

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
(SHERMAN DIVISION)

IN RE: §  
§ CASE NO. 19-40426  
CFO MANAGEMENT §  
HOLDINGS LLC,<sup>1</sup> §  
§ CHAPTER 11  
Debtor. §  
§

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NOTICE OF QUARTERLY REPORTING OF  
THE CFO MANAGEMENT HOLDINGS LIQUIDATION TRUST

**PLEASE TAKE NOTICE** that in accordance with Section 4.15(a) of the Trust Agreement [Docket No. 757-1] (the “**Trust Agreement**”) for the CFO Management Holdings Liquidation Trust (the “**Trust**”), David Wallace, in his capacity as liquidation trustee (the “**Trustee**”) for the Trust, files this quarterly report for the period ending September 30, 2021 (“**Q3**”).

**PLEASE TAKE FURTHER NOTICE** that, regarding payments made and anticipated to be made to unsecured creditors, in accordance with the confirmed *Chapter 11 Trustee’s Second Amended Plan of Liquidation for Debtor CFO Management Holdings, LLC (with Technical Modifications and Certain Settlement Language)* [Docket No. 659] (the “**Plan**”), allowed unsecured creditors received beneficial interests in the Trust. While these interests have value and have resulted in a subsequent initial distribution from the Trust, the value of such interests as of the end of Q3 is currently unknown to the Trust. The precise nature, amount, and timing of any future distribution to the beneficiaries of the Trust is speculative and will depend on, and could be delayed by, among other things, final settlements regarding litigation, proceeds from pursuing litigation against third parties, and unexpected or greater than expected expenses incurred to administer the Trust. The costs of administration of the Trust and prosecution of litigation claims will reduce the amount of net assets available for ultimate distribution to the holders of beneficial interests in the Trust.

**PLEASE TAKE FURTHER NOTICE** that each of the unaudited statements that follow have been prepared solely to comply with the reporting requirements of the Trust Agreement and should not be relied on for any other purpose. Further, the information provided in this notice and the notes to the statements are provided to offer additional information to the readers of the report. However, such information is not complete and should be read in conjunction with the Plan and

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<sup>1</sup> The following entities’ bankruptcy cases and estates have been substantively consolidated with that of Debtor CFO Management Holdings, LLC (EIN# XX-XXX6987) for all purposes (see Docket No. 248): Carter Family Office, LLC (Case No. 19-40432); Christian Custom Homes, LLC (Case No. 19-40431); Double Droptine Ranch, LLC (Case No 19-40429); Frisco Wade Crossing Development Partners, LLC (Case No. 19-40427); Kingswood Development Partners, LLC (Case No. 19-40434); McKinney Executive Suites at Crescent Parc Development Partners, LLC (Case No. 19-40428); North-Forty Development LLC (Case No. 19-40430); and West Main Station Development, LLC (Case No. 19-40433). On the effective date of the confirmed plan in this case [Docket No. 659], the CFO Management Holdings Liquidation Trust was formed and the Debtor was deemed dissolved. The following mailing address can be used for the CFO Management Holdings Liquidation Trust with respect to these cases: c/o David Wallace, Liquidation Trustee, 4131 North Central Expressway, Suite 775, Dallas, Texas 75204.



Trust Agreement. In addition, readers are encouraged to visit the following website for updates and additional background information:

<http://www.kccllc.net/cfomanagementholdings/info/9328>

The Trustee also refers readers to the first and second *Post-Confirmation Report Regarding the Trustee's Second Amended Plan of Liquidation for Debtor CFO Management Holdings, LLC* [Docket Nos. 761 and 819] for additional details on the activities and pending matters involving the Trust.

DATED: November 1, 2021

/s/ Jessica Lewis

Judith W. Ross, State Bar No. 21010670

Jessica Lewis, State Bar No. 24060956

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**COUNSEL TO LIQUIDATION TRUSTEE  
DAVID WALLACE**

CFO Management Holdings Liquidation Trust  
Report Quarter Ending September 30, 2021  
Balance Sheet (Unaudited)

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**Assets**

Cash	2,782,952.74
Non-Cash Assets (Causes of Action)	Unknown*
<b>Total Assets</b>	<b>2,782,952.74</b>

**Liabilities**

Administrative Payments Payable**	122,505.72
Pending Unsecured Distributions Payable***	44,098.18
<b>Total Liabilities</b>	<b>166,603.90</b>

**Net Assets in Liquidation** **2,616,348.84** \*\*\*\*

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\* As reflected in post-confirmation reports [Docket Nos. 761 and 819], the Trustee is actively pursuing certain causes of action. The Trust does not have an accurate valuation of such causes of action at this time.

\*\* Includes professional fees and related expense reimbursements.

\*\*\* Includes amounts pending distribution to beneficiaries with allowed unsecured claims whose payment address information had not been confirmed as of the time of the initial distribution.

\*\*\*\* Includes amounts held on reserve in accordance with the Plan and Trust Agreement pending resolution of claim-related disputes and in order to provide for sufficient resources for asset liquidation and winding down the Trust. Such reserve amounts include approximately \$600,000 held on reserve for resolution of other M&M Lien-related claim disputes, and \$550,000 in the Wind-Down Reserve (as defined in the Plan).

CFO Management Holdings Liquidation Trust  
Report Quarter Ending September 30, 2021  
Consolidated Cash Flow Statement (Unaudited)

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**Receipts**

Settlement Payments*	410,789.15
Other Receipts**	26,639.14
<b>Total Receipts</b>	<b>437,428.29</b>

**Disbursements**

Administrative Costs***	233,538.40
Beneficiary/Claim Distributions****	3,139,930.69
<b>Total Disbursements</b>	<b>3,373,469.09</b>

**Net Cash Flow** **(2,936,040.80)**

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**Cash Balance**

Beginning Balance (7/1/2021)	5,718,993.54
Increase (Decrease)	(2,936,040.80)
Ending Balance (9/30/2021)	<b>2,782,952.74</b>

\* Includes amounts received in settlement of filed or potential avoidance actions.

\*\* Includes amounts received from distribution agent Kurtzman Carson Consultants LLC on account of undeposited distribution checks.

\*\*\* Includes professional fees and related expense reimbursements.

\*\*\*\* Includes payment of \$3,114,616.73 to EMJ Construction in resolution of its claim and related claim objections [see Docket No. 836], and payment of certain distributions to "unsecured claim" trust beneficiaries whose claim disputes were resolved or whose addresses were located since the initial March 31, 2021 distribution.