"Are We Really That Stupid?" Investors Roast the SEC's Corrupt Takedown

By Freedom Fighters of America

The establishment media and the weaponized democrat operatives at the SEC want you to believe a very specific fairytale. They want you to believe they swooped in to "rescue" naive victims from a massive fraud.

But what happens when the "victims" pull the curtain back and expose the "rescuers" as the real thieves?

We have the receipts. The Freedom Fighters of America are releasing the direct emails sent to Judge Ruiz by the very investors the government claimed to be protecting. These 395-plus educated, patriotic Americans didn't ask for the SEC's help. They didn't want the government's interference. And they saw right through the lies being spun in federal court.

Through heavy sarcasm and undeniable financial metrics, these silenced investors completely dismantled the government's narrative, piece by piece.

The Absurdity of the "Ponzi" Lie and Melissa Davis's Perjury
The SEC, relying heavily on a flawed report by forensic accountant Melissa Davis, tried to paint Par Funding as a classic Ponzi scheme. But the investors—who actually visited the offices and audited the books themselves—ridiculed this desperate government narrative.

One "Concerned Investor," who had to hide his identity out of fear of retaliation by this weaponized court, blasted the Receiver, Ryan Stumphauzer, directly:
"First, in desperation the receiver will try to tell us that he is failing in his duties because from the beginning this was not a viable business, but instead a Ponzi scheme. Come on Mr. Stumphauzer, do you really think we are that stupid to believe this nonsense? Let me remind you of the definition of a Ponzi... A classic Ponzi is built on treachery and lies."

The investor then pointed a massive spotlight at the glaring hole in the government's case: Par Funding voluntarily submitted to continuous, rigorous audits by top-tier accounting firms like Clifton Larson Allen, Friedman LLP, and Rod Ermel & Associates.
"What you are contending is similar to a bank robber inviting the police to the

scene minutes before the robbery."

The email tore into the government's star witness, noting:
"...look at your own forensic accountant's report from Melissa Davis (which is also wrong) but she swore under oath that it was correct. What you are contending with this allegation makes you look desperate and foolish."

The Undeniable Metrics:
The investors laid out the cold, hard math that obliterated the SEC's case. Par Funding wasn't a shadow company; it was a Main Street economic engine operating in broad daylight.

The investor laid it out for the court:

-**The Volume:**
"Par Funding funded 16,692 deals over 8 years with its best months as far as funding count just prior to Covid."

-**The Capital:**
"Par Funding wired 1,231,298,329.52. According to this report and confirmed by the receiver's accountant, Melissa Davis. That 1.2 billion that was wired to merchants for funding transactions. Ponzi Scheme?"

-The Daily Revenue:
"Since 2017 Par Funding was collecting an average of 1.4 million per day. Never less!!! Ever!!! Now the receiver comes along and there are no deposits? How can this be possible???"

Abandoning the Post: Dark Offices and a $2 Million Monthly Heist
Before the SEC raid, Par Funding was a machine. It operated 16 hours a day, 6 days a week, with a staff of 70 plus dedicated employees including 5 full-time lawyers on staff, a compliance officer whose prior job was at Homeland Security, 15 staff accountants, and 2 CPA's working full-time verifying the financials daily. Investors could walk in at any time, unannounced, to check on their investment. And they often did. Any given day many investors would come to the office and meet with upper management. Anyone was welcome anytime without an appointment.

But when the government took over, the lights went out. The SEC installed a Receiver who immediately abandoned the post while looting the investors' collateral. The outrage in the investor's email is palpable:

"No one is at the offices working. Nothing but dark, empty offices... Par employees were 70 strong, working 16 hours per day and Saturdays. Now the Receiver is charging us $2 million a month and no one is in the office for weeks."

While charging an extortionate $2,000,000 every single month, the absentee Receiver began slashing the company's value, letting defaulting merchants walk away from their debts.

"The Receiver is also giving away the money. Settling for pennies on the dollar in a desperate attempt to do anything! This is our security and collateral. Is he nuts? Is he insane?"

It wasn't insanity. It was a calculated heist. The investors knew that if they went to trial in August, the ***"underlying asset will have been destroyed by the incompetent Receiver and his 2 million a month in fees will clean us out."***

The Ultimate Proof: Criminals Don't Give Refunds

When the COVID-19 pandemic hit and the economy completely stopped; small businesses were boarded up and shut down; how did Par Funding react? The investor's email delivered the final, crushing blow to the government's "treachery and lies" narrative:

"Another fact is that in April and May Par Funding wired 20 million back to our group of investors to people who needed help. This is true!!! I never ever, ever met a crook Ponzi person, or whatever you want to make up this week... that would send back 20 million dollars during a pandemic to people in need."

The 20 million that Par paid back to investors was not due and payable by redemption. Par Funding received calls from investors in need and voluntarily allowed them early redemptions on their contract Notes to help investors who were going through a financial crisis of their own. If the company was a “Ponzi scheme” or “corrupt” in any way it could have simply allowed the investors to wait until their redemption period was up. Instead, Par understood the needs of the investors who they cared about and were glad to help. This is not the act of a criminal enterprise.

The investor hammered the court with heavy sarcasm to highlight the absurdity of the SEC's profiling:
"The money repaid was not money due back, but the Ponzi crooks that are treacherous and liars sent it back to its people?"

This was a family. Management voluntarily gave back $20 million of their own reserves to ensure their elderly and struggling investors survived the lockdowns. Does a Ponzi scheme do that? Do fraudsters bankrupt themselves to save their clients?

Silenced by the State

The 395 investors knew it was a sham. They were ready to testify. They pleaded with Judge Ruiz:

"Why does the SEC/Receiver think destroying PAR with little proven reason thus far, and stopping investor payments, is in our best interests?"

But the SEC couldn't afford a fair fight. When investor Alan Candell, Esq. spoke up, the court chastised him and threatened sanctions, sending a shockwave of fear through the rest of the group. And when the trial finally came, the court unconstitutionally gagged the founders, preventing Joseph LaForte from testifying in his own defense—slapping him with an "adverse inference" to guarantee a win for the SEC.

They silenced the founders. They intimidated the investors. And they looted the company in the dark.

This isn't justice. It’s a cartel operating under the banner of the federal government. These are deep state democrat operatives who have no honor. But the Freedom Fighters of America will not let them bury the truth. The emails are out. The facts are clear. We the People are watching.

EXHIBIT: Emails from Investors to Judge Ruiz forwarded to Dean Vagnozzi at ABFP:

>> Honorable Judge Ruiz,

>> >> I've written before, and I believe you've heard a lot of the >> information included herein before. However, we're at a critical >> point in this SEC/Receiver process, as I fear the mediation process >> that began this week will not go well due to the apparent >> SEC/Receiver 's continuing assertions that the PAR business is a >> fraud. As a result, I can't sit by without continuing my attempts to >> bring sanity to this situation. The below email from "bobby r", >> which I believe was circulated to our 395 +- investor group, is self >> explanatory and presents a totally different view of PAR's operation >> and status prior the the SEC shut down, and reinforces the assertion >> that given the opportunity they can prove it. This is a view I >> strongly believe as do a great number of other investors. It is very >> frustrating to watch the SEC/Receiver liquidate PAR without giving >> them the opportunity to prove their claims and to reinstate investor >> payments. For my part, I look at their solid record of 4+ years of >> on-time accurate payments to investors, the recovery to resume >> investor payments in three months after the Covid induced merchant >> payment interruptions and restructuring, an audit by a reputable >>

accounting firm with no fraud found, the existence of financial >> records which if accurately assessed would support PARs claims, an 11 >> month investigation by the State of PA with no fraud found, >> involvement of reputable high profile Philadelphia law firms in their >> business with no fraud found, and no substantiation to date of the >> SEC/Receiver fraud accusations. Doesn't sound like a Ponzi scheme or >> fraud. Why does the SEC/Receiver think destroying PAR with little >> proven reason thus far, and stopping investor payments, is in our >> best interests? I've previously advocated for returning PAR to >> operation, with an appropriate Monitor to assure the SEC and allowing >> them a reasonable period to prove their assertions. Is it that this >> could embarrass the SEC/Receiver if they were successful? That's >> hardly a valid reason for us investors who stand to lose most/all of >> our money on the current course. It's going to be a lot more >> embarrassing a year+- from now if/when they loose in court and we're >> left with no viable path to recover our money. Even if PAR were to >> fail in the monitored operation as the SEC claims, the SEC could pull >> the plug before significant further damage was done. Unfortunately, >> the current process is causing significant further damage to >> investors. I assume you have talked with the Mediator by now to hear >> his thoughts on the process to date, which should be neutral and >> sensible. If not, I urge you to do so ASAP. I am very familiar with >> the mediation process, and I have hopes that it will result in >> positive steps for investors. As of now we are unaware if that is >> the case, although I understand the need for secrecy. In closing, I >> urge you to take another close look at the key factual parameters of >> this situation, and give the investors a fighting chance to recover >> the funds desperately needed by most. Thanks for your attention and >> time. >> >> Phillip H. Mowry >> > > -------- Forwarded Message --------

> Subject: "Not so rosy" they say- Prediction of next status meeting on > Tuesday > Date: Thu, 10 Dec 2020 17:49:41 +0000 (UTC) > From: bobby r <bobbyr980@aol.com> > Reply-To: bobby r <bobbyr980@aol.com> > > > > For full disclosure, I have been an investor with Par since2016. I > took time every year before I reinvested to visit the offices, review > financials,and interview the staff. I am obviously pro-business and > believe that Paralways ran a clean business and acted in good faith to > its investors,employees, and merchants. > > In preparation for the upcoming status conference here arethe > additional lies we can expect to hear and some additional information > toshow you all. > > First, in desperation the receiver will try to tell us thathe is > failing in his duties because from the beginning this was not a > viablebusiness, but instead a Ponzi scheme. Come on Mr. Stumphauzer, > do you really think we are that stupid tobelieve this nonsense? Let > me remind youof the definition of a Ponzi. “It is aform of fraud in > which the belief in the success of a non-existent enterpriseis > fostered by the payment of quick returns to the first investors from > moneyinvested by later investors. A classicPonzi is built on > treachery and lies.” Letus look at the exhibits together. > > See attached Funding Analysis > Let us look at some key metrics that make this claimpreposterous. I > will lay this out below. > > A.) Time Period-Par Funding started in 2013 and can hardly be > called “non-existent”. The document shows a month-by-month analysisof > the company. > > B.) Funding Count- Par Funding funded 16,692 dealsover 8 years with > its best months as far as funding count just prior to Covid. > > C.) Wire Total- Par Funding wired1,231,298,329.52. According to > thisreport and confirmed by the receiver’s accountant, Melissa Davis. > That 1.2 Billion that was wired to merchantsfor funding transactions. > Ponzi Scheme? > > D.) Average daily deposit- Since 2017 Par Fundingwas collection an > average of 1.4 million per day. Never less!!! Ever!!! Now the > receiver comesalong and there are no deposits? How canthis be > possible??? How can it be thatfor years and years Par Funding was > collecting this money (1.4 million per day)everyday for years, and the > receiver is collecting a fraction. I will tell you why later in this > memo. > > The company was audited by Friedman, Rod Ermel &Associates, and most > recently Clifton Larson Allen. > The company had 2 CPA’s on staff, one was the Controller, 12staff > accountants, and a CPA firm out of Colorado Springs Colorado looking > atthe books weekly and daily. > > So, Mr. Receiver and SEC Executives, why would a companyinvite these > auditors to do a “non-mandatory” audit if it were building acompany on > ‘treachery and lies” as the definition states? And to make this more > ridiculous, look atyour own forensic accountant’s report from Melissa > Davis (which is also wrong)but she swore under oath that it was > correct. What you are contending with this allegation makes you look > desperateand foolish. The audits werevoluntary. Par is a private > company andhad no requirements to audit its books. Why would they > invite the top auditors in the world into their officesif they did not > have accurate accounting? Did you ask yourself this or are you head > hunting and overzealous andset upon targeting Par Funding? > See Mr. Bill Barr Video: > > https://www.aol.com/article/news/2020/09/17/barr-takes-aim-at-prosecutors-inside-his-own-justice-dept/24622845/ > > > What you are contending is similar to a bank robber invitingthe police > to the scene minutes before the robbery. > And if this were a Ponzi Mr. Receiver, why do you have Mr.James Klenk > the Controller of Par Funding working for you? He was a CPA and > heavily involved in theaudit process. Wouldn’t he have beeninvolved > in the Ponzi Conspiracy? > The SEC and Receiver think they are working for justice andknow what > is best for us. This is yourelitist point of view and is utter > nonsense. The fact is had you not been involved to begin with we would > have stillbeen paid our money. Why would or shouldwe believe you???? > Par Funding showedtransparency and paid for 96 months straight and > never misses a redemptionpayment. That is just a fact! Another fact > is that in April and May ParFunding wired 20 million back to our group > of investors to people who neededhelp. This is true!!! I never ever, > ever met a crook Ponzi person,or whatever you want to make up this > week, maybe you want to use gangster toconfirm your elitist attitude > to describe the owners which is insulting andcompletely unfounded, > that would send back 20 million dollars during a pandemicto

people in > need. And they did not haveto do this. The 20 million that > wasreturned was to older folks, folks in need, and going through Covid > hardship. The money repaid was not money due back, butthe Ponzi > gangsters that are treacherous and liars sent it back to its people? > They Judge, The Receiver, and the SEC have eluded to thesepeople being > gangsters. Perhaps because someare of Italian American descent. In > thisday and age of equality, Black Lives Matter, and Immigration > Reform this issurprising and appalling. Can youimagine if the owners > were African American and this rhetoric took place? The Judge > defended the Receiver on why he isfailing to collect the daily > receivables by mentioning that Par Funding"collects money with > baseball bats." This is a Federal Judge whose bias is shocking. > Maybe, just maybe the SEC got over its skisand thought that these > "gangsters" were up to no good, so it raided the firmwith a minimum > amount of investigation. This was heavy-handed, unfair, and quite > unusual. A subpoena for documents and a meeting wouldhave been more > appropriate and democratic. Read the articles on the SEC > website. Goldman Sachs, Wells Fargo, Citibank, and most recent > Cheesecake Factoryreceived only subpoenas and fines. Sowhy was Par > Funding treated differently? It is because the SEC thought that > because they are Italian Americans,they must be gangsters! Because a > simplereview of the company before their capital punishment would have > 10000%exonerated the company. > > Last, for review look at what the Receiver is doing to ourinvestment. > No one is at the officesworking. Nothing but dark, empty offices. > Covid restrictions do not apply to ParFunding. Documents were > obtained monthsago that it is an essential service to serve the > economy and provide servicethat keeps merchants alive. To not > bepresent for work is unacceptable especially during Covid 19 there is > a lot ofservice that needs to be conducted. Paremployees were 70 > strong, working 16 hours per day and Saturdays. Now the Receiver is > charging us $2 million amonth and no one is in the office for > weeks. The office was large enough to practice social distancing from > what Isaw on my visit.

> > The Receiver is also giving away the money. Settling for pennies

on > the dollar in adesperate attempt to do anything! Thisis our security > and collateral. Is he nuts? Is he insane? The merchants are being > told that Par was corrupt so they can justsettle for pennies. > > In closing this, do not be fooled on Tuesday's statusconference. The > heavy-handed SEC usedopposition research that was wrong and > inaccurate, and they are fools forbelieving rapist attorneys and > psychotic merchants who owe Par Funding millionsto create a narrative > of lies. This"Dirty Dossier" led to the raid of Par Funding. These > people are filled with hate and motivated to hurt ParFunding. A child > could see this. But the SEC will not admit that they shotfirst and > asked questions later. TheJudge will not admit that his decision to > put Par into Receivership was wrongand overzealous. And the Receiver > ishaving a Merry Christmas ripping off our money by charging $2 > million a monthwhile he suns himself in Miami feeding us lies that the > Judge listen to inorder for him to keep up the great gig he has > going. Let's face it, the only way this will workout is if the SEC, > Receiver and Judge have an ounce of belief in the justicesystem of > fairness which would have to be found somewhere in their corebeliefs. > They will tell you, "go to trial and justice willprevail." While this > may be true in mostcases, in Par's case trial is set for August. The > underlying asset will have been destroyed by the incompetentReceiver > and his 2 million a month in fees will clean us out. So, the only > hope is that Par can mediatewith the SEC, offer a fair deal to get > back to business to get us paid. Which I find is being lost in all > thisfluff. The SEC is supposed to be thereto protect us, but who > asked them for help and why would we? We were paid as agreed and Par > nevermissed. There were zero investor losses. Now the Receiver and > SEC took over and wehave not been paid in 5 months. That isthe bottom > line. Par paid, and the SECand the Receiver are not! > > The SEC says and the Judge say, "But we believed they wouldhave > defaulted." That is like your bankforeclosing on your home "because > they think you may lose your job." And you made all your mortgage > payments. These

lawyer elitists know what is best forus. They are > better than us, smarterthan us, and know what is best! So, weshould > just listen because they are smarter. Do not be fooled. The truth > willcome out, but unfortunately if this continues, it will be us who > will lose ourmoney. > > From, > > Concerned Investor