

**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.,**

Defendants.

ORDER REQUIRING AFFIDAVIT FROM DEFENDANT DEAN J. VAGNOZZI

THIS CAUSE comes before the Court on Defendant Dean J. Vagnozzi's Expedited Motion to Approve Payment of Insurance Premiums [ECF No. 203] ("Motion"), filed on August 27, 2020. In the Motion, Mr. Vagnozzi requests that the Court enter an order approving payment of life insurance premiums by non-Receivership entities that are legally managed by Receivership entity ABFP Management Co. LLP. *See* Mot. at 1. Plaintiff Securities and Exchange Commission ("SEC") filed a response to the Motion on August 27, 2020 [ECF No. 204]. On August 28, 2020, Mr. Vagnozzi filed a Reply [ECF No. 205]. Pursuant to an Order of the Court [ECF No. 207], Receiver Ryan K. Stumphauzer filed a response to the Motion on August 31, 2020 [ECF No. 208] ("Response").

In the Response, Receiver asserts that he does not object to the payment of certain life insurance premiums. *See* Resp. at 4. However, Receiver indicates that—considering potentially inaccurate representations Mr. Vagnozzi made in his Reply regarding the timing of his settlement with ABFP Income Fund, L.P. noteholder, Mr. David Jancarski—Receiver needs further confirmation from Mr. Vagnozzi that the payments will not use funds from any Receivership

entity. *Id.* at 2-5. Having reviewed the Motion [ECF No. 23], the SEC's Response [ECF No. 204], Mr. Vagnozzi's Reply [ECF No. 205], and the Receiver's Response [ECF No. 208], it is

ORDERED AND ADJUDGED as follows:


1. On or before **2:00 P.M. on September 1, 2020**, Mr. Vagnozzi shall serve an affidavit on Receiver and the SEC containing the following information:

- With respect to the "Pillar Entities" (defined in [ECF No. 203] at ¶ 2):
 - any Pillar Entity that has any beneficial or legal interest in any Receivership Entity or any asset of any Receivership Entity, and a description of any such interest;
 - any Pillar Entity that has a contract, security interest, pledge, lien, or encumbrance relating to any Receivership Entity or any asset of any Receivership Entity, and a description of any such contract, security interest, pledge, lien, or encumbrance; and
 - for any payment that Mr. Vagnozzi intends to make from any Pillar Entity account, banking and accounting records sufficient to identify the source of the funds being used for such payment.
- With respect to the "Multi-Strategy Entities" (defined in [ECF No. 203] at ¶ 2):
 - any Multi-Strategy Entity that has any beneficial or legal interest in any Receivership Entity or any asset of any Receivership Entity, and a description of any such interest;
 - any Multi-Strategy Entity that has a contract, security interest, pledge, lien, or encumbrance relating to any Receivership Entity or any asset of any Receivership Entity, and a description of any such contract, security interest, pledge, lien, or encumbrance; and
 - for any payment that Mr. Vagnozzi intends to make from any Multi-Strategy Entity account, banking and accounting records sufficient to identify the source of the funds being used for such payment.
- With respect to Mr. Vagnozzi's settlement with Mr. Jancarski:
 - a description of when any purported oral or written settlement agreements were executed;

- a description of when settlement consideration was paid by Mr. Vagnozzi, including the bank records or check receipt showing any such payment;
- a description of why any settlement consideration was transferred to counsel for Mr. Jancarski before the parties entered into a fully-executed settlement agreement;
- any bank records or other documents identifying the source of funds used in any settlement agreement; and
- any facts known by Mr. Vagnozzi relating to when the settlement consideration was released to the noteholder.

2. On or before **5:00 P.M. on September 1, 2020**, Receiver shall advise the Court of any additional facts relevant to Mr. Vagnozzi's Motion.

DONE AND ORDERED in Fort Lauderdale, Florida, this 31st day of August, 2020.



RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record