complete. This percentage becomes effective after the purchaser has received \$600,000 in commissions.

The most recent analysis provided by Brightergy representatives in February 2016 shows that Brightergy received a total of \$744,442 in commissions through January 2016. The Receiver has not yet received payment from Brightergy of the approximately \$72,000 that was due to the Fund as of January 31, 2016. On June 9, 2016 the Receiver filed a *Receiver's Motion for Order to Compel Supply Side 1, LLC and Brightergy, LLC to Turnover to the Receiver Assets of Palo Verde Fund L.P. and Request for Attorney Fees* with the Superior Court. Brightergy requested additional time to respond to the motion, which the Receiver granted. The Receiver will keep the Court informed regarding the status of this issue.

## 6.0 **Potential Litigation Actions**

As detailed in the February 10, 2016 status report, the Receiver and counsel are analyzing and investigating potential causes of action of the receivership entities against any agents, professionals for, or fiduciaries of the Fund or the Fund's investments. A summary of the material developments of these areas is below.

1. **Arvest Bank Loan Guaranty's** – in February 2011 the Fund purchased from Arvest Bank a \$2.5M loan to American Energy Solutions, Inc. ("American"), becoming a secured creditor of American. This loan was included in the sale of American's assets to Acumen Energy Solutions, Inc. ("Acumen"). The loan was at one time or another personally guaranteed by five different individuals: Shawn Rash; Martin Carew; Gregory Elam; David Feingold; and Michael Moore. Further investigation by the Receiver revealed that in fact only two guarantors remain: Shawn Rash and Michael Moore. The loan was in default at the time the und purchased in, and a principal balance of \$1,956,979.57 was owed.

On February 24, 2016 the Receiver filed a petition in the District Court of Johnson County Kansas against Shawn Rash and Michael Moore for breach of contract with regard to the loan guarantees ("Breach of Contract Petition").

2. **Acumen Breach of Confidentiality** –In addition to the breach of contract claims against Shawn Rash and Michael Moore, the Receiver also included claims against Shawn Rash,

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<sup>3</sup> Sale of the second asset, Acumen's data management contracts, has been finalized. See the Receivers October 7, 2015 report for detail.

Troy Moran, Mike Grandstaff and Brian Walterbach in the Breach of Contract Petition filed in February 2016. Specifically, the complaint includes counts of Breach of Contract; Negligence; Interference with Contract/Business Expectancy; Conversion; and Defamation against these individuals. Interrogatories were submitted to these individuals in May 2016, and responses were received on June 15, 2016. The Receiver is working with Special Counsel on next steps in this litigation.

The Receiver will keep this Court apprised of further developments with respect to both of these actions.

**7.0 Receivership Accounting**

Details of the cash processed through the receivership bank account are attached hereto as Exhibit 2. The current balance of the receivership account is \$412,707.39 as of June 15, 2016.

**8.0 Receivership Fees and Expenses**

The receivership has incurred a total of \$52,355.80 in fees and expenses since the issuance of the February 10, 2016 status report. See Exhibit 3 for a detailed professional fee summary.

**9.0 Conclusion**

As noted previously, this report is preliminary and tentative, and subject to change. The Receiver's investigation is ongoing; future updates to the Court will reflect any changes or additions to the information contained herein.



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Peter S. Davis, Receiver

June 15, 2016

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Date

**Summary of Investment Income****Exhibit 1**

As of June 15, 2016

**Sale Proceeds**

<b>Investment</b>	<b>Amount Received</b>	<b>Description</b>
AF-1 Investments	\$ 50,000	Proceeds from sale of equity interest
Acumen	160,299	Proceeds from sale of energy management contracts
Bees Free	8,311	Procees from sale of stock
Empire Finance, LLC	510,804	Proceeds from asset sale
Palo Properties, LLC	176,476	Proceeds from asset sale
TCP-GBS I, LLC	310,743	Proceeds from asset sale
<b>Total Sale Proceeds</b>	<b>\$ 1,216,634</b>	

**Other Investment Receipts**

<b>Investment</b>	<b>Amount Received</b>	<b>Description</b>
Acumen Energy Solutions	\$ 84,352	Funds from Acumen bank account
HHI Investment	70,349	Debt repayment allocation
Palo Properties, LLC	27,922	Rent; proceeds from sale of furniture
SDX Acquisition, LLC	170,586	Distribution
TCP-GBS, LLC	22,455	Distribution
TCP-Mach Speed, LLC	15,064	Distribution
USDA Loan J-46	91,124	Monthly interest payments
<b>Total Other Receipts</b>	<b>\$ 481,853</b>	

**Total Income** \$ 1,698,487

Source: Receivership accounting records



**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Deposit	10/23/2013		Tony Stacy Initial Deposit	Deposit	75,000.00
Check	10/24/2013	4953	United States Treasury	45-1540577 Form 4506 Request	(100.00)
Check	10/24/2013	4954	United States Treasury	26-0832045 Form 4506 Request	(100.00)
Deposit	10/30/2013		Michael Nemeth	Rent	3,500.00
Check	10/30/2013	4955	Downtown Associates, LLC	Oct 2013 - Interest & Property Tax	(5,755.00)
Check	10/30/2013	4956	CamTechnologies, LLC	Invoice No. 3305 for server imaging	(567.79)
Deposit	11/08/2013		Colson Services Corp.	Interest Payment	6,587.64
Check	11/13/2013	1001	CamTechnologies, LLC	Invoice No. 3370 for website creation	(350.00)
Check	11/13/2013	1002	CamTechnologies, LLC	Invoice No. 3371 for email exports	(1,010.00)
Check	11/13/2013	1003	Downtown Associates, LLC	Nov 2013 - Interest & Property Tax	(5,755.00)
Check	11/15/2013	EFT	State Farm Insurance	20368 N 98th St - Property Insurance	(1,089.00)
Deposit	12/02/2013		Michael Nemeth	Rent	4,700.00
Check	12/02/2013	1005	CamTechnologies, LLC	Invoice No. 3387 for email exports	(3,675.00)
Check	12/02/2013	1006	CamTechnologies, LLC	Invoice Nos. 3450 & 3451 for website & domain	(140.00)
Deposit	12/03/2013		Colson Services Corp.	Interest payment	7,439.77
Deposit	12/03/2013		Michael Nemeth	Rent	3,900.00
Check	12/13/2013	1004	Downtown Associates, LLC	Dec 2013 - Interest & Property Tax	(5,755.00)
Check	12/17/2013	1007	CamTechnologies, LLC	VOID: Invoice Nos. 3410 GJE, RGJE created on 12/18/2013	-
Check	12/17/2013	1008	CamTechnologies, LLC	Invoice No. 3410	(3,675.00)
Check	12/17/2013	1009	CamTechnologies, LLC	Invoice No. 3436	(29.95)
Deposit	12/18/2013		Pre-Receivership Accts	Deposit	6.17
Deposit	12/19/2013		United States Treasury	Deposit	200.00
Deposit	01/02/2014		Colson Services Corp.	Interest payment	3,283.59
Check	01/03/2014	1010	CamTechnologies, LLC	Invoice No. 3464	(2,700.00)
Check	01/06/2014	1011	CamTechnologies, LLC	Invoice No. 3522	(29.95)
Deposit	01/08/2014		Michael Nemeth	Rent	3,900.00
Check	01/10/2014	1012	BizFilings	Inv 2023258	(16.95)
Check	01/16/2014	1013	Simon Consulting, LLC	Receiver fees-inception to Oct 31 2013	(27,291.43)
Check	01/16/2014	1014	Guttilla Murphy Anderson, PC	Receiver attorney fees-inception to Oct 31, 2013	(19,144.42)
Check	01/16/2014	1015	CamTechnologies, LLC	Invoice No. 3544	(125.00)
Check	01/21/2014	1016	BizFilings	Renewal of Stat Agent PV Fund LP	(133.60)
Check	01/21/2014	1017	VOID	VOID	-
Check	01/24/2014	1018	Downtown Associates, LLC	Jan 2014 - Interest & Property Tax	(5,755.00)
Deposit	01/29/2014		Colson Services Corp.	Interest payment	5,357.44
Check	01/30/2014	1020	Downtown Associates, LLC	Feb 2014 - Interest & Property Tax	(5,755.00)
Deposit	02/05/2014		Michael Nemeth	Rent	3,900.00
Check	02/05/2014	EFT	Chase Bank	Service Charge	(95.00)
Check	02/28/2014	1021	McKinnon	Appraisal Report-DC Ranch House	(500.00)
Check	02/28/2014	1022	Litgistix, LLC	Copies - PV Energy rpts from Forest Oil	(765.65)
Check	02/28/2014	1023	Xact Data	Scanning of Liccar accounting data	(3,320.55)
Check	02/28/2014	1024	CamTechnologies, LLC	Invoices 3576,3633 &3614	(2,307.45)
Deposit	03/04/2014		Wells Fargo Bank	Deposit	282.43
Deposit	03/05/2014		Michael Nemeth	Rent	3,900.00
Check	03/05/2014	EFT	Chase Bank	Service Charge	(95.00)
Deposit	03/14/2014		Chase Bank	Deposit	95.00
Deposit	03/14/2014		Chase Bank	Deposit	95.00
Check	03/24/2014	1025	Downtown Associates, LLC	March 2014 - Interest & Property Tax	(5,755.00)

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Deposit	04/01/2014		Colson Services Corp.	Interest Payment	9,503.98
Deposit	04/03/2014		Michael Nemeth	Rent	2,600.00
Check	04/11/2014	1026	CamTechnologies, LLC	Invoice 3786	(29.95)
Check	04/21/2014	1027	CamTechnologies, LLC	3803	(62.50)
Check	04/21/2014	EFT	APS	Deposit for electric service at property	(705.00)
Deposit	04/21/2014		TCP Group	Distribution	4,863.43
Check	04/22/2014	1028	Michael Nemeth	Return of Security Deposit - tenant vacated	(3,500.00)
Check	04/24/2014	1029	Downtown Associates, LLC	April 2014 - Interest & Property Tax	(5,755.00)
Deposit	04/24/2014		Colson Services Corp.	Interest payment	6,003.39
Deposit	04/24/2014		HPCG, LLC	Proceeds from investment	11,153.59
Check	05/05/2014	EFT	APS	Electric Service	(35.53)
Check	05/05/2014	1030	Southwest Gas	Utility deposit and monthly fee	(187.48)
Check	05/05/2014	1031	Buddy Barbera	Landscape & Pool maintenance-realtor reimbursement	(326.00)
Deposit	05/09/2014		SDX Acquisition, LLC	Distribution	92,519.00
Check	05/13/2014	1033	CamTechnologies, LLC	Invoice 3692	(29.95)
Check	05/14/2014	1032	CamTechnologies, LLC	Invoice 3872-remove Acumen doc from site	(31.25)
Check	05/15/2014	1034	CamTechnologies, LLC	Invoice 3855 - May web hosting/email	(29.95)
Check	05/16/2014	1035	Conner & Winters, LLP	November fees	(2,340.00)
Check	05/16/2014	1036	Gutilla Murphy Anderson, PC	November fees	(13,693.53)
Check	05/16/2014	1037	Simon Consulting, LLC	November fees	(43,822.02)
Check	05/23/2014	1038	Adobe Carpet Cleaning	Carpet Cleaning	(182.95)
Check	05/23/2014	1039	Downtown Associates, LLC	May 2014 - Interest & Property Tax	(5,755.00)
Check	05/27/2014	1040	Squeeky Kleen Windows	Window Cleaning Service	(320.00)
Check	05/27/2014	1041	Caddo Parish Clerk of Court	Aeromedical Collections Court Costs	(38.73)
Check	05/27/2014	1042	City of Scottsdale	Water/Sewer @ DC Ranch Property	(43.49)
Deposit	05/27/2014		Colson Services Corp.	Interest Payment	1,266.02
Check	06/06/2014	EFT	APS	Electric Service	(118.46)
Check	06/13/2014	1043	Litgistix, LLC	Copies - PV Energy rpts from Forest Oil	(267.95)
Check	06/13/2014	1044	CamTechnologies, LLC	Invoice 3924-June web hosting/email	(29.95)
Check	06/13/2014	1045	Southwest Gas	May Gas Fee	(28.11)
Check	06/24/2014	1046	Downtown Associates, LLC	June 2014 - Interest & Property Tax	(5,755.00)
Check	06/24/2014	1047	City of Scottsdale	Water/Sewer @ DC Ranch Property	(63.15)
Check	06/25/2014	EFT	APS	Electric Service	(246.14)
Deposit	06/25/2014		Colson Services Corp.	Interest Payment	6,459.64
Deposit	07/03/2014		HPCG, LLC	Deposit	22,307.18
Check	07/18/2014	1048	Southwest Gas	June Gas Fee	(25.74)
Check	07/18/2014	1049	CamTechnologies, LLC	Invoice 4013-July web hosting/email	(29.95)
Deposit	07/22/2014		Conterra Asset Management	Interest Payment	8,033.43
Check	07/25/2014	1050	Azure Blue Complete Pool Service	Pool Service at DC Ranch House	(138.00)
Check	07/25/2014	1051	City of Scottsdale	Water/Sewer @ DC Ranch Property	(61.28)
Check	07/25/2014	1052	Downtown Associates, LLC	July 2014 - Interest & Property Tax	(5,755.00)
Check	08/04/2014	1053	BizFilings	Renewal of Stat Agent PV Fund LP	(151.20)
Check	08/04/2014	1054	Southwest Gas	July Gas Fee	(24.39)
Check	08/07/2014	EFT	APS	Electric Service	(293.28)
Check	08/13/2014	1055	Whitsitt & Whitsitt	Retainer for Kansas Attorney - Ross lawsuit	(4,000.00)
Check	08/13/2014	1056	Marco's Crystal Clear Cleaning Service	Cleaning & Repair of DC Ranch Property	(1,325.00)
Check	08/13/2014	1057	VOID	VOID	-

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Check	08/13/2014	1058	Arizona Stairs	Downpayment - stair repair	(250.00)
Check	08/19/2014	1059	CamTechnologies, LLC	Invoice 4100	(29.95)
Check	08/19/2014	1060	Arizona Stairs	2nd Pmt - Stair Repair DC Ranch	(250.00)
Deposit	08/21/2014		Conterra Asset Management	Interest Payment	5,103.46
Check	08/25/2014	1062	Downtown Associates, LLC	Aug 2014 - Palo Properties	(5,755.00)
Check	08/25/2014	1063	Southwest Gas	July Water - Palo Properties	(63.07)
Check	08/25/2014	1064	CamTechnologies, LLC	Invoice 4127 - Website Update	(62.50)
Deposit	08/27/2014		Arena Football League	Deposit	50,000.00
Check	09/03/2014	1065	Southwest Bond Services	Bond Renewal AZ412047	(100.00)
Check	09/03/2014	1066	Azure Blue Complete Pool Service	August Pool Svc - DC Ranch	(140.00)
Check	09/04/2014	EFT	APS	Electric Service	(346.41)
Deposit	09/10/2014		CrossFirst Bank	Deposit	224,357.71
Check	09/18/2014	1067	Azure Blue Complete Pool Service	July Pool Svc - DC Ranch	(296.00)
Deposit	09/22/2014		TCP Group	Distribution	15,064.49
Deposit	09/23/2014		Conterra Asset Management	Interest Payment	5,262.72
Check	09/25/2014	1068	VOID	VOID	-
Check	09/25/2014	1069	CamTechnologies, LLC	Invoice 4127 - Website Update	(29.95)
Check	09/25/2014	1070	City of Scottsdale	Water/Sewer @ DC Ranch Property	(61.00)
Check	09/25/2014	1072	VOID	VOID	-
Check	09/28/2014	1073	Downtown Associates, LLC	Sept 2014 - Palo Properties	(5,755.00)
Check	10/03/2014	1074	AC by J	AC repair per sales agreement	(563.95)
Check	10/03/2014	EFT	APS	Electric Service	(492.50)
Check	10/03/2014	1075	Southwest Gas	Gas bill	(38.70)
Check	10/08/2014	1076	Arvest Bank	Balance Due on Note Purchase	(10,000.00)
Check	10/14/2014	EFT	Chase Bank	Service Charge	(17.50)
Check	10/15/2014	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	10/15/2014		Empire Finance, LLC	Proceeds from investment	200,000.00
Check	10/21/2014	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	10/21/2014		Empire Finance, LLC	Proceeds from investment	150,000.00
Check	10/22/2014	1077	CamTechnologies, LLC	Invoice 4288 - Website Update	(29.95)
Check	10/22/2014	1078	City of Scottsdale	Water/Sewer @ DC Ranch Property	(60.77)
Check	10/22/2014	1079	Azure Blue Complete Pool Service	Sept Pool Svc - DC Ranch	(126.00)
Check	10/22/2014	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	10/22/2014		Empire Finance, LLC	Proceeds from investment	50,000.00
Check	10/28/2014	1081	Flowing Wells Landscape & Pools	Pool/landscape repair per sales contract	(837.41)
Check	10/28/2014	1080	Downtown Associates, LLC	Oct 2014 - Palo Properties	(5,755.00)
Check	10/28/2014	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	10/28/2014		Empire Finance, LLC	Proceeds from investment	4,374.44
Check	10/30/2014	EFT	APS	Electric Service	(156.77)
Deposit	11/10/2014		Old World Title Agency	Proceeds from investment	176,157.45
Check	11/14/2014	1082	Azure Blue Complete Pool Service	Oct Pool Svc - DC Ranch	(102.00)
Check	11/14/2014	1084	City of Scottsdale	Water/Sewer @ DC Ranch Property	(51.88)
Check	11/14/2014	1085	CamTechnologies, LLC	Invoice 4393 - Website Update	(29.95)
Deposit	11/14/2014		APS	APS refund	672.97
Deposit	11/14/2014		Southwest Gas	SW Gas refund	115.17
Deposit	11/14/2014		State Farm Insurance	State Farm refund	20.05
Deposit	12/11/2014		Arizona Auctioneers	Proceeds from investment	1,499.90

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Deposit	12/15/2014		Empire Finance, LLC	Proceeds from investment	3,135.00
Check	12/15/2014	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Check	12/25/2014	1087	Simon Consulting, LLC	Dec 2013 - Aug 2014	(318,495.36)
Check	12/25/2014	1086	Guttilla Murphy Anderson, PC	Dec 2013 - Oct 2014	(130,097.42)
Check	12/25/2014	1089	DeFusco & Udelman, PLC	Acumen - Retainer	(2,000.00)
Check	12/25/2014	1090	Whitsitt & Whitsitt	Kansas Attorney - Ross lawsuit	(75.74)
Check	12/25/2014	1088	Sprouse Schrader Smith, PLLC	PV Energy, LLC Attorney	(765.00)
Deposit	12/30/2014		Trulite Glas	AR Proceeds	4,136.98
Deposit	12/30/2014		Electric Coating Technologies	AR Proceeds	760.00
Check	12/31/2014	1091	Simon Consulting, LLC	Sep-Oct 2014	(70,611.38)
Check	01/07/2015	0991	US Postal Service	PO Box Fees - 6 month renewal	(37.00)
Check	01/07/2015	1092	JP Morgan Chase NA	Fees for statement research/production	(63.42)
Check	01/07/2015	1093	Conner & Winters, LLP	Fees - Jan-April 2014	(9,730.30)
Deposit	01/15/2015		Wisembaker Builder Svcs	AR Proceeds	1,440.00
Check	01/15/2015	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	01/15/2015		Empire Finance, LLC	Proceeds from investment	3,135.00
Deposit	01/23/2015		Suez Energy	AR Proceeds	500.00
Deposit	01/27/2015		Wisembaker Builder Svcs	AR Proceeds	240.00
Check	01/28/2015	1094	VOID	VOID	-
Check	01/28/2015	0992	Platte City Self Storage	Storage fees 1/22/15 - 3/22/15	(148.00)
Check	01/28/2015	1095	JP Morgan Chase NA	Fees for statement research/production	(260.37)
Deposit	02/10/2015		Polsinelli Shugart	Refund of pre-receivership retainer	1,873.50
Deposit	02/13/2015		Empire Finance, LLC	Proceeds from investment	3,135.00
Check	02/13/2015	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	02/20/2015		Old World Title Agency	Refund of overpayment	319.00
Deposit	02/23/2015		Conterra Asset Management	Interest Payment	26,822.78
Deposit	03/02/2015		Lindsey Auction Service	Proceeds from investment	814.54
Check	03/06/2015	1096	Simon Consulting, LLC	December 2014	(33,414.45)
Check	03/06/2015	1097	Guttilla Murphy Anderson, PC	Dec 2014	(23,028.59)
Check	03/06/2015	1098	Conner & Winters, LLP	May 2014	(853.45)
Check	03/06/2015	1099	Whitsitt & Whitsitt	Kansas Attorney - Ross lawsuit	(3,348.28)
Check	03/06/2015	1100	Simon Consulting, LLC	Nov 2014	(40,625.20)
Check	03/06/2015	1101	Guttilla Murphy Anderson, PC	Nov 2014	(31,281.65)
Check	03/06/2015	1102	CamTechnologies, LLC	Invoice 4605 - Website Update/domain renewal	(140.00)
Check	03/06/2015	1103	JP Morgan Chase NA	Fees for statement research/production	(62.34)
Check	03/13/2015	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Deposit	03/13/2015		Empire Finance, LLC	Deposit	3,135.00
Deposit	03/17/2015		Bees Free	Deposit	8,028.46
Check	03/17/2015	1104	Lang & Klain, PC	Retainer	(10,000.00)
Check	03/17/2015	0993	Platte City Self Storage	Acumen Storage - Unite D33	(74.00)
Check	04/03/2015	1105	VOID	VOID	-
Check	04/03/2015	1106	CamTechnologies, LLC	Invoice 4820-Verde Cap Data Recovery	(7,095.04)
Check	04/03/2015	1107	Simon Consulting, LLC	Jan 2015	(31,808.55)
Check	04/03/2015	1108	Guttilla Murphy Anderson, PC	Jan 2015	(11,449.35)
Check	04/03/2015	1109	VOID	VOID	-
Check	04/03/2015	1110	Whitsitt & Whitsitt	Kansas Attorney - Ross lawsuit -Jan Fees	(2,681.00)
Check	04/03/2015	1111	Conner & Winters, LLP	June 2014	(164.15)

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Check	04/14/2015	1112	VOID	VOID	-
Check	04/14/2015	1113	Platte City Self Storage	Storage - 4/22/15 to 5/22/15	(74.00)
Deposit	04/20/2015		Empire Finance, LLC	Proceeds from investment	3,135.00
Check	04/20/2015	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Check	04/23/2015	EFT	State of Delaware	Delaware LP Annual Report/Tax	(350.00)
Check	04/23/2015	EFT	State of Delaware	Delaware LP Annual Report/Tax	(1,429.50)
Deposit	04/24/2015		SDX Acquisition, LLC	Distribution	27,005.00
Deposit	04/27/2015		TCP Group	Distribution	17,592.00
Deposit	04/30/2015		Wrigley Company	AR Proceeds	2,410.00
Check	05/04/2015	100	Aldridge Borden	W-2 & 1099 Prep-Acumen	(1,085.00)
Check	05/04/2015	101	Simon Consulting, LLC	Feb 2015 Fees	(47,973.40)
Check	05/04/2015	102	Guttilla Murphy Anderson, PC	Feb 2015 Fees	(20,414.21)
Check	05/04/2015	103	Whitsitt & Whitsitt	Feb 2015 Fees	(442.03)
Deposit	05/20/2015		Empire Finance, LLC	Proceeds from investment	3,135.00
Check	05/20/2015	EFT	Chase Bank	Incoming Domestic Wire Fee	(15.00)
Check	05/27/2015	104	Simon Consulting, LLC	March 2015 Fees	(38,360.85)
Check	05/27/2015	105	Guttilla Murphy Anderson, PC	March 2015 Fees	(10,626.48)
Check	05/27/2015	106	Whitsitt & Whitsitt	March 2015 Fees	(302.41)
Check	05/29/2015	EFT	Chase Bank	Service Fee	(12.00)
Check	05/29/2015	107	Platte City Self Storage	Storage - 5/22/15 to 6/22/15	(74.00)
Check	06/17/2015	108	Platte City Self Storage	Storage - 6/22/15 to 7/22/15	(74.00)
Deposit	06/19/2015		Empire Finance, LLC	Proceeds from investment	3,135.00
Check	06/19/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Deposit	06/24/2015		McLane Company	AR Proceeds	2,318.20
Check	07/06/2015	1001	Simon Consulting, LLC	April 2015 Fees	(25,269.05)
Check	07/06/2015	1002	Guttilla Murphy Anderson, PC	April 2015 Fees	(5,139.74)
Check	07/06/2015	1003	Whitsitt & Whitsitt	April 2015 Fees	(322.41)
Check	07/14/2015	109	Platte City Self Storage	Storage - 7/22/15 to 8/22/15	(74.00)
Deposit	07/20/2015		Empire Finance, LLC	Deposit	3,135.00
Check	07/20/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	07/23/2015	1004	US Postal Service	PO Box for Acumen	(38.00)
Check	07/23/2015	1005	Simon Consulting, LLC	May 2015 Fees	(20,166.00)
Check	07/23/2015	1006	Guttilla Murphy Anderson, PC	May 2015 Fees	(6,073.92)
Deposit	08/05/2015		Verde Capital, LLC	Deposit	12,629.02
Check	08/17/2015	110	Platte City Self Storage	Storage - 8/22/15 to 9/22/15	(74.00)
Deposit	08/20/2015		Empire Finance, LLC	Deposit	3,135.00
Check	08/20/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	08/24/2015	1007	Simon Consulting, LLC	June 2015 Fees	(30,613.95)
Check	08/24/2015	1008	Guttilla Murphy Anderson, PC	June 2015 Fees	(7,278.49)
Check	08/24/2015	1009	Whitsitt & Whitsitt	May & June 2015 Fees	(3,858.98)
Check	08/24/2015	1010	BizFilings	Registered Agent REnewal	(141.75)
Deposit	09/01/2015		Brightergy	Deposit	3,300.00
Deposit	09/04/2015		TCP-GBS Investment I, LLC	Deposit	55,069.42
Check	09/04/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	09/18/2015	1011	Platte City Self Storage	Storage Facility 9/22 to 10/22	(74.00)
Check	09/18/2015	1012	Southwest Bond Services	Bond renewal	(100.00)
Deposit	09/18/2015		Empire Finance, LLC	Monthly Installment	3,135.00

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

Type	Date	Num	Name	Description	Amount
Check	09/18/2015		Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	09/24/2015	1014	Guttilla Murphy Anderson, PC	VOID: June 2015 Fees	-
Check	09/24/2015	1013	Simon Consulting, LLC	July 2015 Fees	(26,786.55)
Check	09/24/2015	1015	Guttilla Murphy Anderson, PC	July 2015 Fees	(4,368.89)
Deposit	10/02/2015		TCP Group	Bal due-asset purchase	255,673.58
Check	10/02/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	10/14/2015		Nat'l Bank of AZ	Papter Statement Fee	(5.00)
Deposit	10/14/2015	EFT	Nat'l Bank of AZ	Deposit - fee reversal	5.00
Check	10/20/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Deposit	10/20/2015		Empire Finance, LLC	Deposit	3,135.00
Check	11/13/2015	1016	Platte City Self Storage	Storage Facility 10/22-11/22	(74.00)
Check	11/13/2015	1017	Simon Consulting, LLC	August 2015 Fees	(16,608.00)
Check	11/13/2015	1018	Guttilla Murphy Anderson, PC	Aug 2015 Fees	(3,621.76)
Check	11/13/2015	1019	Lang & Klain, PC	VOID: August Fees	-
Check	11/13/2015	1020	Platte City Self Storage	Storage Facility 11/22-12/22	(74.00)
Check	11/20/2015	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Deposit	11/20/2015		Empire Finance, LLC	Deposit	3,135.00
Check	11/23/2015	1021	Simon Consulting, LLC	Sept 2015 Fees	(20,055.85)
Check	11/23/2015	1022	Guttilla Murphy Anderson, PC	Sept 2015 Fees	(2,733.90)
Check	11/23/2015	1023	Lang & Klain, PC	Inv 12206	(739.93)
Check	11/23/2015	1024	Whitsitt & Whitsitt	Sept 2015 Fees	(1,651.00)
Deposit	12/03/2015		Denise Martin	Proceeds from sale of Acumen computers	2,500.00
Deposit	12/18/2015		Empire Finance, LLC	December payment	3,135.00
Check	12/18/2015		Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Check	12/21/2015	1025	Platte City Self Storage	Storage Facility 12/22/15-1/22/16	(74.00)
Check	01/12/2016	1026	Simon Consulting, LLC	Oct 2015 Fees	(20,028.10)
Check	01/12/2016	1027	Guttilla Murphy Anderson, PC	Oct 2015 Fees	(2,626.92)
Check	01/12/2016	1028	Lang & Klain, PC	Oct 2015 Fees	(6,506.92)
Check	01/12/2016	1029	Whitsitt & Whitsitt	Oct 2015 Fees	(2,020.45)
Check	01/19/2016	1030	Platte City Self Storage	Storage Facility 1/22/15-2/22/16	(74.00)
Check	01/21/2016	EFT	Wells Fargo Bank	Wire Trans Svc Charge	(15.00)
Deposit	01/21/2016		Empire Finance, LLC	Deposit	3,135.00
Check	01/26/2016	1031	Simon Consulting, LLC	Nov 2015 Fees	(18,544.15)
Check	01/26/2016	1032	Guttilla Murphy Anderson, PC	Nov 2015 Fees	(1,155.00)
Check	01/26/2016	1033	Lang & Klain, PC	Nov 2015 Fees	(2,183.19)
Check	01/26/2016	1034	Whitsitt & Whitsitt	Nov 2015 Fees	(1,630.50)
<b>Balance at January 31, 2016</b>					<b>327,804.29</b>

**Current Transactions**

Check	02/19/2016	1035	Platte City Self Storage	Storage Facility 2/22/15-3/22/16	(74.00)
Deposit	02/19/2016		Empire Finance, LLC	Deposit	3,135.00
Check	03/11/2016	1036	Simon Consulting, LLC	Dec 2015 Fees	(24,573.25)
Check	03/11/2016	1037	Guttilla Murphy Anderson, PC	Dec 2015 Fees	(2,837.54)
Check	03/11/2016	1038	Whitsitt & Whitsitt	Dec 2015 Fees	(558.00)
Check	03/11/2016	1039	Platte City Self Storage	Storage Facility 3/22/15-4/22/16	(74.00)
Check	03/22/2016	1040	Arizona Corporation Commission	Corp Commission renewal	(199.00)

**Palo Verde Receivership**

Receivership Banking Summary as of June 15, 2016

**Exhibit 2**

<b>Type</b>	<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
Deposit	03/23/2016		Empire Finance, LLC	Deposit	50,000.00
Deposit	03/23/2016		Empire Finance, LLC	Deposit	3,135.00
Check	03/24/2016 EFT		Wells Fargo Bank	Bank fee	(12.00)
Check	03/24/2016 EFT		Wells Fargo Bank	Wire Transfer Service Charge	(15.00)
Deposit	04/01/2016		SDX Acquisition, LLC	Deposit	51,061.82
Check	04/11/2016 1041		Guttilla Murphy Anderson, PC	January 2016 fees	(4,697.66)
Check	04/11/2016 1042		Whitsitt & Whitsitt	January 2016 fees	(962.50)
Check	04/11/2016 1043		Simon Consulting, LLC	January 2016 fees	(8,575.25)
Check	04/12/2016 1044		Platte City Self Storage	Storage Facility 4/22/15-5/22/16	(74.00)
Deposit	04/20/2016		Acumen Energy Solutions	Proceeds from Acumen operating account	6,826.94
Deposit	04/20/2016		Empire Finance, LLC	Deposit	3,135.00
Check	04/20/2016 EFT		Wells Fargo Bank	Wire Transfer Service Charge	(15.00)
Check	05/06/2016 1045		Simon Consulting, LLC	February 2016 fees	(7,299.65)
Check	05/06/2016 1046		Guttilla Murphy Anderson, PC	February 2016 fees	(6,965.00)
Check	05/06/2016 1047		Whitsitt & Whitsitt	February 2016 fees	(3,602.49)
Check	05/09/2016 EFT		Wells Fargo Bank	Bank fee	(3.00)
Check	05/09/2016 EFT		Deleware Division of Corporations	DE Franchise Tax	(300.00)
Check	05/09/2016 EFT		Deleware Division of Corporations	DE Franchise Tax	(300.00)
Check	05/12/2016 1048		Platte City Self Storage	Storage Facility 6/22/16-7/22/16	(74.00)
Deposit	05/20/2016		Empire Finance, LLC	Deposit	3,135.00
Check	05/20/2016 EFT		Wells Fargo Bank	Wire Transfer Service Charge	(15.00)
Check	06/03/2016 1049		Simon Consulting, LLC	March 2016 fees	(5,173.40)
Check	06/03/2016 1050		Guttilla Murphy Anderson, PC	March 2016 fees	(4,136.32)
Check	06/03/2016 1051		Whitsitt & Whitsitt	March 2016 fees	(1,180.14)
Check	06/03/2016 1052		Lang & Klain, PC	Jan 2016 Fees - partial	(569.96)
Check	06/07/2016 1054		Platte City Self Storage	Storage Facility 5/22/16-6/22/16	(74.00)
Check	06/09/2016 1053		Arizona Corporation Commission	Corp Commission 2016 renewal	(54.00)
Deposit	06/13/2016		HPCG Hospital, LLC	Deposit	36,888.50
<b>Subtotal - Current Transactions</b>					<b>84,903.10</b>
<b>Balance at June 15, 2016</b>					<b>412,707.39</b>

**Palo Verde Receivership****Exhibit 3**

Summary of Professional Fees from January 1, 2016 to April 30, 2016

Entity	Description	Amount	Paid Amount	Balance Due	Date Paid	Notes
Simon Consulting, LLC	January 2016 Invoice	\$ 8,575.25	\$ 8,575.25	\$ -	11-Apr-16	
Simon Consulting, LLC	February 2016 Invoice	\$ 7,299.65	\$ 7,299.65	\$ -	6-May-16	
Simon Consulting, LLC	March 2016 Invoice	\$ 5,173.40	\$ 5,173.40	\$ -	1-Jun-16	
Simon Consulting, LLC	April 2016 Invoice	\$ 5,683.85	\$ -	\$ 5,683.85		
<b>SUBTOTAL</b>		<b>\$ 26,732.15</b>	<b>\$ 21,048.30</b>	<b>\$ 5,683.85</b>		
Gutilla Murphy Anderson	January 2016 Invoice	\$ 4,697.66	\$ 4,697.66	\$ -	11-Apr-16	
Gutilla Murphy Anderson	February 2016 Invoice	\$ 6,965.50	\$ 6,965.50	\$ -	6-May-16	
Gutilla Murphy Anderson	March 2016 Invoice	\$ 4,136.32	\$ 4,136.32	\$ -	1-Jun-16	
Gutilla Murphy Anderson	April 2016 Invoice	\$ 2,117.79	\$ -	\$ 2,117.79		
<b>SUBTOTAL</b>		<b>\$ 17,917.27</b>	<b>\$ 15,799.48</b>	<b>\$ 2,117.79</b>		
Lang & Klain	January 2016 Invoice	\$ 819.00	\$ 569.96	\$ -	Partial pmt - \$20K cap reached	[1]
Lang & Klain	February 2016 Invoice	\$ 262.50	\$ -	\$ -		
Lang & Klain	March 2016 Invoice	\$ 150.00	\$ -	\$ -		
Lang & Klain	April 2016 Invoice	\$ 150.00	\$ -	\$ -		
<b>SUBTOTAL</b>		<b>\$ 1,381.50</b>	<b>\$ 569.96</b>	<b>\$ -</b>		
<b>Acumen Related Actions</b>						
Whitsitt & Whitsitt	January 2016 Invoice	\$ 962.50	\$ 962.50	\$ -	11-Apr-16	
Whitsitt & Whitsitt	February 2016 Invoice	\$ 3,602.49	\$ 3,602.49	\$ -	6-May-16	
Whitsitt & Whitsitt	March 2016 Invoice	\$ 1,180.14	\$ 1,180.14	\$ -	1-Jun-16	
Whitsitt & Whitsitt	April 2016 Invoice	\$ 579.75	\$ -	\$ 579.75		
<b>SUBTOTAL</b>		<b>\$ 6,324.88</b>	<b>\$ 5,745.13</b>	<b>\$ 579.75</b>		
<b>TOTAL -January 1, 2016 to April 30, 2016</b>		<b>\$ 52,355.80</b>	<b>\$ 43,162.87</b>	<b>\$ 8,381.39</b>		

**Notes:**

[1] Pursuant to the February 18, 2015 Order Approving the Motion to Employ Lang & Klain, P.C As Special Counsel ("the Order"), the judge modified the Legal Services Engagement Agreement to allow a cap of \$20,000 in fees associated with this engagement.