The True Cost of the Receivership:
Correcting the Record on the Total Cost of the Receivership
(IT'S NOW $60.5 MILLION)!

By The Freedom Fighters

For months, we at the Freedom Fighters—along with the rest of the public—have been putting out headlines reporting that the fees charged to the Par Funding receivership estate were $30 million. We must correct the record: we have been misreporting this figure.

The $30 million number we focused on in our headlines was a massive sum, but it turns out we were only looking at a fraction of the full picture. A close examination of the latest court filing specifically the newly released Standardized Fund Accounting Report (Docket Entry 2233-1)—reveals that the actual cost of administering this fund has quietly surpassed $60.5 million.

When we only look at the topline "receiver and professional fees," we miss the millions buried in operational costs. Furthermore, the descriptions in this report are incredibly vague. Millions of dollars are swept into broad, generic categories, making it impossible to discern exactly who is getting paid and for what. We demand a fully itemized accounting of these funds so the affected investors can see the irregularities for themselves.

Here is a breakdown of the true expenses and the glaring anomalies that demand immediate investigation.

1. The High-Level Math: A $60 Million Overhead

According to the official cash-basis fund accounting report covering activity through June 30, 2026, the estate has disbursed a total of **$270,264,893**:

Total Disbursed to Investors (Line 9): $209,707,056
Total Funds Disbursed Overall (Lines 9–12): $270,264,893
Total Receivership & Operational Overhead: $60,557,837

It effectively cost over $60.5 million to return $209 million to investors. For every dollar distributed, massive fractions were burned on overhead, fees, and vague operational costs.

2. The Operational Double-Dip: DSI vs. "Business Expenses"

Line 10a shows that the "Receiver and Other Professionals" have been paid $30,045,372 case-to-date. It is well-known that the receiver hired a professional consulting firm, Development Specialists, Inc. (DSI), to manage the day-to-day operations of the estate. Their massive fees are baked into this $30 million bucket. They charged $15 million of the $30 million.

Yet, further down the ledger, the estate was charged an entirely separate $8,341,808 for "Total Business Asset Expenses" (Line 10b) to cover general operations. This separate bucket includes millions for payroll, benefits, and "Other Operating Expenses" which the public was misled to believe that those were the fees charged by DSI. If a highly paid professional consulting firm is already taking a massive cut from the $30 million professional fee pool to manage day-to-day operations, why is the estate being charged an additional $8.3 million for general operational overhead? This layered billing structure needs investigation.

3. The Real Estate Liquidation Anomaly

The fees associated with selling the estate's real estate wildly exceed standard market rates. In the real world, selling real estate involves a standard broker's commission (typically around 3% to 6%), which is automatically deducted from the final sale price.

For $57 million in real estate listings any realtor would accept a negotiated rate lower than the typical rate.

Under this receivership, the numbers tell a much more expensive story:
Real Estate Liquidation (Line 5): The estate brought in $57,586,071 from selling properties.
Real Estate Liquidation Expenses (Line 10d): The receiver charged an additional $4,868,147 specifically for liquidation expenses.
Property Expenses (Line 10d): Another $2,657,324 was charged just to hold and maintain these properties.
Spending nearly $4.87 million to liquidate $57 million in real estate amounts to nearly an 8.5% expense rate on top of whatever standard fees were baked into the sales—and that does not even include the $2.6 million in property carrying costs. Imagine a standard realtor charging you extra millions just for the "expense" of liquidating your home. It is outrageous to spend that kind of money to sell property.

These properties were all sold at a 30-50% discount at the top of the market!

The Receiver's mandate is preserved assets. But the only thing he preserved was his own bank account!

4. Million-Dollar IT Services and Vague Ledger Lines

The lack of itemization in Docket Entry 2233-1 leaves gaping holes in accountability. For example:

IT Expense (Line 10b): The report lists $1,168,076 case-to-date strictly for "IT Expense". Over a million dollars for IT services is an astronomical figure for an estate in liquidation, especially when Note 3 of the report states that the $30 million "Receiver or Other Professionals" bucket also includes payments for certain IT-related expenses. And the Freedom Fighters know that DSI had IT employees on their payroll. So why would the estate pay additional IT expenses? Did they ever hear of the Business Judgement Rule?

Third-Party Litigation Expenses (Line 10e): The estate spent $6,844,726 on outside attorney fees. The Freedom Fighters thought that by the Receiver hiring his own law firm, Stumphauzer, Kolaya & Sloman, PLLC besides his co-counsel's firm, Pietragallo, Gordon, Alfano, Bosick & Raspanti, LLP was overkill to begin with. But paying outside attorneys and billing the estate to outsource after the estate has already paid these firms $30 million is outrageous.

Life Settlement Premiums (Line 10d): The estate spent a staggering $7,800,461 just on premiums for life settlement policies. Did they ever hear of Coventry? They could have sold these policies without paying the premiums.

We Demand Answers

When 700-page bills are rubber-stamped, the true costs remain buried. For months, our headlines focused on the $30 million figure, but the reality of this $60 million overhead is far more alarming. The Freedom Fighters demand to know exactly where this money went.

We need itemized receipts for the over $1 million in IT expenses, the $4.8 million in real estate liquidation fees, and the overlapping operational costs from DSI's work.

Until a fully itemized accounting is provided, these figures do not look like standard operational costs.

SEE EXHIBIT: DE-2233-1 JUST FILED ON 07/31/2026-Receiver's Standardized Fund Accounting Report for Par Funding (Reporting Period 4/1/2026-6/30/2026)

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis
Receivership; Civil Court Docket No. 20-cv-81205-RAR
Reporting Period 4/1/2026 to 6/30/2026

Fund Accounting:		Current Period	Prior Period(s)	Case-to-date
		4/1/26 - 6/30/26	7/28/20 - 3/31/26	Total
Line 1	Beginning Balance[4]:	$15,201,226	$26,446,083	$26,446,083
	Increases in Fund Balance:			
Line 2	Business Receipts	1,082,165	123,674,705	124,756,870
	Business Receipts - Overpayments	0	(112,365)	(112,365)
Line 3	Cash and Securities		0	0
	Pre-Receivership Cash Transfer	0	14,756,649	14,756,649
	Change in Value of Securities	0	835,461	835,461
Line 4	Interest/Dividend Income	91,898	15,051,040	15,142,938
Line 5	Real Estate Liquidation	0	57,586,071	57,586,071
Line 6	Other Asset Liquidation	0	1,924,140	1,924,140
Line 7	Third-Party Litigation Income	100,000	42,254,310	42,354,310
Line 8	Miscellaneous[1]	0	1,540,545	1,540,545
	Total Receipts[2]	1,274,063	257,510,556	258,784,619
	Total Funds Available (Lines 1 - 8):	$16,475,289	$283,956,639	$285,230,702
	Decreases in Fund Balance:			
Line 9	Disbursements to Investors	315,095	209,391,961	209,707,056
Line 10	Disbursements for Receivership Operations:			
Line 10a	*Disbursements to Receiver or Other Professionals*[3]	386,242	29,659,130	30,045,372
Line 10b	*Business Asset Expenses*			0
	Payroll & Benefits	46,530	4,921,440	4,967,970
	IT Expense	5,792	1,162,284	1,168,076
	Utilities	0	158,152	158,152
	Insurance	2,726	294,547	297,273
	Other Operating Expense	4,556	1,253,277	1,257,832
	Other	5,364	487,142	492,505
	Total Business Asset Expenses[2]	64,968	8,276,840	8,341,808
				0
Line 10c	*Personal Asset Expenses*	0	0	0
Line 10d	*Investment Expenses*			0
	Premiums Due on Life Settlement Policies	191,887	7,608,573	7,800,461
	Property Expenses	1,288	2,656,036	2,657,324
	Real Estate Liquidation Expenses	0	4,868,147	4,868,147
	Other Asset Liquidation Expenses	0	0	0
				0
Line 10e	*Third-Party Litigation Expenses*			0
	1. Attorney Fees[5]	550,000	6,294,726	6,844,726
	2. Litigation Expenses	0	0	0
	3. Forensic Accounting	0	0	0
	Total Third-Party Litigation Expenses	550,000	6,294,726	6,844,726
Line 10f	*Tax Administrator Fees and Bonds*	0	0	0
Line 10g	*Federal and State Tax Payments*	0	0	0
	Total Disbursements for Receivership Operations	$1,509,480	$268,755,413	$270,264,893
Line 11	Disbursements for Distribution Expenses Paid by the Fund:	$0	0	0
Line 12	Disbursements to Court/Other:	$0	0	0
	Total Funds Disbursed (Line 9 - 12)	$1,509,480	$268,755,413	$270,264,893
Line 13	Ending Balance:	$14,965,809	$15,201,226	$14,965,809

STANDARDIZED FUND ACCOUNTING REPORT for PAR FUNDING - Cash Basis

Receivership; Civil Court Docket No. 20-cv-81205-RAR

Reporting Period 4/1/2026 to 6/30/2026

			Current Period	Prior Period	Case-to-date
Line 14		**Ending Balance of Fund - Net Assets:**			
	Line 14a		$14,965,809	$15,201,226	$14,965,809
	Line 14b	Investments			Unknown
	Line 14c	Other Assets or Uncleared Funds			
		Total Ending Balance of Fund - Net Assets	$14,965,809	$15,201,226	$14,965,809

OTHER SUPPLEMENTAL INFORMATION:					
			Current Period	Prior Period	Case-to-date
		Report of Items NOT To Be Paid by the Fund:			
Line 15		**Disbursements for Plan Administration Expenses Not Paid by the Fund:**			
Line 16		**Disbursements to Court/Other Not Paid by the Fund:**			
Line 17		**DC & State Tax Payments**			
Line 18		**No. of Claims:**			
	Line 18a	*# of Claims Received This. Reporting Period*			
	Line 18b	*# of Claims Received Since Inception of Fund*			
Line 19					
	Line 19a	*# of Claimants/Investors Paid This Reporting Period*			
	Line 19b	*# of Claimants/Investors Paid Since Inception of Fund*			

Note 1: Includes $16,574.82 of expense reimbursements from Vision Solar and Solar Exchange for shared IT expenses.

Note 2: Excludes inter-receivership receipts/disbursements.

Note 3: Disbursements to Receiver or Other Professionals includes payments for certain IT related expenses and tax preparation.

Note 4: In Q1 2023, the SEC approved removing Capital Source 2000 from the Receivership. All cash relating to Capital Source 2000 was transferred to the prior members in accordance with the SEC's decision. Cash has been adjusted to reflect this change.

Note 5: In Q2 2025, the Receiver paid certain legal fees associated with the Final Order (I) Approving Settlement Among Receiver, Putative Class Plaintiffs and Eckert Seamans; and (II) Barring, Restraining, and Enjoining Claims against Eckert Seamans (ECF 2119).