

**ROBB EVANS**  
**Receiver of the**  
**Assets of James P. Lewis, Jr. individually and DBA**  
**Financial Advisory Consultants, Income Fund, Ltd. &**  
**Growth Fund, Ltd.**

**REPORT OF RECEIVER'S ACTIVITIES**  
**JANUARY 1, 2006 THROUGH JUNE 30, 2006**

This is the sixth report to the Court. The purpose of this report is to update the Court on the progress of the receivership. This report does not constitute an audit of the financial condition of the receivership; it is intended only for the information of the Court and should not be relied upon for other purposes.

**Status of Assets**

**Properties held jointly by James P. Lewis, Jr. and Sally Lewis**

As previously reported, the Receiver developed a disposition strategy for each of the four real properties in conformance with the criteria and procedures approved by the Court.

The residential properties in Laguna Niguel, San Diego and Palm Desert, and the commercial office condominium located on El Toro Road have been sold pursuant to Court approval.

**Property held jointly by Lewis and Blakney Boggs**

The Court approved the motion for sale of the property located at 18607 Villa Drive, Villa Park, CA and the sale closed during this reporting period.

**Property held jointly by Lewis and Sharon Lefevers**

As previously reported, the Receiver has been in communication with counsel for Sharon Lefevers (Lefevers), who is listed as a co-owner of the house in Greenwich, Connecticut. Subsequent to this reporting period, a tentative settlement agreement was negotiated subject to further documentation and Court approval. As part of this agreement, Lefevers has turned over possession and control of the property located at 21 MacKenzie Glen, Greenwich, CT to the Receiver. As mutually agreed, on July 21, 2006 a deputy to the Receiver met with Lefevers to transfer possession and assume control of the property.

The home is in poor condition with extensive deferred maintenance including, but not limited to, ruptured pipes, moisture issues, termite control, inoperative heating and air conditioning units, roof leaks, and general interior and exterior cosmetic repairs.

The deputy met with numerous contractors, including general, cleaning, plumbing, pool, landscaping, and heating and air conditioning contractors, to obtain bids to determine the cost to complete the necessary repairs. The deputy also met with a number of real estate brokers and agents to solicit their opinions as to the value of property. All repair bids and property evaluations are in the process of being completed and the reports are expected to be available before the end of July 2006.

Once a value determination has been made, a listing agency will be hired and a marketing and sale campaign will be developed to maximize the market value.

### **Other Assets**

The Receiver sold two jewelry items, a Panerai watch and Rolex watch, for net proceeds totaling approximately \$10,850, an amount in excess of the appraised values.

### **Investor Issues**

#### **Claims Against the “Winning” Investors**

As previously reported, the Receiver has made demand on over 400 investors to return amounts received that were in excess of their investment. While it is still too early in the process to predict how much the estate will ultimately recover from the winning investors, significant progress has been made. To date, the Receiver has negotiated settlements of about \$5.8 million. Settlements of about \$4.3 million have been approved by this Court. The Receiver intends to seek this Court’s approval of the additional settlements in the near future. Negotiations with many other winning investors are ongoing.

### **Tax Matters**

The Receiver has obtained a tax identification number for a Qualified Settlement Fund (QSF). Effective January 6, 2004, the receivership estate will be taxed as a QSF as described in Internal Revenue Code Section 468B and Treasury Regulation Section 1.468B-1<sup>1</sup>.

Respectfully Submitted,

/S/

Robb Evans  
Receiver

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<sup>1</sup> A QSF minimizes the tax impact on the receivership estate and has no direct impact on the victims.