

Jon A. Sale, Esq., Receiver  
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305-373-9400

# Standardized Fund Accounting Report

CIVIL - RECEIVERSHIP FUND

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1 Global Capital, LLC, et. al<sup>1</sup>  
United States District Court  
Southern District of Florida  
Case No. 0:18-cv-61991-BB

**Reporting Period 4/01/2020 to 06/30/2020**

**1:** Bright Smile Financing, LLC ("Bright Smile"); BRR Block Inc. ("BRR Block"); Digi South LLC ("Digi South"); Ganador Enterprises, LLC ("Ganador"); Media Pay LLC ("Media Pay"); Pay Now Direct LLC ("Pay Now"); the Ruderman Family Trust; and Bright Smile Trust (the "Receivership Entities")

STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;  
Case No. 0:18-cv-61991-BB  
Reporting Period 4/01/2020 to 06/30/2020

FUND ACCOUNTING [COMBINED] for Bright Smile Financing LLC, BRR Block Inc, Digi South LLC, and Ganador Enterprises LLC as of June 30, 2020			
	Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 12/31/2019): <i>Increases in Fund Balance:</i>	\$ 6,951,196.41	\$ 6,951,196.41
Line 2	<b>Business Income</b>		
	BrightSmile Operation Collections	-	-
Line 3	<b>Cash and Securities</b>		
	Turnover of Funds from Frozen Accounts	-	-
	Release of collateral - Bright Smile	-	-
Line 4	<b>Interest/Dividend Income</b>	-	-
Line 5	<b>Business Asset Liquidation</b>		
	5.1 Sale of BrightSmile Assets <sup>2</sup>	-	
	5.2 Ganador Settlement <sup>3</sup>	354,375.00	
	5.3 BRR Block BitCoin Sales	-	
	5.4 Bank of America Settlement <sup>4</sup>	189,000.00	
	5.5 JP Morgan Chase Settlement <sup>5</sup>	38,100.00	
	Total Line 5	581,475.00	
Line 6	<b>Personal Asset Liquidation</b>	-	
Line 7	<b>Third-Party Litigation Income</b>	-	
Line 8	<b>Miscellaneous - Other</b>		
	8.1 BrightSmile - Security Deposits/ Refunds	-	
	8.2 Tax Refunds	-	
	8.3 Other	2,348.00	
	Total Line 8	2,348.00	
	<b>Total Funds Available (Lines 1-8)</b>		7,535,019.41
	<i>Decreases in Fund Balance:</i>		
Line 9	<b>Disbursements to Investors</b>		
Line 10	<b>Disbursements for Receivership Operations</b>		
Line 10a	<i>Disbursements to Receiver</i>	-	
	<i>Disbursements to Other Professionals</i>		
	Accountants for Receiver	10,260.29	
	Appraisers for Receiver	-	
	Attorneys for Receiver	204,346.09	
	Total 10a	214,606.38	
Line 10b	<i>Business and Asset Expenses</i>		
	Lease Payments, Admin Rent	-	
	Contract Labor and Office Expenses	4,500.00	
	Other Contract and Business Expenses (Refunds)	40.00	
	Costs to Secure/Maintain Property/Assets	-	
	Computer and Website Expenses	-	
	Expenses re Sales of Assets	-	
	Total 10b	4,540.00	
Line 10c	<i>Personal Asset Expenses</i>	-	
Line 10d	<i>Investment Expenses</i>	-	
Line 10e	<i>Third-Party Litigation Expenses</i>		
	1. Attorney Fees	-	
	2. Litigation Expenses	-	
	3. Mediation Services	-	
	4. Settlement Agreement	-	
	Total 10e	-	
Line 10f	<i>Tax Administrator Fees and Bonds</i>	-	
Line 10g	<i>Federal and State Tax Payments</i>	-	
	<b>Total Disbursements for Receivership Operations</b>		219,146.38
Line 11	<b>Disbursements for Distribution Expenses Paid by the Fund:</b>		
Line 11a	<i>Distribution Plan Development Expenses:</i>		
	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	<i>Distribution Plan Implementation Expenses:</i>		
	1. Fees:		
	Fund Administrator		
	Independent Distribution Consultant (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		
	<b>Total Disbursements for Distribution Expenses Paid by the Fund</b>		
Line 12	<b>Disbursements to Court/Other:</b>		
Line 12a	<i>Investment Expenses/ Court Registry Investment System (CRIS) Fees</i>		
Line 12b	<i>Federal Tax Payments</i>		
	<b>Total Disbursements to Court/Other:</b>		

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FUND ACCOUNTING [COMBINED] for Bright Smile Financing LLC, BRR Block Inc, Digi South LLC, and Ganador Enterprises LLC as of June 30, 2020			
Line	Description	Detail	Grand Total
Line 12b	Federal Tax Payments		
	Total Disbursements to Court/Other:		
	Total Funds Disbursed (Lines 9-11):		219,146.38
Line 13	Ending Balance (As of 06/30/2019):		\$ 7,315,873.03
Line 14	Ending Balance of Fund - Net Assets:		
Line 14a	Cash & Cash Equivalents		
Line 14b	Investments		7,315,873.03
Line 14c	Other Assets or Unlocked Funds		
	Total Ending Balance of Fund - Net Assets		\$ 7,315,873.03
<b>OTHER SUPPLEMENTAL INFORMATION:</b>			
Line 15	Report of Items NOT To Be Paid by the Fund:		
	Disbursements for Plan Administration Expenses Not Paid by the Fund:		
Line 15a	Plan Development Expenses Not Paid by the Fund:		
	1. Fees:		
	Fund Administrator		
	DC		
	Distribution Agent		
	Consultants		
	Legal Advisers		
	2. Administrative Expenses		
	3. Miscellaneous		
	Total Plan Development Expenses Not Paid by the Fund		
Line 15b	Plan Implementation Expenses Not Paid by the Fund:		
	1. Fees:		
	Fund Administrator		
	DC		
	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. FAIR Reporting Expenses		
	Total Plan Development Expenses Not Paid by the Fund		
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund		
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund		
Line 16	Disbursements for Plan Administration Expenses Not Paid by the Fund:		
Line 16a	Investment Expenses/CRIS Fees		
Line 16b	Federal Tax Payments		
	Total 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	No. of Claimants/Investors		
Line 19a	# of Claimants Received This Reporting Period		
Line 19b	# of Claimants Received Since Inception of Fund		

- The Bright Smile Financing, LLC asset sale proceeds were received pursuant to the Omnibus Order on Motion for Comfort Order Confirming Termination of Banking agreements and Receiver's Motion to Approve Bright Smile Asset Sale and Purchase Agreement [DE 162 filed on February 20, 2019] and subsequent Receiver's Notice of Entering into Second Amendment to Asset Purchase and Sale Agreement and Modification of Payment Schedule Under Purchase and Sale Agreement [DE 168 filed on March 7, 2019].
- The Ganador Enterprises, LLC settlement proceeds were received pursuant to the Receiver's Motion for Approval of First Amendment to Ganador Settlement Agreement [DE 249 filed on March 17, 2020].
- On February 25, 2020 a settlement agreement was entered into by and between Jon A Sale, in capacity as the Receiver and Bank of America, N.A. The settlement agreement provided for a payment of \$189,000 to the Receiver from Bank of America to settle all claims between the parties. [DE 248 filed on March 6, 2020]
- On March 11, 2020 a settlement agreement was entered into by and between Jon A Sale, in capacity as the Receiver and JP Morgan Chase Bank, N.A. The settlement agreement provided for a payment of \$38,100 to the Receiver from JP Morgan Chase to settle all claims between the parties. [DE 250 filed on March 20, 2020]

Received  
 By: Jon A Sale  
 (signature)  
JON A. SALE  
 (printed name)  
 (title)  
RECEIVER  
 Date: 8/14/20

**Schedule 1.1**  
**STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;**  
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**DETAIL OF LINE 1, BEGINNING BALANCE**

<b>Entity</b>	<b>Bank Name</b>	<b>Account Number</b>	<b>Bank ID</b>	<b>As of Date</b>	<b>Balance</b>
BrightSmile	Bank United	*****9469	BU 9469	3/31/2020	\$ 4,901,197.39
BRR Block	Bank United	*****0955	BU 0955	3/31/2020	591,397.49
Digi South	Bank United	*****0707	BU 0707	3/31/2020	154,071.53
Ganadaor	Bank United	*****9065	BU 9065	3/31/2020	1,263,530.00
PayNow Direct	Bank United	*****3453	BU 3453	3/31/2020	41,000.00
					<b>\$ 6,951,196.41</b>

Schedule 5.1  
**STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;**  
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**DETAIL OF LINE 5, BUSINESS ASSET LIQUIDATION**

<b>Date</b>	<b>Entity</b>	<b>Bank ID</b>	<b>Ref</b>	<b>Payee</b>	<b>Purpose</b>	<b>Amount</b>
04/02/20	Ganador	BU 9065		National I.S.	Ganador Settlement Collections	\$ 118,750.00
04/20/20	PayNow	BU 3453		JP Morgan Chase	Settlement Agreement	38,100.00
04/28/20	Ganador	BU 9065		National I.S.	Ganador Settlement Collections	118,125.00
05/19/20	PayNow	BU 3453		Bank of America	Settlement Agreement	189,000.00
05/29/20	Ganador	BU 9065		National I.S.	Ganador Settlement Collections	117,500.00
						<b>\$ 581,475.00</b>

Schedule 8.1  
STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;  
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DETAIL OF LINE 8, MISCELLANEOUS - OTHER

Date	Entity	Bank ID	Ref	Payee	Purpose	Amount
04/28/20	PayNow	BU 3453		Petty Cash	Petty Cash	\$ 2,348.00
						<u>\$ 2,348.00</u>

Schedule 10.1  
**STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;**  
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**DETAIL OF LINE 10, DISBURSEMENTS FOR RECEIVERSHIP OPERATIONS**

**DETAIL OF LINE 10A, DISBURSEMENTS TO RECEIVER AND TO OTHER PROFESSIONALS**

Date	Entity	Bank ID	Ref	Payee	Purpose	Amount
04/23/20	BrightSmile	BU 9469	1030	Kapila Mukamal	Accountants for Receiver - Fees & Costs	\$ 10,260.29
04/23/20	BrightSmile	BU 9469	1033	Sale & Weintraub	Attorneys for Receiver - Fees & Costs	43,008.00
04/23/20	BrightSmile	BU 9469	1035	Nelson Mullins Broad & Cassel	Receiver - Fees & Costs	79,576.69
04/23/20	PayNow	BU 3453		Damian & Valori LLP	Receiver's Contingency Counsel - Fees	25,061.40
06/16/20	PayNow	BU 3453		Damian & Valori LLP	Receiver's Contingency Counsel - Fees	56,700.00
						<b>\$ 214,606.38</b>

**DETAIL OF LINE 10B, BUSINESS AND ASSET EXPENSES**

Date	Entity	Bank ID	Ref	Payee	Purpose	Amount
04/23/20	BRR Block	BU 0955		Marshall G. Swatt	Contracted Labor	\$ 4,500.00
04/23/20	BRR Block	BU 0955		Bank Fee	Other Contract and Business Expenses	25.00
04/23/20	BRR Block	BU 0955		Bank Fee	Other Contract and Business Expenses	(25.00)
04/20/20	PayNow	BU 3453		Bank Fee	Other Contract and Business Expenses	15.00
04/23/20	PayNow	BU 3453		Bank Fee	Other Contract and Business Expenses	25.00
04/23/20	PayNow	BU 3453		Bank Fee	Other Contract and Business Expenses	(25.00)
06/16/20	PayNow	BU 3453		Bank Fee	Other Contract and Business Expenses	25.00
						<b>\$ 4,540.00</b>

**Schedule 13.1**  
**STANDARDIZED FUND ACCOUNT REPORT for Receivership Entities - Cash Basis Receivership;**  
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**DETAIL OF LINE 13, ENDING BALANCE**

<b>Entity</b>	<b>Bank Name</b>	<b>Account Number</b>	<b>Bank ID</b>	<b>As of Date</b>	<b>Balance</b>
BrightSmile	Bank United	*****9469	BU 9469	3/31/2020	\$ 4,768,352.41
BRR Block	Bank United	*****0955	BU 0955	3/31/2020	586,897.49
Digi South	Bank United	*****0707	BU 0707	3/31/2020	154,071.53
Ganadaor	Bank United	*****9065	BU 9065	3/31/2020	1,617,905.00
PayNow Direct	Bank United	*****3453	BU 3453	3/31/2020	188,646.60
					<b>\$ 7,315,873.03</b>