

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

COMPLETE BUSINESS SOLUTIONS
GROUP, INC. D/B/A/ PAR FUNDING, ET
AL.,

Defendants,

and

L.M.E. 2017 FAMILY TRUST,

Relief Defendant.

CASE NO.: 20-CIV-81205-RAR

**JOHN GISSAS AND RETIREMENT EVOLUTION DEFENDANTS' RESPONSE IN
OPPOSITION TO THE SEC'S EMERGENCY *EX PARTE* MOTION FOR
PRELIMINARY INJUNCTION AND OTHER RELIEF**

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Defendants, John Gissas (“Gissas”), Retirement Evolution Group, LLC (“REG”), Retirement Evolution Income Fund, LLC f/k/a RE Income Fund, LLC, and RE Income Fund 2, LLC (collectively, the “RE Defendants”), by and through their undersigned counsel and pursuant to Federal Rule of Civil Procedure 65, file this Response in Opposition to the Emergency *Ex Parte* Motion for Temporary Restraining Order and Other Relief (“Motion”) filed by Plaintiff on July 27, 2020. ECF No. 14.¹

Despite the voluminous filings in this matter, the RE Defendants are alleged to have violated securities laws without any allegations of scienter (i.e., they are claimed to have been negligent). On that basis alone, the SEC seeks to appoint a receiver over the entirety of Gissas’ business and freeze all of its assets. For the reasons stated below, the Court should deny Plaintiff’s requests for a preliminary injunction, a receiver, and an asset freeze as to the RE Defendants or, at a minimum, substantially narrow the scope of the receiver’s authority over them, and the freeze.

INTRODUCTION

The RE Defendants are wholly different from the other Defendants in this case, and are not part of any alleged fraud at Par. Indeed, Gissas is actively cooperating with the receiver.² The RE Defendants are named only in 24 of the 294 paragraphs in the Amended Complaint (ECF No. 119) *because* Gissas was involved with Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par”) for a very limited time (less than two years) and it is only one of many investment vehicles he has made available to his clients. Gissas’ business chiefly involves investment opportunities in life insurance policies and commercial properties. Far from being involved in Defendants’ alleged

¹ The RE Defendants provide the information in this response and the attached exhibits based on the information presently available to them, and reserve all rights to amend or supplement as necessary.

² Gissas is actively working with the Receiver to answer all questions and provide all requested information concerning the RE Defendants’ business and activities. Those efforts remain ongoing despite the best efforts of the RE Defendants and the Receiver to resolve outstanding issues.

scheme, the RE Defendants are victims too. Gissas investigated Par before investing any of his clients' money and was satisfied that it was a legitimate investment opportunity. Indeed, he believed so completely in Par that he invested approximately \$250,000 of his own and his family members' money (which remains outstanding).

Nevertheless, the Securities and Exchange Commission ("SEC" or "Plaintiff") seeks a preliminary injunction (1) effectively preventing Gissas from servicing his clients, many of whom never invested in Par, (2) appointing a receiver to assume full control of all of the RE Defendants' business, without differentiating between investments in Par and other investments unrelated to Par, and (3) freezing all of their assets. The SEC's Motion omitted crucial facts that obviate the necessity and legal basis for these remedies.

Unlike the other Defendants, the SEC has not charged the RE Defendants with intentional fraud or any efforts to hide or move money. Instead, the SEC alleges that the RE Defendants were negligent in failing to inform investors of some of the history of the individuals affiliated with Par. But the Amended Complaint contains no specific allegation that the RE Defendants actually knew that history. The SEC also alleges that the RE Defendants made unregistered securities offerings, but the offerings were exempt from registration and the RE Defendants attempted in good faith, and with the advice of counsel, to comply with the federal securities laws.

The SEC offers a declaration from one of Gissas' 200+ clients (Ronald Lipowski) to substantiate its claims here. Lipowski is a non-accredited investor who invested in a fund that was registered pursuant to Rule 506(b), which permits investments by non-accredited investors. That Lipowski became aware of Gissas and his company through an advertisement for an informational seminar about REG, as opposed to a solicitation for a specific offering, does not transform his subsequent investment in a fund holding Par notes into a violation of the securities laws.

Thus, the Court should deny the SEC's request for a preliminary injunction imposing a

receivership and asset freeze. First, the SEC cannot establish a *prima facie* case of securities violations by the RE Defendants. Second, the SEC cannot show a reasonable likelihood that the alleged wrongs will be repeated absent injunctive relief. The RE Defendants have not invested in Par since February 2020 and there are no current offerings or sales involving Par by the RE Defendants.³ Third, the appointment of a receiver is an extreme remedy that is not necessary to protect investors and is inequitable here. Finally, even if the Court elects to impose an asset freeze, the freeze requested by the SEC is overbroad and exceedingly onerous. The SEC purports to limit the freeze to the amounts raised by the RE Defendants that were invested in Par (ECF No. 14-1 at 16), but by and large those monies *are already in Par's (and thus the Receiver's) possession*. The asset freeze is *not limited to* the limited monies that the RE Defendants received back from Par that are still in its possession. A receiver with unlimited powers and the all-encompassing asset freeze that the SEC seeks would destroy Gissas' legitimate business and likely cause the RE Defendants to default on several investments which have nothing to do with Par. Such drastic measures would harm both the investors the SEC claims it seeks to protect as well as Gissas.

FACTUAL AND PROCEDURAL BACKGROUND

A. John Gissas

John Gissas is 70 years old, lives in the Villages Retirement Community in Florida with his wife of 46 years, and works part-time finding and marketing investments primarily to retirees, mostly now his neighbors in the Villages, friends, and family. Declaration of John Gissas ("Gissas Dec'1") ¶ 3, attached at Ex. 1. Gissas has spent his life building his reputation (the lifeblood of his business). Gissas has a long and unblemished record of offering various investment vehicles for sale to his clients and never has been the subject of an SEC investigation or enforcement action.

³ The SEC's reference to a July 2020 luncheon advertised by Gissas does not establish any likelihood of future harm, as that advertisement and lunch did not concern Par.

Gissas lives simply in a modest house, and drives a used car. He relies on Social Security and his earnings from REG, which are his primary sources of income. *Id.* For the 20 months that Gissas was involved with Par, he drew a modest salary, which was for his work not only for Par but for all of REG's investments, including in other funds unrelated to Par.

B. Involvement with Par

i. Gissas is Introduced to Par

In April 2018, Gissas formed Retirement Evolution Group, LLC ("REG") to provide clients with investment opportunities, and serves as its Managing Member. Am. Compl. ¶¶ 32-33. Around that same time, Dean Vagnozzi, whom Gissas had known for several years, introduced him to Par. Gissas Dec'1 ¶ 8. Gissas performed due diligence on Par, including through internet searches. *Id.* Gissas and his accountant visited Par's offices in Philadelphia, and were impressed by the professional operation and its demonstrated track record. *Id.* Gissas believed so strongly in Par that he put his own money into it, investing approximately \$250,000 of his and his family members' money in Par-related funds. *Id.* ¶ 16.

ii. Only Three of REG's Five Funds Invested in Par

Gissas formed Retirement Evolution Income Fund, LLC ("RE Income Fund 1") in 2018. Am. Compl. ¶ 34. In May 2018, RE Income Fund 1 made an offering into Par of promissory notes that was exempt from the registration requirements of the federal securities laws pursuant to Rule 506(b), as reflected in a Form D filed through counsel with the SEC in June 2019, totaling approximately \$5.4 million from 62 investors. *Id.*; Ex. F.

In 2019, Gissas formed RE Income Fund 2, LLC ("RE Income Fund 2"). Am. Compl. ¶ 35. RE Income Fund 2 made an offering for Par of promissory notes that was exempt from the registration requirements of the federal securities laws pursuant to Rule 506(b), as reflected in a Form D filed with the assistance of counsel in August 2019. *Id.*; Ex. G. The Amended Complaint

alleges this offering generated at least \$150,000 for Par. Am. Compl. ¶ 35.

Gissas also offered promissory notes exempt from registration under the federal securities laws under Rule 506(c) through Retirement Evolution Insured Income Fund, LLC (“RE Insured Fund”), which filed a Form D with the assistance of counsel in March 2019. Ex. H. This fund is not mentioned in the Amended Complaint; it offered investments in Par in loans that Gissas was told were insured against default. *Id.*

iii. REG and Gissas Manage Two Funds Unrelated to Par

Gissas also offers investment opportunities in two other funds that do not invest in Par: Retirement Evolution, LLC (“RE Life Fund”), which invests in life insurance policies, and Retirement Evolution Strategic Properties, LLC (“RE Strategic Properties Fund”), which invests in commercial properties. Gissas Dec’l ¶ 21-22.

In other words, not all of Gissas’ clients are invested in the three RE funds or in Par. Yet, the Receiver has taken over REG’s offices, files, bank accounts, emails and other electronic files. ECF No. 83 at 5. This lockout has made it impossible for Gissas to conduct his business for his clients, including clients whose investments are entirely unrelated to Par and may be at risk of default. For every day the Receivership has total control over the RE Defendants’ assets and they remain frozen, Gissas’ clients who are not invested in Par are being harmed. Further, Gissas is suffering irreparable harm to his reputation and his business. He has built his name and reputation over his lifetime and it is being tarnished to his clients and neighbors for alleged wrongdoing that he was unaware of and had no involvement in.

If the Receiver is granted unfettered and long-term control over Gissas’ businesses, life insurance policies in the RE Life Fund may lapse and millions of dollars of death benefits may be lost. Also, commercial properties invested in by the RE Strategic Properties Fund may default, which would cause investors to lose monthly and annual payments and some of Gissas’ clients,

most of whom are retirees, will not receive monthly checks on which they depend.

C. How the Par Investment Worked

A client who elects to invest in Par signs a subscription agreement, and provides the funds to REG. REG maintains one management account into which client funds are deposited, for Par and other investments. Gissas Dec'1 ¶ 6. For investors who deposit funds with REG for Par investments, that money is then transferred to Par's bank account by wire transfer. *Id.* ¶ 7. All Par investments were sent to Par's bank account. *Id.* Certain clients invested with REG through their 401(k) or IRAs. *Id.* ¶ 10. Due to the various rules and regulations that apply to such accounts, those investors would deposit their money with self-directed qualified IRA custodians that approve the investment and add it to their platform, and then transfer the money from the individual's retirement account to the applicable RE fund which, in turn, wires the money to Par's account. *Id.*

All monies received by REG from Par in connection with the Par investments (including those made through qualified IRA custodians) were transferred by wire transfer from Par's account to REG's managerial account. *Id.* ¶ 17. Generally, Par would pay interest payments to REG twice per month. *Id.* REG clients invested in Par would either: (1) request that their money be distributed on a monthly basis as Par makes interest payments; or, (2) request that REG distribute money to them on an annual basis; or, (3) reinvest the interest payments back into Par (or to some other investment), for tax and other reasons. *Id.* ¶ 19. Thus, there is nearly \$1 million pertaining to Par in REG's bank accounts that is being held for those clients.

D. The SEC's Scant Proffered Evidence of Alleged Wrongdoing By the RE Defendants

The SEC offers a declaration from Ronald Lipowski (the "Declaration") to substantiate its request for a preliminary injunction against Gissas. Lipowski is a non-accredited investor who confirmed that he had \$750,000 and invested \$10,000 in RE Income Fund 2. Gissas Dec'1 ¶¶ 27, 31. According to Lipowski, he saw an advertisement "in the summer of 2019" about Gissas and

his company. SEC Ex. 101, ¶ 2. The Declaration does not attach or describe that advertisement. In fact, that advertisement did *not* solicit investments in any particular fund or Par specifically. *See* Ex. C. As Lipowski acknowledges, Gissas gave a slide presentation at the August 1, 2019 lunch identified in the Declaration. SEC Ex. 101, ¶ 3. The presentation described a variety of investment opportunities available through the RE Defendants. Ex. B.

As a result of that August 1 meeting, Lipowski requested a follow-up, in-person meeting at Gissas' offices, held on August 8, 2019. SEC Ex. 101, ¶ 7. Lipowski then attended a dinner on August 15, 2019 in which Abbonizzio spoke about Par. *Id.* ¶¶ 9-14. That dinner was by invitation only; Gissas distributed the invitation to approximately 15-20 individuals who he knew were interested in the investment. Gissas Dec'1 ¶ 28. The dinner was not advertised to the general public. *Id.* Lipowski again met with Gissas in his office on or around October 14, 2019 and invested \$10,000 in Par through RE Income Fund 2. *Id.* ¶ 31. RE Income Fund 2 was registered with the SEC as an offering exempt from the registration requirements of the federal securities laws pursuant to Rule 506(b), and therefore non-accredited investors like Lipowski, *see* SEC Ex. 101, ¶ 18-19, were permitted to invest in that fund.

Gissas believes that he disclosed the regulatory actions against Par/CBSG to Lipowski, and that it was his custom and practice to do so and to distribute the December 2018 Bloomberg article that publicized the same. Gissas Dec'1 ¶ 34; Ex. E. Janet Bourzikas, who works in Gissas' office, also remembers that it was Gissas' custom and practice to mention the Bloomberg article to investors. *See* Declaration of Janet Bourzikas, attached at Ex. 2. The Lipowski Declaration and the SEC's Motion make reference to a July 2020 advertisement by the RE Defendants (although they were not attached). This advertisement did not relate to Par/CBSG or any specific investment fund (Par/CBSG or otherwise). *Id.* ¶ 32; Ex. A.

ARGUMENT

I. LEGAL STANDARD

Rule 65 of the Federal Rules of Civil Procedure governs the issuance of preliminary injunctions. *See Ferrer v. Assoc. Material, Inc.*, 923 F.2d 1441, 1448 (11th Cir. 1991). As the movant for a preliminary injunction, the SEC bears the burden of proving, *inter alia*, that it is likely to succeed on the merits of its claims. *SEC v. Unique Fin. Concepts, Inc.*, 196 F.3d 1195, 1199 n.2 (11th Cir. 1999); *FTC v. U.S. Mortg. Funding, Inc.*, No. 11-CV-80155, 2011 WL 810790, at *1 (S.D. Fla. Mar. 1, 2011). The SEC also bears the burden of establishing that appointment of a Receiver is warranted. *See United States v. Bradley*, 644 F.3d 1213, 1310 (11th Cir. 2011); *Rosen v. Siegel*, 106 F.3d 28, 34 (2d Cir. 1997) (“[T]he appointment of a receiver is considered to be an extraordinary remedy, and ... should be employed cautiously and granted only when clearly necessary to protect plaintiff’s interests in the property.”). The SEC claims that its only burden to obtain a preliminary injunction, receiver, and asset freeze is for the Court to “find some basis for inferring a violation of the federal securities laws.” Mot. at 77. That is not the law.⁴

To obtain injunctive relief, the SEC must make a proper showing. The SEC must establish both: (i) a prima facie case of past securities law violations by the RE Defendants, and (ii) ***a reasonable likelihood that the wrong will be repeated absent injunctive relief.*** *Unique Fin. Concepts, Inc.*, 196 F.3d at 1199 (emphasis added). The Court should also consider “the egregiousness of the defendant’s actions, the isolated or recurrent nature of the infraction, and the degree of scienter involved,” among other factors. *SEC v. Creative Cap. Consortium, LLC*, No. 08-81565, 2009 WL 5031353, at *2 (S.D. Fla. Dec. 14, 2009). The more onerous the injunction

⁴ The Court has discretion to modify or limit the Receiver’s powers. *See SEC v. Elliot*, 953 F.2d 1560, 1566 (11th Cir. 1992) (“The district court has broad powers and wide discretion to determine relief in an equity receivership. This discretion derives from the inherent powers of an equity court to fashion relief”).

sought by the SEC, the more severe its burden. *SEC v. Compania Int'l Financiera S.A.*, No. 11-4904, 2011 WL 3251813, at *7 (S.D.N.Y. July 29, 2011). The SEC cannot meet this high burden.

II. THE SEC CANNOT SHOW THE RE DEFENDANTS VIOLATED THE FEDERAL SECURITIES LAWS

a. The SEC Cannot Establish the RE Defendants Violated Sections 17(a)(2) and 17(a)(3) of the Securities Act

The SEC is not able to establish a *prima facie* case of securities fraud. The SEC alleges that Gissas, REG and RE Income Fund 1 from May 2018 through present and RE Income Fund 2 from August 2019 through present violated Section 17(a)(2) and 17(a)(3) of the Securities Act of 1933 (the “Securities Act”), 15 U.S.C. § 77q(a)(2) and (3). Am. Compl. ¶¶ 281, 284. To show a violation of Section 17(a)(2) and 17(a)(3), the SEC must demonstrate (1) material misrepresentations or materially misleading omissions, (2) in the offer or sale of securities, (3) made with negligence. *SEC v. Merchant*, 483 F.3d 747, 766 (11th Cir. 2007) (citing *Aaron*, 446 U.S. at 702)); *SEC v. Monterosso*, 756 F.3d 1326, 1333-34 (11th Cir. 2014). For several reasons, the SEC fails to satisfy these elements.

The SEC does not allege the RE Defendants made any misrepresentations. In the Motion, the SEC alleges that the RE Defendants advertised securities offerings on REG’s website, which included a link to a RE fund PPM, in newspaper advertisements in the Villages newspaper, and invited the public to lunches and dinners where Gissas, “sometimes with the assistance of Abbonizio, solicits the audience to invest in the RE funds, which will invest in Par Funding Notes.” Mot. at 30. But the SEC does not attribute to Gissas a single misrepresentation about the RE funds or investment into Par. In fact, the only affirmative statement Gissas allegedly made was in the invitation to the August 15, 2020 dinner meeting, which mentions the “the top company in the merchant cash sector,” but it does not name Par or any offerings and expressly disclaims that it is an offering of any securities or investments. Mot. at 45; SEC Ex. 101-A. All of the alleged

misrepresentations in the Amended Complaint and the Motion were allegedly made by other Defendants, including Abbonizio. *See, e.g.*, Am. Compl. ¶¶ 121, 197, SEC Ex. 101, ¶¶ 9-14.

The SEC's case against the RE Defendants is strictly based on alleged omissions. The SEC claims Gissas omitted Par's regulatory history and was "negligent in his failure to tell investors about the two state orders against Par Funding," which were available on the internet at the time he was raising money for Par, and that his negligence is imputed to REG, RE Income Fund 1, and RE Income Fund 2. Mot. at 71; Am. Compl. ¶¶ 226-27.

But the Amended Complaint and the Motion are rife with allegations about the great lengths the other Defendants went to in order to conceal those very histories.⁵ *See, e.g.*, Mot. at 6-8, 22, 43-44, 67, 72-73; Am. Compl. ¶¶ 8, 214, 217. Regardless, as soon as Gissas found out about the New Jersey action against Par, he made it his standard practice to share a Bloomberg news article about it and/or mention it in the seminars he held or in meetings with investors and clients. Gissas believes he mentioned the order to his client, Lipowski. Gissas Dec'1 ¶¶ 33-34; Ex. E.

b. The SEC Cannot Show the RE Defendants Violated Sections 5(a) and 5(c) of the Securities Act.

The SEC also cannot establish that the RE Defendants violated the registration requirements of Section 5(a) or 5(c) of the Securities Act, 15 U.S.C. § 77e. Under Section 5, securities offered for sale must be registered by filing a registration statement with the SEC, unless an exemption to the registration requirement applies. *SEC v. Bronson*, 14 F. Supp. 3d 402, 407 (S.D.N.Y. 2014). In order to establish a *prima facie* case for a violation of Section 5, the SEC

⁵ Gissas only met LaForte once and he was introduced as Joe Mack. Like many others, Gissas was not told and did not know that Joe Mack was Joe LaForte. With the benefit of hindsight, the SEC alleges that Gissas knew or should have known about the regulatory history of LaForte and other principals of Par. But from Gissas' perspective at the time, there was no reason to be suspicious. He was introduced to Par through a long-time acquaintance, Vagnozzi, and he visited the offices of what appeared to him and his accountant to be a reputable and legitimate business. He simply did not see the need at the time to run background checks or Google searches, and even if he had they would not have pulled up LaForte's history because Gissas did not know him by that name.

must demonstrate that (1) the defendant directly or indirectly sold or offered to sell securities; (2) through the use of interstate transportation or communication and the mails; (3) when no registration statement was in effect.” *SEC v. Big Apple Consulting USA, Inc.*, 783 F.3d 786, 806–807 (11th Cir. 2015) (quoting *SEC v. Calvo*, 378 F.3d 1211, 1214 (11th Cir. 2004)). “Once participation in an unregistered sale has been shown, the [sellers] have the burden of proving an exemption to the registration requirements.” *Id.* at 807 (quoting *Zacharias v. SEC*, 569 F.3d 458, 464 (D.C. Cir. 2009)).

The SEC alleges that Gissas, REG and RE Income Fund 1 from May 2018 through present and RE Income Fund 2 from August 2019 through present violated Section 5(a) and 5(c) of the Securities Act. Am. Compl. at 288. The SEC claims that all Defendants offered for sale unregistered securities in the form of notes and partnership interests and that Defendants, including the RE Defendants, were “necessary participants and substantial factors in the Par offering in that they drew numerous prospective investors in to invest” for the purpose of raising money for Par. Mot. at 53-54. The SEC cannot establish a violation of Section 5(a) or 5(c) because the RE Defendants were permitted to offer the notes and the offerings were exempt from registration under Rule 506(b) of Regulation D, 17 C.F.R. § 230.506(b).

Under Rule 506(b), securities are exempt from registration if they are private offerings, there are fewer than 35 non-accredited investors in the offering, and each non-accredited investor has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment. *SEC v. Schooler*, 905 F.3d 1107, 1114 n.3 (9th Cir. 2018). To qualify for an exemption under Rule 506(b), an issuer or “any person acting on its behalf” is prohibited from selling or offering to sell securities “by any form of general solicitation or general advertising.” 17 C.F.R. § 230.502(c); *SEC v. Schooler*, No. 12-2164, 2015 WL 2344866, at *2 (S.D. Cal. May 14, 2015). This includes the use of “[a]ny advertisement,

article, notice or other communication published in any newspaper, magazine, or similar media or broadcast over television or radio;” or “[a]ny seminar or meeting whose attendees have been invited by any general solicitation or general advertising.” 17 C.F.R. § 230.502(c).

Here, the SEC alleges that the Rule 506(b) exemption does not apply to the RE Defendants because they advertise securities offerings on REG’s website and in the local Villages newspaper to “invite the public to lunches and dinners,” where Gissas, “sometimes with the assistance of Abbonizio, solicits the audience to invest in the RE Funds, which will invest in Par Funding Notes.” Mot. at 30. Registrations under Rule 506(b) may have accredited and non-accredited investors participate. 17 C.F.R. § 230.506(b). And the Rule does not prohibit the solicitation of clients as a general matter, which was the purpose of Gissas’ advertisements in local newspapers. Gissas Dec’l ¶ 23.

The RE Defendants have met their burden to establish that an exemption exists. First, the SEC admits that the RE Defendants filed Form Ds under Rule 506(b) for offerings by the two RE funds—RE Income Fund 1 and RE Income Fund 2. Mot. at 17. The SEC fails to mention that the RE Defendants also offered investments in Par through a third fund, Retirement Evolution Insured Fund, LLC, which was exempt from registration under Rule 506(c) (which, unlike Rule 506(b), does not prohibit general solicitation or general advertising). 17 C.F.R. § 230.506(c). The main requirement to qualify as exempt under Rule 506(c) is that the offering is limited to accredited investors. *Id.*

Both on REG’s website and in advertisements in the Villages newspaper, the RE Defendants provided a disclaimer that any opportunity would only be for accredited investors. Ex. C. The ad states that, “[t]he information provided is not an offer to buy or sell any securities. Offers are made only by written offering materials delivered to persons who qualify as **accredited investors.**” *Id.* (emphasis added). Gissas reinforced this requirement to attendees at these lunch

meetings during his slide presentation. Ex. B.

Second, the SEC does not allege that the RE Defendants violated Rule 506(b) by selling the offerings in RE Income Fund 1 and RE Income Fund 2 to more than 35 accredited investors. Indeed, the SEC does not address how many investors the RE Defendants had or how many of them were accredited or non-accredited.

Third, the RE Defendants consulted with legal counsel prior to placing any advertisements in the Villages newspaper to ensure that the ads complied with Rule 506.

Fourth, the SEC cites to two meetings—a dinner in August 2019 and a lunch in July 2020—as examples of general solicitation, but the SEC is wrong. The August 15, 2019 dinner was not advertised to the general public but only to prior or existing clients or interested individuals that Gissas had already formed a relationship with. Gissas Dec’1 ¶ 28. Approximately twelve people attended the dinner where Gissas introduced Abbonizio, who described the investment opportunity in Par. Am. Compl. ¶¶ 121, 197. The SEC also claims Gissas distributed a private placement memorandum for RE Income Fund 2 at the dinner but that does not comport with Gissas’ recollection nor with his standard practice.

The SEC points to an advertisement for lunch meetings in July 2020 to show that the RE Defendants “continue to actively solicit investors.” Mot. at 35. While Gissas placed an advertisement for the lunches in the Villages newspaper, it did not mention Par and, in fact, the events were not about Par at all.; rather it invited attendees to learn about “alternative investments with annual returns of 8% and 10% paid monthly,” which described the life insurance and commercial properties investments, not Par. Ex. A. Gissas had no intention of discussing Par at those lunches because he stopped transferring money to Par for new investments in February 2020. *See* Gissas Dec’1 ¶ 5. Gissas discussed other RE funds that were registered under Rule 506(c), which allows for general solicitation and advertising,—the RE Life Fund, which invests in life

insurance policies and the RE Strategic Properties Fund, which invests in commercial properties. *Id.* ¶ 21. The SEC does not allege otherwise.

Fifth, Rule 506(b) prohibits offering or selling securities through general solicitation or advertising, but does not prohibit obtaining clients through such methods. See 17 C.F.R. § 230.502(c). The SEC has issued a no-action letter recognizing that offers to clients obtained through general solicitation do not constitute general solicitation if “sufficient time” passes “between establishment of the relationship and [the] offer.” *SEC v. Schooler*, 2015 WL 2344866, at *3 (citing *SEC v. Credit First Fund LP*, No. 05-cv-8741-DSF-PJWx, 2006 WL 4729240, at *12 (C.D. Cal. Feb. 13, 2006)). Similarly, a communication made by an issuer or its agent to an investor with which either has a pre-existing, substantive relationship does not constitute a “general solicitation.” See *E.F. Hutton & Company*, SEC No-Action Letter (Dec. 3, 1985) (“In determining what constitutes a general solicitation the [SEC Staff] has underscored the existence and substance of prior relationships between the issuer or its agents and those being solicited”). The SEC defines a substantive relationship as “[a relationship] in which the issuer (or person acting on its behalf) has sufficient information to evaluate, and does, in fact evaluate, a prospective offeree’s financial circumstances and sophistication, in determining his or her status as an accredited or sophisticated investor.” *Id.*

The SEC has alleged that one of the about 12 attendees at the August 2019 dinner later invested in Par. Mot. at 30. Presuming that investor is Lipowski, he met with Gissas several times over a 2.5-month period starting in August before signing an investor questionnaire and investing in Par through RE Income Fund 2 in October 2014. Gissas Dec’l ¶¶ 24-31; Ex. D; SEC Ex. 101. Thus, sufficient time passed after Gissas and Lipowski formed a relationship and Lipowski invested. While the SEC has not established a minimum time, SEC guidance finds that 30 days is “sufficient time.” See, e.g. *Lamp Techs, Inc.*, SEC No-Action Letter (May 29, 1997).

Finally, the SEC alleges that the RE Defendants advertised in the local Villages newspaper, with limited circulation to a limited geographic area, which may not be a general solicitation. *Cf. SEC v. Tecumseh Holdings Corp.*, No. 03–cv–5490–SAS, 2009 WL 4975263, at *4 (S.D.N.Y. Dec. 22, 2009) (noting that a “nationwide cold-calling campaign has many of the same characteristics as the examples listed in 502(c)” because of three factors: “(1) it has the potential to reach a large number of people; (2) it has the potential to reach people throughout a large geographic area; and, perhaps most importantly, (3) it generally targets people with whom the issuer does not have a prior relationship and who are unlikely to have any special knowledge about the offered security”).

III. THERE IS NO LIKELIHOOD OF CONTINUING HARM

Even if the SEC could establish securities violations by the RE Defendants, the preliminary injunction should still be denied as to them because in order to obtain injunctive relief, the SEC must show a reasonable likelihood that the RE Defendants will commit future violations of the securities laws. The SEC needs to “go beyond the mere fact of past violations,” and “must offer positive proof of the likelihood that the wrongdoing will recur.” *SEC v. Blatt*, 583 F.2d 1325, 1329 (5th Cir. 1978). The Eleventh Circuit expressly adopted the *Blatt* standard in *SEC v. Carriba Air, Inc.*, 681 F.2d 1318, 1322 (11th Cir. 1982). In doing so, the Commission must demonstrate that there is a reasonable and substantial likelihood that, if not enjoined, the RE Defendants will continue to violate the federal securities laws in the future.

In determining the probability that a party will engage in violations of the securities laws:

[A] court must consider the egregiousness of [defendant’s] actions, whether the violations were isolated or recurrent, his degree of scienter, his recognition of the wrongful nature of his conduct, the sincerity of his assurances against future violations, and the likelihood that his occupation will present opportunities for future violations.

Carriba Air, 681 F. 2d at 1322; *see also SEC v. Friendly Power Co., LLC*, 49 F. Supp. 2d 1363,

1372 (S.D. Fla. 1999); *SEC v. Zale Corp.*, 650 F.2d 718, 720 (5th Cir. 1981); *SEC v. Yun*, 148 F. Supp. 2d 1287, 1293-95 (M.D. Fla. 2001) (finding injunction not appropriate against defendants). Critically, the SEC does not allege *any* degree of scienter against Gissas. For several reasons, the SEC cannot meet this burden.

First, the RE Defendants only sold investments in Par for a limited time—less than two years from May 2018 through February 2020—and have not sold Par investments since then. Second, even before the Receivership, Par was not accepting any new investments. Third, REG is a small business with limited assets and it is unlikely that the damage the SEC’s case has caused to Gissas’ reputation can be undone or minimized such that the business will expand into new avenues for investment. The two funds Gissas manages that are unrelated to Par are invested in life insurance policies and commercial real estate, not promissory notes like Par. Fourth, Gissas’ actions were not egregious or intentional. The SEC’s allegations against him do not paint a picture of someone who intentionally set out to defraud investors or who was personally involved in the alleged underlying securities violations. This is the first time that Gissas has been charged with securities violations; he has enjoyed a long and unblemished track record in the securities industry.

Thus, the SEC has not demonstrated a likelihood of continuing harm that justifies the issuance of a preliminary injunction against the RE Defendants.

IV. A RECEIVER WILL DO MORE HARM THAN GOOD AND A LESS DRASTIC REMEDY IS AVAILABLE

By including the RE Defendants as part of the Receivership, the remedies the SEC seeks here would destroy the RE Defendants’ legitimate business and harm the investors the SEC is seeking to protect. REG manages all of the Retirement Evolution funds, but not all of Gissas’ clients are invested in Par. An injunction that gives the Receiver sole access to everything controlled by REG (including all of the RE Defendants’ accounts and assets) will make it impossible for Gissas to continue servicing those other investments, causing irreparable harm to

the RE Defendants and Gissas' clients. The Court should not elect to punish investors entirely unconnected to Par, many of whom are retired and depend on monthly checks from REG.

Even more so than an injunction, the appointment of a receiver is an extraordinary remedy only to be applied with caution. *United States v. Bradley*, 644 F.3d 1213, 1310 (11th Cir. 2011) (reversing appointment of receiver where grounds justifying appointment did not exist). A receivership only is justified "where there is a clear necessity to protect a party's interest in property, legal and less drastic equitable remedies are inadequate, and the benefits of receivership outweigh the burdens on the affected parties." *PNC Bank, N.A. v. Presbyterian Ret. Corp.*, 2014 U.S. Dist. LEXIS 159724, at *11 (S.D. Ala. Nov. 13, 2014).

In determining whether to appoint a receiver, courts consider, among other things, the availability of less severe equitable remedies and the probability that a receiver may do more harm than good. *Fid. Bank v. Key Hotels of Brewton, LLC*, 2015 U.S. Dist. LEXIS 48055, at *7-8 (S.D. Ala. Apr. 13, 2015) (citing *Clough Mktg. Servs., Inc. v. Main Line Corp.*, 2007 WL 496739, at *2 (N.D. Ga. Feb. 13, 2007)); see also *PNC Bank, N.A. v. Presbyterian Ret. Corp.*, 2014 U.S. Dist. LEXIS 159724, at *18-19 (S.D. Ala. Nov. 13, 2014) (applying additional considerations like "the balance of harms as between the party seeking appointment of a receiver and those opposing it" and "the possibility of irreparable injury to plaintiff's interest in the property").

The SEC has not satisfied any of these requirements. The SEC has not established a violation of federal securities laws, there is no danger that any investments will be lost, and less severe remedies exist. Under circumstances such as these, the imposition of the "extraordinary" remedy of a receivership is inappropriate. See *Fid. Bank*, 2015 U.S. Dist. LEXIS 48055, at *9 (setting forth non-exclusive criteria for appointment of a receiver as: "(1) whether fraudulent activity has or will occur, (2) the validity of the claim, (3) the danger that property will be lost or diminished in value, (4) inadequacy of legal remedies, (5) availability of less severe equitable

remedy, and (6) the probability that a receiver may do more harm than good,” as well as the balance of harms). The SEC rests its case on allegations of prior misconduct, but “the request for appointment of a receiver looks forward, not backward.” *Fid. Bank*, 2015 U.S. Dist. LEXIS 48055, at *10.

The SEC also has failed to address the potential for less drastic remedies, to present evidence that other options are insufficient to protect investor assets, and to explain whether it has considered other business alternatives to a receivership. If the Court is inclined to award injunctive relief in this case, the RE Defendants are willing to work with the SEC to discuss less draconian alternatives by agreement, such as a monitorship.

At a minimum, if the Court elects to impose a preliminary injunction, receivership, and asset freeze on the RE Defendants, they should be modified so that they only include assets that are directly traceable to funds received from Par (and not REG in its entirety). The SEC claims that the asset freeze is limited to “the amounts Retirement Evolution, RE Income Fund, and RE Income Fund 2 received from the fraud, which is estimated at this time to be: \$6.5 million as to Retirement Evolution; \$5,450,000 as to RE Income Fund; and \$150,000 as to RE Income Fund 2.” Mot. at 16. But these numbers represent the amounts raised that largely are currently in the possession of Par (and thus the Receiver). Gissas has provided the SEC with a list of all monies that were invested in Par through the RE Defendants and has also submitted a sworn accounting of his and the RE Defendants’ assets, including assets not related to Par. These documents, this response, and Gissas’ Declaration demonstrate that money invested in Par was almost immediately transferred to Par and out of the RE Defendants’ accounts. Gissas Dec’1 ¶ 7. As a result, the RE Defendants do not have anywhere close to \$12 million, as the SEC alleges. Mot. at 16.

CONCLUSION

The SEC has not met its burden for emergency injunctive relief. “[F]ederal courts do not

merely rubber-stamp the SEC’s requests for [] injunctions but, rather, must exercise independent judgment to determine whether the SEC has made a proper showing.” *SEC v. Globus Grp., Inc.*, 117 F. Supp. 2d 1345, 1349 (S.D. Fla. 2000) (citing *SEC v. American Board of Trade, Inc.*, 751 F.2d 529, 537 (2d Cir. 1984)) (reversing injunction as abuse of discretion where evidence did not support finding of likelihood of future violations); *see also SEC v. Commonwealth Chemical Securities, Inc.*, 574 F.2d 90, 99–101 (2d Cir. 1978) (noting that “collateral consequences of an injunction can be very grave” and sustaining injunction as to some defendants but vacating as to two others with respect to whom no reasonable likelihood of future violation was shown). Absent evidence of continuing securities law violations and without a showing that the relief the SEC requests is the least severe option available and would not do more harm than good, the Court cannot make the necessary findings that such drastic relief is necessary. For the foregoing reasons, Plaintiff’s Emergency *Ex Parte* Motion for Temporary Restraining Order and Other Relief should be denied in its entirety.

Dated: August 14, 2020.

Respectfully submitted,

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Counsel for Defendants John Gissas, Retirement Evolution Group, LLC, Retirement Evolution Income

*Fund, LLC f/k/a RE Income Fund LLC, and RE
Income Fund 2, LLC*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 14, 2020, I electronically filed the foregoing document with the clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s Daniel I. Small
Daniel I. Small

EXHIBIT 1

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 20-CIV-81205-RAR

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

COMPLETE BUSINESS SOLUTIONS GROUP,
INC. d/b/a/ PAR FUNDING, et al.,

DECLARATION OF JOHN GISSAS

1. My name is John Gissas. My address is: 1406 Olustee Pl., The Villages, Florida.

2. I make this sworn Affidavit freely and voluntarily. No one has given or promised me anything of value, nor coerced or threatened me in any way, to provide this Affidavit. I have reviewed this Affidavit carefully. I understand it, and it is true and accurate, to the best of my knowledge.

Background

3. I am 70 years old and live in The Villages retirement community in Florida, with my wife of 46 years. Since its founding in April 2018, I have been the Managing Member for Retirement Evolution Group, LLC (“REG”). My social security and income from REG are my primary sources of income.

4. REG provides its clients with a variety of investment opportunities, including commercial real estate, life insurance settlements, annuities, medicare supplements, and life insurance. The total value of REG’s assets under management is approximately 38,000,000, and the investments in PAR Funding (“Par”) only represent a portion of REG’s overall business.

5. REG has not transferred money to Par for new investments since February 2020, and is not intending to sell any new investment opportunities in Par going forward.

6. REG manages all client investments on behalf of its clients through a managerial account, at Wells Fargo Bank, N.A. and an account at Vystar Bank.

7. REG’s business philosophy is to have its clients’ money work for them, and therefore there is an effort to deploy capital as quickly as possible (and not hold on to the capital

within REG's accounts). As a result, when investors provided funds to REG to invest in Par, that money was wired to Par.

Investments In Par Funding

8. The Par investment opportunity was presented to me by Dean Vagnozzi, who I had known for several years. When Vagnozzi introduced me to Par, I performed internet research, and visited their office in Philadelphia with my accountant. I was impressed by what seemed to be a professional operation and demonstrated track record.

9. From May 2018 until February 2020, REG sold investment opportunities in Par (the informal name of Complete Business Solutions Group, Inc. ("CBSG")) through three funds: (1) Retirement Evolution Income Fund, LLC ("RE Income Fund 1"), (2) RE Income Fund 2, LLC ("RE Income Fund 2"), and (3) RE Insured Income Fund, LLC ("RE Insured Fund"). RE Income Fund 2 and the RE Insured Fund hold investments for Par only.

10. REG clients could also participate in the Par investment through a self-directed retirement account for which third-parties were account custodians. Those investors would instruct the account custodian to transfer assets within their individual retirement accounts to REG.

11. RE Income Fund 1 held investor money for two purposes. The first was a rollover from a pre-existing fund dedicated to life insurance investments, which has no connection to Par. When the pre-existing life insurance fund was closed, money from that fund was "rolled over" to RE Income Fund 1 but was not re-invested or re-deployed elsewhere unless directed otherwise by the client. The second category is money associated with Par investments.

12. The total amount of money invested in Par through RE Income Fund 1 is approximately: \$1,005,000.

13. The total amount of money invested in Par through the RE Income Fund 2 is approximately: \$3,362,000.

14. The total amount of money invested in Par through the RE Insured Fund is approximately: \$9,542,000.

15. Therefore, the total amount of money invested in Par through funds managed by REG (the sum ¶¶ 12-14) is approximately: \$13,909,000.

16. I invested approximately \$200,000 of my own money and approximately \$45,000 on behalf of my family members into Par because I believed it was a worthwhile investment.

17. Par made interest payments on a twice-monthly basis, generally, from Par's bank account. The one exception to these twice-monthly payments occurred in mid-May 2020, when Par made a \$1.75 million payment to REG. That payment was made to compensate REG for missed interest payments and to provide excess capital for future anticipated interest payments.

18. The total amount of money that REG has received from Par, is approximately: \$3,566,832.84.

19. REG's clients elected to have REG distribute those interest payments, either on a monthly or annual basis, or elected to have REG reinvest those interest payments back into PAR or another fund. Therefore, money transferred from PAR to REG was either distributed to investors on a monthly basis, held by REG to be distributed to investors on an annual basis, or reinvested in PAR or another REG fund or investment opportunity, all at the investors' direction.

20. The total amount of money that REG has paid to its clients that invested in PAR through the end of June 2020 is approximately: \$2,367,000.

Investments Other Than Par Funding

21. REG manages two other investment funds which are completely disconnected from the Par investment. The first is a fund entitled "Retirement Evolution, LLC", which invests in life insurance policies (the "RE Life Fund"). The second is a fund named "Retirement Evolution Strategic Properties, LLC" which invests in commercial real estate (the "RE Strategic Properties Fund").

22. The RE Life Fund and RE Strategic Properties Fund are managed by REG, and premiums and other expenses required for investments held in each fund are paid for from REG's bank accounts.

Statements Made In The Declaration of Ronald Lipowski

23. REG advertises in the Village Daily Sun to invite clients to informative meetings about REG. An example of such an advertisement is attached hereto as Exhibit A. Those notices make clear that the meetings are for accredited investors only and contain the following disclaimer: "All investments are subject to risk. The information provided is not, and should not be regarded as, investment advice. The information provided is not an offer to buy or sell any securities. Offers are made only by written offering materials delivered to persons who qualify as accredited investors."

24. At those meetings, I discuss potential alternative investment opportunities. Portions of the slide deck I use at such meetings are attached hereto as Exhibit B. The slide deck again makes clear that these investment opportunities are for accredited investors.

25. I first met Mr. Lipowski at a lunch meeting on August 1, 2019. The “advertisement” for that lunch is attached hereto as Exhibit C. The advertisement contains the following disclaimer: “The information provided is not an offer to buy or sell any securities. Offers are made only by written offering materials delivered to persons who qualify as accredited investors.”

26. Portions of the “slide presentation” referred to in Mr. Lipowski’s declaration (¶ 3) is similar to those provided at Exhibit B. The slides again represented that this was for accredited investors.

27. After that meeting Mr. Lipowski submitted a form requesting a meeting, and later Mr. Lipowski visited with me in my office on August 8, 2019, and admitted that although he had \$750,000 in cash, he was not an accredited investor, but wanted to learn more about investment opportunities.

28. The dinner presentation on August 15, 2019 that Mr. Lipowski attended was by invitation only. The mailing attached as Exhibit A to his declaration was sent to approximately 15-20 individuals, all of whom I knew to have been interested in the Par investment. However, Mr. Lipowski saw that invitation in my office, and asked if he could attend.

29. Mr. Lipowski visited with me in my office again several weeks later. At that meeting, I gave Mr. Lipowski a copy of a document called “CBSG Funding Analysis,” which Mr. Lipowski provided as Exhibit B to his declaration. The document covers a period of time up through September 30, 2019 so I do not believe I could have provided it to him in September.

30. During the course of our relationship, I vetted Mr. Lipowski and we completed his investor questionnaire form together (the form is dated 10/14/2019). A true and correct copy of that form is attached as Exhibit D. Mr. Lipowski certified that he was not an accredited investor.

31. On October 29, 2019, Mr. Lipowski transferred \$10,000 through a third-party IRA custodian to RE Income Fund 2.

32. The July 2020 advertisement for a luncheon referred to in Mr. Lipowski’s declaration is provided at Exhibit A. The purpose of the luncheon was to make investors aware of REG’s then-current investment opportunities, which did **not** include any investments in Par. The purpose of the July 2020 luncheon had nothing to do with Par. The July 2020 ad stated the lunch was for accredited investors only.

33. Mr. Lipowski states that I did not “mention[] that the states of Pennsylvania and New Jersey had filed regulatory actions against CBSG and related parties for violations of state

securities laws.” To the best of my knowledge and belief, I had disclosed this fact, and therefore disagree with Mr. Lipowski’s statements.

34. It was my custom and practice to disclose a December 2018 Bloomberg article that I found online entitled “Par Funding Sanctioned by New Jersey Over High-Yield Notes” to potential investors in RE funds holding Par promissory notes. A true and correct copy of the December 2018 Bloomberg article is attached hereto as Exhibit E.

Fund Registrations

35. I registered only three funds pursuant to SEC Rule 506(c) of Regulation D. Those funds are (1) the RE Life Fund, (2) the RE Strategic Properties Fund, and (3) and the RE Insured Income Fund.

36. All other active REG funds are registered pursuant to SEC Rule 506(b) of Regulation D.

Exhibits Attached Hereto

37. Attached hereto as Exhibit F is a true and correct copy of RE Income Fund 1 Form D filed in June 2019.

38. Attached hereto as Exhibit G is a true and correct copy of RE Income Fund 2 Form D filed in August 2019.

39. Attached hereto as Exhibit H is a true and correct copy of the RE Insured Fund Form D filed in March 2019.

Signed under the penalties of perjury this 14th day of August, 2020.

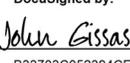
DocuSigned by:

John Gissas B33703C052394CE...

EXHIBIT “A”

We have two exceptional alternative investments with Annual Returns of

8% & 10%

paid out monthly.

These investments are not affected by the pandemic or stock market. Not an Annuity/No Stock Market Risk.

Join us for an educational seminar:

**Ricciardi's Italian Table
Brownwood Paddock Square®
(Golf Car Accessible)
July 14th & 22nd
@ 11:00 am**

Lunch Provided Call today 352-448-8011



352-448-8011

EXHIBIT "B"

For Educational Purposes Only

Disclosure

The information in this presentation is for general use and while we believe the Information is reliable and accurate, it is important to remember individual situations may be entirely different. Therefore, information should be relied upon only when coordinated with professional tax and financial advisor. You need to consider your health and legacy goals. Neither the information presented, or any opinion expressed constitutes a representation by us of a solicitation of the purchase or sale of any insurance or securities products and services.

The information provided is not intended as tax or legal advice and may not be relied on for the purposes of avoiding any Federal or State tax penalties. John Gissas, his employees or representatives are not authorized to give Tax or legal advice. Individuals are encouraged to seek advice from their own tax and legal counsel. Clients are also encouraged to seek advice from their own financial advisor and their family.

Life and Annuity examples shown are hypothetical. Rates can and do change often. Insurance rates may depend on age, health, and gender. Guarantees are backed by the financial strength and claims-paying ability of the issuing life or annuity insurance company. .

All investments are subject to risk. The information provided on this seminar is not, and should not be regarded as, investment advice or as a recommendation that investments described here are suitable for your investment needs. This information is provided with the understanding that, with respect to the material provided herein, you will make your own independent decision as to whether an investment is appropriate or proper based on your own judgment, and that you are capable of understanding and assessing the risks involved with investing. Consult with your investment advisor. Offers are made only by written offering materials delivered to persons who qualify as accredited investors.

We are not making an offer to sell. Sales offerings are done through the sales documents



Accredited Investors

Income Test

Individual's income exceeded \$200,000 in each of the two most recent years or joint income together with spouse exceeded \$300,000 in each of those years.

Net Worth Test

Individual net worth, or joint net worth together with spouse exceeds \$1,000,000.



EXHIBIT “C”



AR Document 146-4 Entered on FLSD Docket 08
Retirement Evolution

Your Income Source
Looking for Income?

Earn 8-10% annually
paid to you as a monthly income.

This is not an annuity

Laird Law, P.A., Estate Planning Speaker

August 1st, 14th & 29th

VKI Japanese Steakhouse at 11:30am

Located in Lake Sumter Landing™

August 22nd

Ricciardi's Italian Table at 11:15am

Located in Brownwood®

Individual Appointments are always available.

Call to reserve a seat

352-448-8011 or 352-448-8220

Freedom Plaza, 3990 E. SR 44, Suite 202, Wildwood, FL

Disclaimer: The information provided is not an offer to buy or sell any securities. Offers are made only by written offering materials delivered to persons who qualify as accredited investors.

EXHIBIT “D”

ACCREDITED INFORMATION VERIFICATION

Ronald W Lipowski [Insert name of client] ("Client") has requested that the undersigned provide [Name of Company] (the "Company") with this Status Certification Letter (this "Status Letter") to assist the Company in its verification of Client's status as an "accredited investor" within the meaning of Rule 501(a) of the Securities Act of 1933, in connection with Client's potential purchase of securities (the "Securities") offered for sale by the Company.

[I/We] hereby certify that [I/we] [am/are] **(please check the appropriate box):**

- a registered broker-dealer, as defined in the Securities Exchange Act of 1934;
- an investment adviser registered with the Securities and Exchange Commission;
- a licensed attorney in good standing under the laws of the jurisdictions in which I am admitted to practice law; or
- a certified public accountant in good standing under the laws of the place of my residence or principal office.

Based solely on a review of the Client Materials (as defined below), the undersigned hereby advises you that Client satisfies one or more of the following criteria **(check all boxes that apply):**

- a natural person whose individual net worth, or joint "net worth", with Client's spouse, exceeds \$1,000,000; or
- a natural person who had an individual income in excess of \$200,000 in each of the two most-recent years or joint income with Client's spouse in excess of \$300,000 in each of those years;

In connection with this Status Letter, the undersigned has reviewed the original or photocopies of the following documents as supplied by Client (the "Client Materials"). **(please check the appropriate box or boxes)**

- Form 1040 filed with the Internal Revenue Service by Client [and [his/her] spouse] for the two most-recent years;
- Form 1099 filed with the Internal Revenue Service by Client [and [his/her] spouse] for the two most-recent years;
- Schedule K-1 of Form 1065 filed with the Internal Revenue Service by Client [and [his/her] spouse] for the two most-recent years;
- Form W-2 issued by the Internal Revenue Service by Client [and [his/her] spouse] for the two most-recent years;
-

¹ "Net Worth" means the excess of total assets at fair market value over total liabilities. For the purposes of determining "net worth", the value of Client's primary residence is excluded as an asset. In addition, any liabilities secured by Client's primary residence are included in total liabilities for purposes of this calculation only if and to the extent that: (1) such liabilities exceed the fair market value of the residence; or (2) such liabilities were incurred within 60 days before the date hereof (other than as a result of the acquisition of the residence).

As of the date hereof, investor is a natural person and, either individually or with a spouse, have a net worth in excess of \$1,000,000. In calculating net worth, equity in personal property and real estate, cash, short-term investments, stock and securities May be included and inclusion of equity in personal property and real estate should be based on the fair market value of such property less debt secured by such property; provided, that the fair market value of a primary residence may not be included in the calculation of net worth and, if the amount of the debt or other indebtedness secured by such primary residence exceeds its fair market value, such excess liability must be deducted from net worth.

Investment Types	Account 1	Account 2	Account 3	Account 4	Account 5	Total
Retirement Accounts: (Traditional IRA, Roth IRA, SEP IRA)						
401(k) plans: (include current and previous employer 401 (k) plans)						
Bonds:						
Stocks:						
Mutual Funds:						
Cash Value of Life Insurance						
Annuities:						
Savings Bonds:						
Checking & Savings:						
Cash:	✓					\$150,000
Investment Property: (less mortgage of primary residence)						
Trust:						
Other:						
						Total \$150,000
IF: total for assets reaching \$1,000,000 – “the information you have provided resulted in an accredited investor status.”						

Other Internal Revenue Service documents (please specify)

- Bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments, or appraisal reports issued by independent third parties to Client, dated within three months of the date of this Status Letter;
- a consumer or credit report from at least one of the nationwide consumer reporting agencies indicating Client's liabilities, dated within three months of the date of this Status Letter;
- Other documents (please specify);

CLIENT CERTIFICATIONS

The undersigned, being the Client identified above, by my signature below, hereby represents and warrants that the following statement are true, correct, and complete as of the date of my signature below (the "Certification Date"):

All Client Materials referenced above are true, correct, and complete as of the Certification Date: I have fully and accurately disclosed all liabilities that are required to be included in the calculation of my net worth as described above; and

If I am relying on my income and/or that of my spouse to satisfy the requirements for being an accredited investor. I have a reasonable expectation of reaching individual income in excess of \$200,000 or joint income with my spouse in excess of \$300,000 in the current year.

I hereby affirm that the foregoing is accurate and complete.

Dated: 10/14/2019

Client Name: Ronald W Kipowski

Client Signature: Ronald W. Kipowski

By: _____ (if applicable)

Title: _____ (if applicable)

EXHIBIT “E”

Business

Par Funding Sanctioned by New Jersey Over High-Yield Notes

By [Zeke Faux](#)

December 28, 2018, 11:07 AM EST

Updated on December 28, 2018, 4:13 PM EST

-
- ▶ New Jersey Bureau of Securities issues cease-and-desist order
 - ▶ Par raised money from investors without proper registration
-



New Jersey Attorney General Gurbir Grewal *Photographer: Julio Cortez/AP*

Par Funding, the merchant cash-advance company that sent an intimidating debt collector to pay surprise visits to delinquent borrowers, was ordered to stop raising money from investors in New Jersey.

The New Jersey Bureau of Securities issued a cease-and-desist order on Thursday to Par, a Philadelphia company that lends money at high interest rates to small businesses. The regulator said Par has been violating state securities law by selling high-yield notes to investors without proper registration.

“The Bureau’s action today puts cash-advance companies on notice that we are watching closely,” Gurbir Grewal, New Jersey’s attorney general, said in a statement. He oversees the Bureau of Securities. “We will enforce all laws at our disposal to protect consumers, as well as investors, from falling victim to financial predators in this industry.”

The New Jersey regulator said Par raised more than \$90 million from investors around the country without having the proper registration, selling more than \$8 million of unregistered securities to at least 29 New Jersey investors. The notes accrued interest at rates as high as 44 percent, according to the order.

Justin White, a lawyer for Par, said the company complies with all securities laws and only sold notes to investors it believed were accredited, making the sales perfectly legal. The company’s investors are generally satisfied and "have historically enjoyed very good returns," he said.

Booming Industry

The merchant cash-advance industry has been booming since the financial crisis as banks have pulled back from lending to small businesses. They lure contractors, truckers and restaurant owners with offers of fast cash. The industry is almost completely unregulated and has become a magnet for crooks. New Jersey’s action only relates to how Par was raising money, not its loans or collection practices.

Par, also known as Complete Business Solutions Group Inc., says on its website that it has advanced \$600 million to more than 2,500 businesses. The effective annualized interest rates on its advances can top 250 percent.

The New Jersey action comes after Bloomberg News reported last week that Par had used intimidation tactics to collect its debts. In interviews and court filings, borrowers said that Par's debt collector, a muscular ex-con, would show up unannounced, demand to speak to the owner and say he wasn't leaving until he got paid. Par denied doing anything wrong at the time.

The Predatory Lending Machine Crushing U.S. Small Businesses

Last month, Pennsylvania's Department of Banking and Securities ordered Par to pay \$499,000 for violating that state's laws by entering into agreements with unregistered agents to sell securities. White, Par's lawyer, said that the company denied liability and agreed to settle to avoid costly litigation.

(Updates with comment from Par in fifth and last paragraphs.)

EXHIBIT “F”

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.

The reader should not assume that the information is accurate and complete.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549
FORM D

OMB APPROVAL	
OMB Number:	3235-0076
Estimated average burden hours per response:	4.00

Notice of Exempt Offering of Securities

1. Issuer's Identity

CIK (Filer ID Number) 0001779178	Previous Names <input type="checkbox"/> None RE Income Fund, LLC	Entity Type <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> General Partnership <input type="checkbox"/> Business Trust <input type="checkbox"/> Other (Specify)
Name of Issuer Retirement Evolution Income Fund, LLC		
Jurisdiction of Incorporation/Organization DELAWARE		
Year of Incorporation/Organization <input type="checkbox"/> Over Five Years Ago <input checked="" type="checkbox"/> Within Last Five Years (Specify Year) 2018 <input type="checkbox"/> Yet to Be Formed		

2. Principal Place of Business and Contact Information

Name of Issuer Retirement Evolution Income Fund, LLC			
Street Address 1 FREEDOM PLAZA, 3990 E. SR 44, SUITE 202		Street Address 2	
City WILDWOOD	State/Province/Country FLORIDA	ZIP/PostalCode 34785	Phone Number of Issuer 352-448-8220

3. Related Persons

Last Name Gissas	First Name John	Middle Name
Street Address 1 Freedom Plaza, 3990 E. SR 44, Suite 202	Street Address 2	
City Wildwood	State/Province/Country FLORIDA	ZIP/PostalCode 34785
Relationship: <input type="checkbox"/> Executive Officer <input type="checkbox"/> Director <input checked="" type="checkbox"/> Promoter		

Clarification of Response (if Necessary):

4. Industry Group

<input type="checkbox"/> Agriculture	<input type="checkbox"/> Health Care	<input type="checkbox"/> Retailing
<input type="checkbox"/> Banking & Financial Services	<input type="checkbox"/> Biotechnology	<input type="checkbox"/> Restaurants
<input type="checkbox"/> Commercial Banking	<input type="checkbox"/> Health Insurance	Technology
<input type="checkbox"/> Insurance	<input type="checkbox"/> Hospitals & Physicians	<input type="checkbox"/> Computers
<input checked="" type="checkbox"/> Investing	<input type="checkbox"/> Pharmaceuticals	<input type="checkbox"/> Telecommunications
<input type="checkbox"/> Investment Banking	<input type="checkbox"/> Other Health Care	<input type="checkbox"/> Other Technology
<input type="checkbox"/> Pooled Investment Fund	<input type="checkbox"/> Manufacturing	Travel
Is the issuer registered as an investment company under the Investment Company Act of 1940?	<input type="checkbox"/> Real Estate	<input type="checkbox"/> Airlines & Airports
<input type="checkbox"/>	<input type="checkbox"/> Commercial	<input type="checkbox"/> Lodging & Conventions

- Yes No Construction Tourism & Travel Services
 Other Banking & Financial Services REITS & Finance Other Travel
 Business Services Residential Other
 Energy Other Real Estate Other
 Coal Mining
 Electric Utilities
 Energy Conservation
 Environmental Services
 Oil & Gas
 Other Energy

5. Issuer Size

- | Revenue Range | OR | Aggregate Net Asset Value Range |
|--|----|---|
| <input type="checkbox"/> No Revenues | | <input type="checkbox"/> No Aggregate Net Asset Value |
| <input type="checkbox"/> \$1 - \$1,000,000 | | <input type="checkbox"/> \$1 - \$5,000,000 |
| <input type="checkbox"/> \$1,000,001 - \$5,000,000 | | <input type="checkbox"/> \$5,000,001 - \$25,000,000 |
| <input checked="" type="checkbox"/> \$5,000,001 - \$25,000,000 | | <input type="checkbox"/> \$25,000,001 - \$50,000,000 |
| <input type="checkbox"/> \$25,000,001 - \$100,000,000 | | <input type="checkbox"/> \$50,000,001 - \$100,000,000 |
| <input type="checkbox"/> Over \$100,000,000 | | <input type="checkbox"/> Over \$100,000,000 |
| <input type="checkbox"/> Decline to Disclose | | <input type="checkbox"/> Decline to Disclose |
| <input type="checkbox"/> Not Applicable | | <input type="checkbox"/> Not Applicable |

6. Federal Exemption(s) and Exclusion(s) Claimed (select all that apply)

- | | | |
|--|--|---|
| <input type="checkbox"/> Rule 504(b)(1) (not (i), (ii) or (iii)) | <input type="checkbox"/> Investment Company Act Section 3(c) | |
| <input type="checkbox"/> Rule 504 (b)(1)(i) | <input type="checkbox"/> Section 3(c)(1) | <input type="checkbox"/> Section 3(c)(9) |
| <input type="checkbox"/> Rule 504 (b)(1)(ii) | <input type="checkbox"/> Section 3(c)(2) | <input type="checkbox"/> Section 3(c)(10) |
| <input type="checkbox"/> Rule 504 (b)(1)(iii) | <input type="checkbox"/> Section 3(c)(3) | <input type="checkbox"/> Section 3(c)(11) |
| <input checked="" type="checkbox"/> Rule 506(b) | <input type="checkbox"/> Section 3(c)(4) | <input type="checkbox"/> Section 3(c)(12) |
| <input type="checkbox"/> Rule 506(c) | <input type="checkbox"/> Section 3(c)(5) | <input type="checkbox"/> Section 3(c)(13) |
| <input type="checkbox"/> Securities Act Section 4(a)(5) | <input type="checkbox"/> Section 3(c)(6) | <input type="checkbox"/> Section 3(c)(14) |
| | <input type="checkbox"/> Section 3(c)(7) | |

7. Type of Filing

- New Notice Date of First Sale 2018-05-04 First Sale Yet to Occur
 Amendment

8. Duration of Offering

Does the Issuer intend this offering to last more than one year? Yes No

9. Type(s) of Securities Offered (select all that apply)

- | | |
|--|---|
| <input type="checkbox"/> Equity | <input type="checkbox"/> Pooled Investment Fund Interests |
| <input checked="" type="checkbox"/> Debt | <input type="checkbox"/> Tenant-in-Common Securities |
| <input type="checkbox"/> Option, Warrant or Other Right to Acquire Another Security | <input type="checkbox"/> Mineral Property Securities |
| <input type="checkbox"/> Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security | <input type="checkbox"/> Other (describe) |

10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction such as a merger, acquisition or exchange offer? Yes No

Clarification of Response (if Necessary):

11. Minimum Investment

Minimum investment accepted from any outside investor \$25,000 USD

12. Sales Compensation

Recipient Recipient CRD Number None
(Associated) Broker or Dealer None (Associated) Broker or Dealer CRD Number None
Street Address 1 Street Address 2
City State/Province/Country ZIP/Postal Code
State(s) of Solicitation (select all that apply) All States Foreign/non-US
Check "All States" or check individual States

13. Offering and Sales Amounts

Total Offering Amount USD or Indefinite
Total Amount Sold \$5,450,767 USD
Total Remaining to be Sold USD or Indefinite

Clarification of Response (if Necessary):

Total remaining to be sold is 0.

14. Investors

Select if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering.
Regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, enter the total number of investors who already have invested in the offering:

15. Sales Commissions & Finder's Fees Expenses

Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.

Sales Commissions \$0 USD Estimate
Finders' Fees \$0 USD Estimate

Clarification of Response (if Necessary):

16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

\$0 USD Estimate

Clarification of Response (if Necessary):

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and clicking SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written request, in the accordance with applicable law, the information furnished to offerees.*
- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against the issuer in any place subject to the jurisdiction of

the United States if the action, proceeding or arbitration (a) arises out of or in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes, or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.

- Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Rule 504 or Rule 506 for one of the reasons stated in Rule 504(b)(3) or Rule 506(d).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
Retirement Evolution Income Fund, LLC	/s/ John Pauciulo	John Pauciulo	Power of Attorney	2019-06-07

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.

EXHIBIT "G"

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.

The reader should not assume that the information is accurate and complete.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM D

Notice of Exempt Offering of Securities

OMB APPROVAL	
OMB Number:	3235-0076
Estimated average burden hours per response:	4.00

1. Issuer's Identity

CIK (Filer ID Number)	Previous Names	<input checked="" type="checkbox"/> None	Entity Type
0001785909			<input type="checkbox"/> Corporation
Name of Issuer			<input type="checkbox"/> Limited Partnership
RE INCOME FUND 2, LLC			<input checked="" type="checkbox"/> Limited Liability Company
Jurisdiction of Incorporation/Organization			<input type="checkbox"/> General Partnership
DELAWARE			<input type="checkbox"/> Business Trust
Year of Incorporation/Organization			<input type="checkbox"/> Other (Specify)
<input type="checkbox"/> Over Five Years Ago			
<input checked="" type="checkbox"/> Within Last Five Years (Specify Year) 2019			
<input type="checkbox"/> Yet to Be Formed			

2. Principal Place of Business and Contact Information

Name of Issuer			
RE INCOME FUND 2, LLC			
Street Address 1		Street Address 2	
13990 E. SR 44		SUITE 202	
City	State/Province/Country	ZIP/PostalCode	Phone Number of Issuer
WILDWOOD	FLORIDA	34785	352-448-8220

3. Related Persons

Last Name	First Name	Middle Name
Gissas	John	
Street Address 1	Street Address 2	
c/o RE Income Fund 2, LLC	13990 E. SR 44, SUITE 202	
City	State/Province/Country	ZIP/PostalCode
WILDWOOD	FLORIDA	34785
Relationship: <input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> Promoter

Clarification of Response (if Necessary):

[President](#)

4. Industry Group

<input type="checkbox"/> Agriculture	Health Care	<input type="checkbox"/> Retailing
Banking & Financial Services	<input type="checkbox"/> Biotechnology	<input type="checkbox"/> Restaurants
<input type="checkbox"/> Commercial Banking	<input type="checkbox"/> Health Insurance	Technology
<input type="checkbox"/> Insurance	<input type="checkbox"/> Hospitals & Physicians	<input type="checkbox"/> Computers
<input type="checkbox"/> Investing	<input type="checkbox"/> Pharmaceuticals	<input type="checkbox"/> Telecommunications
<input type="checkbox"/> Investment Banking	<input type="checkbox"/> Other Health Care	<input type="checkbox"/> Other Technology
<input checked="" type="checkbox"/> Pooled Investment Fund	<input type="checkbox"/> Manufacturing	Travel
<input type="checkbox"/> Hedge Fund	Real Estate	<input type="checkbox"/> Airlines & Airports
<input type="checkbox"/> Private Equity Fund		

- Venture Capital Fund
- Other Investment Fund
- Construction
- REITS & Finance
- Residential
- Other Real Estate
- Lodging & Conventions
- Tourism & Travel Services
- Other Travel
- Other

Is the issuer registered as an investment company under the Investment Company Act of 1940?

- Yes
- No

Other Banking & Financial Services

Business Services

Energy

Coal Mining

Electric Utilities

Energy Conservation

Environmental Services

Oil & Gas

Other Energy

5. Issuer Size

Revenue Range	OR	Aggregate Net Asset Value Range
<input type="checkbox"/> No Revenues		<input type="checkbox"/> No Aggregate Net Asset Value
<input type="checkbox"/> \$1 - \$1,000,000		<input type="checkbox"/> \$1 - \$5,000,000
<input type="checkbox"/> \$1,000,001 - \$5,000,000		<input type="checkbox"/> \$5,000,001 - \$25,000,000
<input type="checkbox"/> \$5,000,001 - \$25,000,000		<input type="checkbox"/> \$25,000,001 - \$50,000,000
<input type="checkbox"/> \$25,000,001 - \$100,000,000		<input type="checkbox"/> \$50,000,001 - \$100,000,000
<input type="checkbox"/> Over \$100,000,000		<input type="checkbox"/> Over \$100,000,000
<input type="checkbox"/> Decline to Disclose		<input checked="" type="checkbox"/> Decline to Disclose
<input type="checkbox"/> Not Applicable		<input type="checkbox"/> Not Applicable

6. Federal Exemption(s) and Exclusion(s) Claimed (select all that apply)

- Rule 504(b)(1) (not (i), (ii) or (iii))
- Rule 504 (b)(1)(i)
- Rule 504 (b)(1)(ii)
- Rule 504 (b)(1)(iii)
- Rule 506(b)
- Rule 506(c)
- Securities Act Section 4(a)(5)
- Investment Company Act Section 3(c)
- Section 3(c)(1)
- Section 3(c)(2)
- Section 3(c)(3)
- Section 3(c)(4)
- Section 3(c)(5)
- Section 3(c)(6)
- Section 3(c)(7)
- Section 3(c)(9)
- Section 3(c)(10)
- Section 3(c)(11)
- Section 3(c)(12)
- Section 3(c)(13)
- Section 3(c)(14)

7. Type of Filing

- New Notice Date of First Sale 2019-08-01 First Sale Yet to Occur
- Amendment

8. Duration of Offering

Does the Issuer intend this offering to last more than one year? Yes No

9. Type(s) of Securities Offered (select all that apply)

- Equity
- Pooled Investment Fund Interests

<input checked="" type="checkbox"/> Debt	<input type="checkbox"/> Tenant in Common Securities
<input type="checkbox"/> Option, Warrant or Other Right to Acquire Another Security	<input type="checkbox"/> Mineral Property Securities
<input type="checkbox"/> Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security	<input type="checkbox"/> Other (describe)

10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction, such as a merger, acquisition or exchange offer? Yes No

Clarification of Response (if Necessary):

11. Minimum Investment

Minimum investment accepted from any outside investor \$25,000 USD

12. Sales Compensation

Recipient	Recipient CRD Number <input checked="" type="checkbox"/> None	
(Associated) Broker or Dealer <input checked="" type="checkbox"/> None	(Associated) Broker or Dealer CRD Number <input checked="" type="checkbox"/> None	
Street Address 1	Street Address 2	
City	State/Province/Country	ZIP/Postal Code
State(s) of Solicitation (select all that apply) Check "All States" or check individual States <input type="checkbox"/> All States	<input type="checkbox"/> Foreign/non-US	

13. Offering and Sales Amounts

Total Offering Amount \$50,000,000 USD or Indefinite

Total Amount Sold \$150,000 USD

Total Remaining to be Sold \$49,850,000 USD or Indefinite

Clarification of Response (if Necessary):

14. Investors

Select if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering.

Regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, enter the total number of investors who already have invested in the offering:

15. Sales Commissions & Finder's Fees Expenses

Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.

Sales Commissions \$0 USD Estimate

Finders' Fees \$0 USD Estimate

Clarification of Response (if Necessary):

16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

\$0 USD Estimate

Clarification of Response (if Necessary):

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and clicking SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written

- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against the issuer in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes, or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.
- Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Rule 504 or Rule 506 for one of the reasons stated in Rule 504(b)(3) or Rule 506(d).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
RE INCOME FUND 2, LLC	John Gissas	John Gissas	President	2019-08-21

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.

EXHIBIT “H”

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.

The reader should not assume that the information is accurate and complete.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM D

Notice of Exempt Offering of Securities

OMB APPROVAL	
OMB Number:	3235-0076
Estimated average burden hours per response:	4.00

1. Issuer's Identity

CIK (Filer ID Number) 0001771604	Previous Names <input checked="" type="checkbox"/> None	Entity Type <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> General Partnership <input type="checkbox"/> Business Trust <input type="checkbox"/> Other (Specify)
Name of Issuer Retirement Evolution Insured Income Fund LLC		
Jurisdiction of Incorporation/Organization DELAWARE		
Year of Incorporation/Organization <input type="checkbox"/> Over Five Years Ago <input checked="" type="checkbox"/> Within Last Five Years (Specify Year) 2019 <input type="checkbox"/> Yet to Be Formed		

2. Principal Place of Business and Contact Information

Name of Issuer Retirement Evolution Insured Income Fund LLC			
Street Address 1 3990 E. SR44, SUITE 202		Street Address 2	
City WILDWOOD	State/Province/Country FLORIDA	ZIP/PostalCode 34785	Phone Number of Issuer 860-302-4800

3. Related Persons

Last Name Gissas	First Name John	Middle Name
Street Address 1 c/o Retirement Evolution Insured Income	Street Address 2 3990 E. SR44, SUITE 202	
City WILDWOOD	State/Province/Country FLORIDA	ZIP/PostalCode 34785
Relationship: <input checked="" type="checkbox"/> Executive Officer <input type="checkbox"/> Director <input type="checkbox"/> Promoter		

Clarification of Response (if Necessary):

4. Industry Group

<input type="checkbox"/> Agriculture	<input type="checkbox"/> Health Care	<input type="checkbox"/> Retailing
<input type="checkbox"/> Banking & Financial Services	<input type="checkbox"/> Biotechnology	<input type="checkbox"/> Restaurants
<input type="checkbox"/> Commercial Banking	<input type="checkbox"/> Health Insurance	<input type="checkbox"/> Technology
<input type="checkbox"/> Insurance	<input type="checkbox"/> Hospitals & Physicians	<input type="checkbox"/> Computers
<input type="checkbox"/> Investing	<input type="checkbox"/> Pharmaceuticals	<input type="checkbox"/> Telecommunications
<input type="checkbox"/> Investment Banking	<input type="checkbox"/> Other Health Care	<input type="checkbox"/> Other Technology
<input type="checkbox"/> Pooled Investment Fund	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Travel
Is the issuer registered as an investment company under the Investment Company Act of 1940?	<input type="checkbox"/> Real Estate	<input type="checkbox"/> Airlines & Airports
	<input type="checkbox"/> Commercial	<input type="checkbox"/> Lodging & Conventions

- Yes No
 Other Banking & Financial Services Construction
 Business Services REITS & Finance Tourism & Travel Services
 Energy Residential Other Travel
 Coal Mining Other Real Estate Other
 Electric Utilities
 Energy Conservation
 Environmental Services
 Oil & Gas
 Other Energy

5. Issuer Size

- | Revenue Range | OR | Aggregate Net Asset Value Range |
|---|----|---|
| <input type="checkbox"/> No Revenues | | <input type="checkbox"/> No Aggregate Net Asset Value |
| <input type="checkbox"/> \$1 - \$1,000,000 | | <input type="checkbox"/> \$1 - \$5,000,000 |
| <input type="checkbox"/> \$1,000,001 - \$5,000,000 | | <input type="checkbox"/> \$5,000,001 - \$25,000,000 |
| <input type="checkbox"/> \$5,000,001 - \$25,000,000 | | <input type="checkbox"/> \$25,000,001 - \$50,000,000 |
| <input type="checkbox"/> \$25,000,001 - \$100,000,000 | | <input type="checkbox"/> \$50,000,001 - \$100,000,000 |
| <input type="checkbox"/> Over \$100,000,000 | | <input type="checkbox"/> Over \$100,000,000 |
| <input checked="" type="checkbox"/> Decline to Disclose | | <input type="checkbox"/> Decline to Disclose |
| <input type="checkbox"/> Not Applicable | | <input type="checkbox"/> Not Applicable |

6. Federal Exemption(s) and Exclusion(s) Claimed (select all that apply)

- | | | |
|--|--|---|
| <input type="checkbox"/> Rule 504(b)(1) (not (i), (ii) or (iii)) | <input type="checkbox"/> Section 3(c)(1) | <input type="checkbox"/> Section 3(c)(9) |
| <input type="checkbox"/> Rule 504 (b)(1)(i) | <input type="checkbox"/> Section 3(c)(2) | <input type="checkbox"/> Section 3(c)(10) |
| <input type="checkbox"/> Rule 504 (b)(1)(ii) | <input type="checkbox"/> Section 3(c)(3) | <input type="checkbox"/> Section 3(c)(11) |
| <input type="checkbox"/> Rule 504 (b)(1)(iii) | <input type="checkbox"/> Section 3(c)(4) | <input type="checkbox"/> Section 3(c)(12) |
| <input type="checkbox"/> Rule 506(b) | <input type="checkbox"/> Section 3(c)(5) | <input type="checkbox"/> Section 3(c)(13) |
| <input checked="" type="checkbox"/> Rule 506(c) | <input type="checkbox"/> Section 3(c)(6) | <input type="checkbox"/> Section 3(c)(14) |
| <input type="checkbox"/> Securities Act Section 4(a)(5) | <input type="checkbox"/> Section 3(c)(7) | |
| | <input type="checkbox"/> Investment Company Act Section 3(c) | |

7. Type of Filing

- New Notice Date of First Sale First Sale Yet to Occur
 Amendment

8. Duration of Offering

Does the Issuer intend this offering to last more than one year? Yes No

9. Type(s) of Securities Offered (select all that apply)

- | | |
|--|---|
| <input type="checkbox"/> Equity | <input type="checkbox"/> Pooled Investment Fund Interests |
| <input checked="" type="checkbox"/> Debt | <input type="checkbox"/> Tenant-in-Common Securities |
| <input type="checkbox"/> Option, Warrant or Other Right to Acquire Another Security | <input type="checkbox"/> Mineral Property Securities |
| <input type="checkbox"/> Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security | <input type="checkbox"/> Other (describe) |

10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction such as a merger, acquisition or exchange offer? Yes No

Clarification of Response (if Necessary):

11. Minimum Investment

Minimum investment accepted from any outside investor \$100,000 USD

12. Sales Compensation

Recipient Recipient CRD Number None
(Associated) Broker or Dealer None (Associated) Broker or Dealer CRD Number None
Street Address 1 Street Address 2
City State/Province/Country ZIP/Postal Code
State(s) of Solicitation (select all that apply) All States Foreign/non-US
Check "All States" or check individual States

13. Offering and Sales Amounts

Total Offering Amount \$50,000,000 USD or Indefinite
Total Amount Sold \$0 USD
Total Remaining to be Sold \$50,000,000 USD or Indefinite

Clarification of Response (if Necessary):

14. Investors

Select if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering.
Regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, enter the total number of investors who already have invested in the offering:

15. Sales Commissions & Finder's Fees Expenses

Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.

Sales Commissions \$0 USD Estimate
Finders' Fees \$0 USD Estimate

Clarification of Response (if Necessary):

16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

\$0 USD Estimate

Clarification of Response (if Necessary):

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and clicking SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written request, in the accordance with applicable law, the information furnished to offerees.*
- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against the issuer in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust

- Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Rule 504 or Rule 506 for one of the reasons stated in Rule 504(b)(3) or Rule 506(d).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
Retirement Evolution Insured Income Fund LLC	John Gissas	John Gissas	President	2019-03-25

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.

EXHIBIT 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

COMPLETE BUSINESS SOLUTIONS
GROUP, INC. D/B/A/ PAR FUNDING, ET
AL.,

Defendants,

and

L.M.E. 2017 FAMILY TRUST,

Relief Defendant.

CASE NO.: 20-CIV-81205-RAR

DECLARATION OF JANET BOURZIKAS

I, Janet Bourzikas, solemnly affirm and state the following:

1. I am over 18 years of age and competent to make these statements. I have personal knowledge of the facts contained herein.
2. I have worked with John Gissas (“Gissas”) at Retirement Evolution Group since March 5, 2019.
3. I regularly attend the investment seminars and presentations conducted by Gissas for potential investors, including a luncheon at a Japanese steakhouse and a dinner presentation at Ricciardi’s Italian Table (“Ricciardi’s Dinner”), both in the summer of 2019.
4. Perry Abbonizio attended the Ricciardi’s Dinner in the summer of 2019.
5. Gissas regularly advises potential investors about an article that he found online (the “Bloomberg Article”) written about Complete Business Solutions Group (“Par Funding”)

that referred to alleged state securities law violations. Gissas advises potential investors during seminars and in-office appointments that Par Funding was fined for alleged securities violations and directs the potential investors to a website where the potential investors can read the article.

6. Gissas discussed the Bloomberg Article with potential investors at numerous seminars at the Japanese steakhouse.
7. Gissas and Abbonizio discussed the Bloomberg Article with potential investors at the Ricciardi's Dinner.
8. In response to my questions, Gissas told me that he discloses the Bloomberg Article to potential investors so they wouldn't be surprised if they go online, and in an effort to better inform potential clients.

FURTHER AFFIANT SAYETH NAUGHT

Signed under penalties of perjury this 14th day of August, 2020.

DocuSigned by:
Janet Bourzikas
Janet 570BD22B00F849A...