

## **ASSIGNEE'S UPDATED REPORT OF EVENTS AS OF JUNE 7, 2021**

Pursuant to the Notice of Assignment (the "Notice") for the Benefit of Creditors Relating to FSM Company 1A, LLC f/d/b/a The Printing Source ("TPS"), I indicated that I would provide periodic report of the events concerning the liquidation of the assets of TPS. In my last report to creditors, which was as of December 31, 2021 (the "12/31/20 Report"), I reported that the primary remaining assets of TPS included real property located at 2373 Ball Drive, St. Louis, Missouri (the "Real Property") and a contingent receivable payable by Garlich Press (the "Garlich Receivable"), which had acquired a substantial portion of the assets of TPS. As disclosed, the primary liabilities of TPS included a secured debt on the Real Property in favor of Enterprise Bank, a sales tax obligation owed to the State of Missouri and substantial general unsecured debt of TPS.

The 12/31/20 Report indicated that the secured loan on the Real Property was a drain on this estate due to the cost of maintaining the Real Property and payment of debt service, thereby necessitating the borrowing of funds. As a result, I borrowed funds from an affiliate of TPS in order to pay the expenses and obligations of this estate while I marketed the Real Property for sale. The affiliate loaned approximately \$90,000 to the estate, which loan was to be repaid at closing on the sale of the Real Property. The hope, dashed as a result of the pandemic, was for the estate to sell the Real Property as soon as possible after my appointment as the assignee. However, the sale took longer than expected. Fortunately, I was able to find a buyer for the Real Property, which sale closed on May 13, 2021. The buyer, procured through a realtor I employed, had no connections or affiliation with the estate or TPS. The sale price for the Real Property was \$2,825,000. After payment of the remaining balance owed Enterprise Bank of a sum in excess of \$2,400,000, the payment of commissions, the repayment of the loan from the affiliate, and the other closing costs, the assignment estate received a net payment of about \$92,000. From this net sum, I was required, as previously disclosed, to pay one-half of the net proceeds, or about \$46,000, to an affiliate of TPS due to the affiliate previously paying off additional debt of TPS due to Enterprise Bank.

Going forward, I am hopeful to continue collecting the Garlich Receivable, which continues through the end of 2024. As stated previously, the amounts are paid monthly and depend on sales and collections of certain receivables. As a result, it is not certain as to the amount of funds the estate will receive over time. To date, monthly payments range from approximately \$6,600 to sums in excess of \$20,000 (before payment to the affiliate), but, over time, it is expected that the payments will decrease. Further, as the documents on this website disclose, including the Notice, I am required to pay one-third of each collection of the Garlich Receivable to the affiliate of TPS for its funding and payment of a substantial portion of the Enterprise Bank loan.

As of June 1, 2021, the remaining assets and liabilities of this estate are set forth on Exhibit 1 to this updated report. The assets consist of cash of about \$48,000 and the Garlich Receivable. The liabilities and obligations of the estate now consist of the additional continuing costs and expenses of this assignment estate, a remaining sum owed the State of Missouri of about \$57,500 for its priority claim, the payment of 1/3 of each collection of the Garlich Receivable to the affiliate, and the amount of general unsecured debt of about \$2,000,000. As stated, with the sale of the Real Property, there will be no further drain on the estate of costs, expenses and debt service related to its maintenance.

When and if there are sufficient funds in the estate, it is my intention to establish a claims procedure with the hope of paying a modest dividend to general creditors. This may take some time as the priority debt to the State of Missouri has to be funded and paid and as it will take time to collect sufficient funds from the monthly payment of the Garlich Receivable.

If there are any questions about this updated report, you may contact me as listed below. As previously stated, additional reports will be posted on the website from time to time as events unfold.

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**EXHIBIT 1**

**UPDATED LEDGER AS OF JUNE 7, 2021**

<b><u>ASSET</u></b>	<b><u>ESTIMATED VALUE</u></b>
Garlich Press Receivable (Contingent)	Amount to be collected is unknown due to many variables; monthly payments for approximately 3.5 years
Checking Account	\$48,000.00

<b><u>LIABILITIES</u></b>	<b><u>ESTIMATED</u></b>
General unsecured debt	Approximately \$2,000,000.00
Anticipated Administrative expenses for Assignee and professionals	Unknown but estimated at \$30,000.00 (amount may vary)
Missouri Sales Tax (Remaining balance)	Approximately \$57,500.00