

**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.

**RECEIVER, RYAN K. STUMPHAUZER’S SEVENTH MOTION TO LIFT
LITIGATION INJUNCTION AS TO CERTAIN GARNISHMENT PROCEEDINGS**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities¹, by and through undersigned counsel, hereby files this Seventh Motion to Lift Litigation Injunction as to Certain Garnishment Proceedings, and hereby moves this Court to lift the Litigation Injunction for the limited purpose of allowing the Receiver, in his discretion, to dissolve current writs of garnishment, to mark judgments satisfied, and/or to reopen confessed judgments,

¹ The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding”); Full Spectrum Processing, Inc.; ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan; ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC; ABFP Income Fund, LLC; ABFP Income Fund 2, L.P.; United Fidelis Group Corp.; Fidelis Financial Planning LLC; Retirement Evolution Group, LLC; RE Income Fund LLC; RE Income Fund 2 LLC; ABFP Income Fund 3, LLC; ABFP Income Fund 4, LLC; ABFP Income Fund 6, LLC; ABFP Income Fund Parallel LLC; ABFP Income Fund 2 Parallel; ABFP Income Fund 3 Parallel; ABFP Income Fund 4 Parallel; and ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Fund 2 LP; and MK Corporate Debt Investment Company LLC.

where the counterparty merchant either has resolved or has agreed to resolve prior defaults in the following cases in the Court of Common Pleas of Philadelphia County, Pennsylvania.²

1. The cases are:
 - a. *Complete Business Solutions Group, Inc. v. Site Development Group LLC and Hunter Thomas*, Docket No. 200302403.
 - b. *Complete Business Solutions Group, Inc. v. Il Pastaio and La Pasta Boutique LLC and Victor Munoz* Docket No. 191201357.
 - c. *Complete Business Solutions Group, Inc. v. NOS Inc. and Shivangi Mehta*, Docket No. 191101297.
 - d. *Complete Business Solutions Group, Inc v. Limo Star NY Inc., Mayering Castaneda, Acevedo Posada and Albert Andres*, Docket No. 200400138.
 - e. *Complete Business Solutions Group, Inc v. Sky Capital Finance LLC and Jack Roddy*, Docket No. 200400401.
 - f. *Complete Business Solutions Group, Inc. v. Connected Transportation Partners Inc. and Marvin Wilcher*, Docket No. 200400788.
 - g. *Complete Business Solutions Group, Inc. v. Prosperity Technology LLC and Jesse Aranda*, Docket No. 190500096.

2. In addition to the above, beginning in November 2018, Atlantic Imprints Inc. d/b/a Baltimore Glassware Decorators (“Atlantic Imprints”) entered into a series of Factoring Agreements with Par Funding. On November 18, 2018, Brian Daniel Sommers, Jr. a/ka/ Brian Daniel Sommers and Nicole Sommers entered into a Security Agreement with Par Funding. As part of an agreement with the Sommers, the Receiver seeks the Court’s permission to lift the litigation injunction to release the Security Agreement.

² See the Court’s Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] (the “Operative Receivership Order”). The Receiver generally incorporates the background section of his prior Motions to Lift Litigation Injunction as to Certain Garnishment Proceedings. [See ECF Nos. 111, 145, 198, 232, and 264.]. To conserve resources and promote efficiency, the Receiver is providing only a summary narrative, as approved by the Court at the October 7, 2020 status conference.

3. Similarly, on January 16, 2019, MiddleTown Property Group entered into a Factoring Agreement with Par Funding. On January 22, 2019, Dane Wilson and Reika Wilson entered into a Security Agreement with Par Funding. As part of an agreement with the Sommers, the Receiver seeks the Court's permission to lift the litigation injunction to release the Security Agreement.

4. Finally, the Receiver had reviewed hundreds of actions previously filed in the Court of Common Pleas of Philadelphia County, Pennsylvania against merchants (and/or guarantors) who defaulted under a merchant cash advance agreement with Par Funding. In many of these cases, confessions of judgment actions were filed and, upon entry of judgment, writs of garnishment were obtained for not only financial institutions known to have open accounts for the merchants (and/or guarantors), but also numerous regional and national financial institutions.

5. As a result of this prior practice, a number of financial institutions have been served with writs of garnishment despite the fact they have no accounts with the merchants (and/or guarantors). Although no accounts may, in fact, exist, the financial institutions are nevertheless required to file Answers to Interrogatories in Attachment in those garnishment proceedings.

6. After the entry of the Receivership Order, a number of financial institutions have contacted the Receiver and asked that the Receiver agree to dissolve writs of garnishment and/or waive discovery where no account exists for the merchant (and/or guarantor). The Receiver believes that such an agreement is reasonable and warranted under the circumstances, that it would reduce administrative expenses for and is in the best interest of the Receivership Entities, and that it would reduce unnecessary costs and expenses to the various financial institutions that have been served with a writ of garnishment where no account exists for the merchants (and/or guarantor).

7. Accordingly, the Receiver seeks the authorization of this Court to permit the Receiver, in his discretion, to waive the requirement for financial institutions to file Answers to Interrogatories in Attachment if a financial institution represents to the Receiver in writing that it has no accounts with the merchants (and/or guarantors).

8. The Receiver also moves this Court to lift the Litigation Injunction for the limited purpose of allowing the Receiver, in his discretion, to dissolve current writs of garnishment in circumstances where a financial institution represents to the Receiver in writing that it has no accounts with the merchants (and/or guarantors), and asks to have the writ dissolved.

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully requests this Honorable Court to grant the motion and lift the Litigation Injunction on a limited basis as set forth above. A proposed order for the Court's consideration is attached as Exhibit 1.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

The undersigned counsel has conferred or attempted to confer with all counsel of record in this matter regarding the relief sought through this motion and certifies that: (1) Defendants Perry Abbonizio and Michael Furman do not oppose the requested relief; (2) Defendant John Gissas, against whom this action is currently stayed, has not responded with his position on the requested relief; (3) Defendant Dean Vagnozzi takes no position on the requested relief; (4) Defendants Joseph Cole Barletta and Joseph LaForte do not consent to the requested relief; (5) Defendants Lisa McElhone and The LME 2016 Family Trust have not responded with their position on the requested relief; and (6) the Securities and Exchange Commission does not object to the Receiver's request to lift the litigation stay, but does not provide any position on the underlying actions the Receiver intends to take in connection with these garnishment proceedings, as the Receiver is only

seeking through this Motion the Court's approval to lift the litigation injunction, and is not seeking approval of the Receiver's proposed actions in these garnishment proceedings.

Dated: November 5, 2020

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 5, 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/ Timothy A. Kolaya

TIMOTHY A. KOLAYA

EXHIBIT 1

**UNITED STATES DISTRICT COURT
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SECURITIES AND EXCHANGE
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COMPLETE BUSINESS SOLUTIONS
GROUP, INC. d/b/a/ PAR FUNDING, et al.,

Defendants.

**[PROPOSED] ORDER GRANTING THE RECEIVER'S SEVENTH MOTION TO LIFT
LITIGATION INJUNCTION AS TO CERTAIN GARNISHMENT PROCEEDINGS**

THIS CAUSE comes before the Court upon the Receiver's Seventh Motion to lift Litigation Injunction as to Certain Garnishment Proceedings [ECF No. ____] ("Motion"), filed on November 5, 2020. In the Motion, the Receiver seeks to modify the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141], so as to lift the litigation injunction provided for in that Order for certain garnishment matters currently pending in the Court of Common Pleas of Philadelphia County, Pennsylvania to be opened for the limited purpose to allow the Receiver: (1) in his discretion, to dissolve current writs of garnishment, to mark judgments satisfied, and/or to reopen confessed judgments, where the counterparty merchant either has resolved or has agreed to resolve prior defaults in certain cases in the Court of Common Pleas of Philadelphia County, Pennsylvania; (2) to cancel certain Security Agreements; and (3) to waive the requirement for financial institutions served with writs of garnishment to file Answers to Interrogatories in Attachment, and to dissolve writs of garnishment, if a financial institution represents to the Receiver in writing that it has no accounts with the merchants (and/or guarantors).

The Receiver has made a sufficient and proper showing in support of the relief requested.

Accordingly, it is hereby

ORDERED AND ADJUDGED that Receiver's **GRANTED**. The litigation injunction set forth in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] is hereby lifted in the following matters in the Court of Common Pleas of Philadelphia County, Pennsylvania, and solely for the purpose as described in the Motion:

- a. *Complete Business Solutions Group, Inc. v. Site Development Group LLC and Hunter Thomas*, Docket No. 200302403.
- b. *Complete Business Solutions Group, Inc. v. Il Pastaio and La Pasta Boutique LLC and Victor Munoz* Docket No. 191201357.
- c. *Complete Business Solutions Group, Inc. v. NOS Inc. and Shivangi Mehta*, Docket No. 191101297.
- d. *Complete Business Solutions Group, Inc v. Limo Star NY Inc., Mayering Castaneda, Acevedo Posada and Albert Andres*, Docket No. 200400138.
- e. *Complete Business Solutions Group, Inc v. Sky Capital Finance LLC and Jack Roddy*, Docket No. 200400401.
- f. *Complete Business Solutions Group, Inc. v. Connected Transportation Partners Inc. and Marvin Wilcher*, Docket No. 200400788.
- g. *Complete Business Solutions Group, Inc. v. Prosperity Technology LLC and Jesse Aranda*, Docket No. 190500096.

The Court further authorizes the Receiver to lift the litigation injunction to release the November 26, 2018 Security Agreement between Complete Business Solutions Group, Inc and Brian Daniel Sommers, Jr. a/ka/ Brian Daniel Sommers and Nicole Sommers, and to release the January 22, 2019 Security Agreement between Complete Business Solutions Group, Inc and Dane Wilson and Reika Wilson.

It is further ordered that litigation injunction set forth in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] is hereby lifted solely for the purpose as described in the Motion to allow the Receiver to waive the requirement for financial institutions served with writs of garnishment to file Answers to Interrogatories in Attachment, and to dissolve

current writs of garnishment, if a financial institution represents to the Receiver in writing that it has no accounts with the merchants (and/or guarantors).

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

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record