

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

CASE NO.: 9:20-cv-81205-RAR

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

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

Defendants

**DEFENDANT DEAN VAGNOZZI'S UNOPPOSED MOTION
TO RELEASE CERTAIN
VAGNOZZI-CONTROLLED ENTITIES FROM THE RECEIVERSHIP**

Defendant DEAN VAGNOZZI (hereinafter "Defendant" or "Vagnozzi"), by and through his undersigned counsel, hereby moves the Court for entry of an order to release certain entities from the Receivership, and to address the disposition of certain bank accounts and assets, and respectfully states in support as follows:

1. After extensive discussions with counsel for both the Receiver and the SEC, Vagnozzi has prepared the enclosed draft order that would accomplish the separation of various entities engaged in non-PAR Funding business, and to clarify the release of certain assets and accounts. The substance of the relief is fully described in the proposed order submitted herewith and attached hereto as Exhibit A, and will not be repeated herein.

2. Moreover, Vagnozzi has provided a sworn declaration, attached hereto as Exhibit B, attesting to the factual matters set forth in the proposed order.

WHEREFORE, Defendant Dean Vagnozzi respectfully requests that this Court enter an the attached order.

Local Rule 7.1 Statement

Pursuant to Southern District of Florida Local Rule 7.1, undersigned counsel has conferred with counsel for both the SEC and the Receiver in a good-faith effort to resolve the issues raised in this motion, The Receiver has no objection to the relief sought. The SEC advises that it will not oppose the relief sought herein and takes no position.

Dated: October 28, 2020

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Attorneys for Dean Vagnozzi

CERTIFICATE OF SERVICE

I hereby certify that on the 28th day of October, 2020, a true and correct copy of the foregoing was served via the Court's CM/ECF System upon all counsel of record.

/s/ Brian P. Miller
Brian P. Miller, Esq.

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
CASE NO. 20-CV-81205-RAR**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

**ORDER GRANTING VAGNOZZI'S UNOPPOSED MOTION TO RELEASE CERTAIN
VAGNOZZI-CONTROLLED ENTITIES FROM THE RECEIVERSHIP**

This matter comes before the Court on Defendant Dean Vagnozzi's ("Vagnozzi") Unopposed Motion to Release Certain Vagnozzi-Controlled Entities from the Receivership (the "Motion"), through which Vagnozzi requests the Court to carve out from the receivership (including from any direct or indirect coordination with or reporting obligations to the Receiver) certain non-party entities that Vagnozzi owns and/or controls (the "Vagnozzi Entities"), based on Vagnozzi's sworn declaration (the "Sworn Declaration") that: (1) these entities did not receive any funds related to Defendant Complete Business Solutions Group, Inc. ("CBSG"), (2) have done no business in connection with CBSG, and (3) Mr. Vagnozzi will, directly or indirectly and as set forth herein, appoint a manager or administrator to manage the business affairs of the Vagnozzi Entities, and sell or otherwise transfer all general partner interests in said Entities held by Receivership Entity/Defendant ABFP Management Company LLC ("ABFP Management"), in one or more transactions to occur within 90 days from the date of this Order and will pay to the

Receiver all amounts received or to be received by ABFP Management in consideration for its general partner interests in the Vagnozzi Entities as agreed to by the Receiver.¹

Based on a review of the Motion and Vagnozzi's Sworn Declaration,

The Motion is **GRANTED**.

It is hereby ORDERED and ADJUDGED that within 10 days from the date of this Order, Defendant Dean Vagnozzi shall notify the Securities and Exchange Commission and the Receiver in writing of the new entities or individuals that will become managers or administrators of the Vagnozzi Entities;

It is further ORDERED AND ADJUDGED that within 90 days from the date of this Order, Vagnozzi shall declare to the Receiver the amount or amounts paid or to be received by Vagnozzi for ABFP Management's general partner interests in the following Vagnozzi Entities, provided that the Court shall retain jurisdiction provided that the Court shall retain jurisdiction to resolve any disputes between the Receiver and Vagnozzi regarding the amounts to be paid for these general partner interests:

- As to Pillar Life Settlement Fund I LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar II Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests

¹ Vagnozzi does not dispute that the following entities affiliated with him received payments from Par Funding and will remain in the Receivership: ABFP Income Fund LLC, ABFP Income Fund 2 LP, ABFP Income Fund 3 LLC, ABFP Income Fund 4 LLC, ABFP Income Fund 6 LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 3 Parallel LLC, ABFP income Fund 4 Parallel LLC, ABFP Income fund 6 Parallel LLC, ABFP Multi-Strategy Investment Fund LP, ABFP Multi-Strategy Investment Fund 2 LP, and MK Corporate Debt Investment Company LLC.

- As to Pillar 3 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar 4 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar 5 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar 6 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar 7 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests
- As to Pillar 8 Life Settlement Fund LP – a General Partner interest equal to 0.10% of total partner interests

and

- As to Gibraltar Fund LP – a General Partner interest equal to 0.10% of total partner interests

It is further ORDERED AND ADJUDGED that within 10 days from the date of this Order, Vagnozzi shall pay or cause to be paid from funds unrelated to CBSG \$87,500 to the Receivership, representing the fees, costs and expenses the Receivership has paid or incurred for the purpose of managing, operating, or otherwise coordinating with Vagnozzi in connection with his operation of the Vagnozzi Entities;

It is further ORDERED AND ADJUDGED that upon compliance with the foregoing provisions of this Order, the Receiver shall file a notice with the Court confirming that the

following entities no longer have any association or involvement with, or coordination or reporting obligations to, the Receiver and the Receivership Estate:

- Pillar Life Settlement Fund I LP
- Pillar II Life Settlement Fund LP
- Pillar 3 Life Settlement Fund LP
- Pillar 4 Life Settlement Fund LP
- Pillar 5 Life Settlement Fund LP
- Pillar 6 Life Settlement Fund LP
- Pillar 7 Life Settlement Fund LP
- Pillar 8 Life Settlement Fund LP
- Atrium Legal Capital LLC
- Atrium Legal Capital 2 LLC
- Atrium Legal Capital 3 LLC
- Atrium Legal Capital 4 LLC
- ProMed Investment Co. LP
- ProMed Investment GP LLC
- Woodland Falls Investment Fund LLC
- Gibraltar Fund LP
- Windsor Corporate Park Investment Fund LLC
- ABFP Libra Fund LLC

It is further ORDERED AND ADJUDGED that the Receivership Entities, including ABFP and ABFP Management, shall continue to own the following limited partnership interests in the

following Vagnozzi Entities and shall continue to be entitled to any distributions on account of them:

- Pillar 6 Life Settlement Fund LP – 3% of limited partner interests
- Pillar 7 Life Settlement Fund LP - 3% of limited partner interests
- Pillar 8 Life Settlement Fund LP – 3% of limited partner interests

It is further ORDERED AND ADJUDGED that upon the failure of the Vagnozzi Entities to pay such distributions to the Receivership Estate, the Receiver shall file a timely motion with this Court and, if in fact the Vagnozzi Entities did fail to make a distribution, then the Vagnozzi Entities and Vagnozzi shall be responsible to pay the Receivership's costs and fees in connection with litigating and conferring about the issue.

It is further ORDERED AND ADJUDGED that the removal of the Vagnozzi Entities from the Receivership shall constitute a vacation of the appointment of the Receiver over the assets and affairs of any General Partner thereof for purposes of Section 17-402 of the Delaware Revised Uniform Limited Partnership Act, as amended, and a finding by the Court that said receivership did not by itself cause the dissolution of any Vagnozzi Entity that is a limited partnership.

It is further ORDERED AND ADJUDGED that after the Court enters its Order removing the Vagnozzi Entities from the Receivership, then the following shall occur, as will be memorialized in the Order removing the Vagnozzi Entities from the Receivership:

- ABFP Management shall be replaced as the signatory on the bank accounts for the Vagnozzi Entities within 5 days from the date of the Order removing the Vagnozzi Entities from the Receivership;

- The Receiver shall transfer the books and records and QuickBooks files for the Vagnozzi Entities, and all other data or documentation necessary for the continued operation of the Vagnozzi Entities, to Vagnozzi; and
- The Court's existing litigation hold pursuant to its Amended Order Appointing Receiver [ECF No. 141] will be lifted as to the Vagnozzi Entities.

It is further ORDERED AND AGREED that within four (4) days of the date of this Order, Defendant Vagnozzi shall direct Capital One Bank to transfer to the Receiver funds in the amount of \$60,000.00, which represent the amount that Vagnozzi transferred on or about July 28, 2020, from the account of Receivership Entity ABetterFinancialPlan.Com LLC to a personal account owned jointly by Vagnozzi and his wife. Upon the transfer of the funds as required hereunder, the funds will become an asset of the Receivership Estate, for which the Receiver shall have all powers and rights granted to him under the Receivership Order, and Vagnozzi will be deemed to have waived and relinquished the right to assert any personal claim to these funds, provided however that Vagnozzi reserves all arguments and defenses with regard to the treatment of these funds in any eventual disgorgement decision by the Court.

It is further ORDERED AND AGREED that the law firm of Eckert Seamans Cherin & Mellott is authorized to pay to the U.S. Securities and Exchange Commission the amounts due under the Commission's Order Instituting Proceedings dated July 14, 2020, in Administrative Proceeding File No. 3-19878, that the law firm is holding in its escrow account for such payment, and based on Vagnozzi's representation that such account does not include investor funds from Par Funding investments.

It is further ORDERED AND AGREED that, within five (5) days of this Order, Capital One Bank is directed to unfreeze the account ending in 9777 jointly owned by Vagnozzi and his

wife, based on Vagnozzi's representation that such account does not include investor funds from Par Funding investments, and to transfer \$60,000.00 (referred to above) to the Receiver from such account, which would leave an unfrozen balance of approximately \$236,000, and, if necessary, to facilitate Vagnozzi and his wife to opening or utilizing a checking account with Capital One into which the remaining funds from the unfrozen Capital One account may be transferred so that Vagnozzi and his wife may write checks to pay expenses.

DONE AND ORDERED in Fort Lauderdale, Florida, this _____ day of October, 2020.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record

EXHIBIT B

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

CASE NO.: 9:20-cv-81205-RAR

SECURITIES AND EXCHANGE COMMISSION,

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

Defendants

/

DECLARATION OF DEAN VAGNOZZI REGARDING UNOPPOSED MOTION

I, DEAN VAGNOZZI, hereby submit the following Declaration, and do hereby declare under the penalty of perjury as follows:

1. I am over the age of 18 and am competent to testify. I have personal knowledge of the facts and circumstances set forth in herein.
2. I am providing this sworn declaration to accompany my Unopposed Motion to Release Certain Vagnozzi-Controlled Entities from the Receivership (the "Motion").
3. I have reviewed the Motion and the proposed Order to be submitted with the Motion. All factual matters set forth in the Motion and proposed Order with regard to the structure, ownership and nature of the entities and bank accounts discussed therein are true and correct.

I declare under penalty of perjury pursuant to 28 USC 1746 that the foregoing is true and correct. Executed on this 28th day of October 2020.



Dean Vagnozzi