

**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 MOTION TO LIFT LITIGATION
INJUNCTION AS TO CERTAIN COUNTERPARTIES IN DEFAULT UNDER
AGREEMENTS WITH COMPLETE BUSINESS SOLUTIONS GROUP, INC.**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ by and through undersigned counsel, hereby files this Motion to Lift Litigation

¹ The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a 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; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment Fund 2 LP; MK Corporate Debt Investment Company LLC; Capital Source 2000, Inc.; Fast Advance Funding LLC; Beta Abigail, LLC; New Field Ventures, LLC; Heritage Business Consulting, Inc.; Eagle Six Consultants, Inc.; 20 N. 3rd St. Ltd.; 118 Olive PA LLC; 135-137 N. 3rd St. LLC; 205 B Arch St Management LLC; 242 S. 21st St. LLC; 300 Market St. LLC; 627-629 E. Girard LLC; 715 Sansom St. LLC; 803 S. 4th St. LLC; 861 N. 3rd St. LLC; 915-917 S. 11th LLC; 1250 N. 25th St. LLC; 1427 Melon St. LLC; 1530 Christian St. LLC; 1635 East Passyunk LLC; 1932 Spruce St. LLC; 4633 Walnut St. LLC; 1223 N. 25th St. LLC; Liberty Eighth Avenue LLC; The LME 2017 Family Trust; Blue Valley Holdings, LLC; LWP North LLC; 500 Fairmount Avenue, LLC; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor Processing LLC; and LM Property Management LLC; and the Receivership also includes the properties located at 568 Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; 107 Quayside Dr., Jupiter FL 33477; 2413 Roma Drive, Philadelphia, PA 19145.

Injunction as to Certain Counterparties in Default Under Agreements with Complete Business Solutions Group, Inc. (“CBSG”), and states as follows:

FACTUAL BACKGROUND AND SUMMARY OF PROPOSED CLAIMS

On or about July 27, 2020, the Court appointed the Receiver as receiver for CBSG and other associated entities. *See* Order Appointing Receiver [ECF No. 36]. As stated in the Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141], the Court appointed the Receiver because:

the appointment of a receiver in this action is necessary and appropriate for the purposes of marshaling and preserving all assets of the Defendants (“Receivership Assets”) and those assets of the Relief Defendant that: (a) are attributable to funds derived from investors or clients of the Defendants; (b) are held in constructive trust for the Defendants; and/or (c) may otherwise be includable as assets of the estates of the Defendants (collectively, “Recoverable Assets”).

Amended Order Appointing Receiver, p. 1.

The Amended Order Appointing Receiver further provides for a stay of all litigation involving the Receiver and the Receivership Entities:

All civil legal proceedings of any nature, including, but not limited to, bankruptcy proceedings, arbitration proceedings, foreclosure actions, default proceedings, or other actions of any nature involving: (a) the Receiver, in his capacity as Receiver; (b) any Receivership Property, wherever located; (c) any of the Receivership Entities, including subsidiaries and partnerships; or, (d) any of the Receivership Entities’ past or present officers, directors, managers, agents, or general or limited partners sued for, or in connection with, any action taken by them while acting in such capacity of any nature, whether as plaintiff, defendant, third-party plaintiff, third-party defendant, or otherwise (such proceedings are hereinafter referred to as “Ancillary Proceedings”)

(the “Litigation Injunction”). [ECF No. 141, ¶ 32.]

The Receiver requests this Court to lift the Litigation Injunction for the limited purpose of allowing the Receiver to execute upon existing judgments and/or to pursue claims against certain counterparties in default under agreements with CBSG. Specifically, the Receiver intends to execute upon existing judgments and/or to pursue claims against the following entities (the

“Counterparties”) that entered into Merchant Cash Advance Agreements with CBSG (the “Agreements”):

1. Judgments for Execution:

- a. YGM Group LLC
- b. NCB, LLC d/b/a Nordstrom Commercial Builders
- c. Medic of South Carolina, LLC
- d. Gate Ten Inc d/b/a/ Gate Ten Events, d/b/a Parking Edge Industries
- e. Progressive Rehab, LLC; and Get Well Medical LLC, d/b/a JCR Physical Medicine Group, d/b/a Willow Grove Get Well
- f. Hawk’s Recovery & Towing, Inc.
- g. Connecticut Casket Company LLC
- h. Shirley Auto Group, Inc.
- i. Site Development Group LLC
- j. Sugarman Auction Group Corp. d/b/a Sugarman Auction Group, d/b/a Sugarman Auction
- k. JTT Health Management LLC
- l. C and R Dance Inc., d/b/a Fred Astaire Burr Ridge., d/b/a Fred Astaire Dance Studio Burr Ridge
- m. Chabad of Southampton, Inc.
- n. WM Contracting LLC
- o. Williams Marketing, LLC
- p. Stream Health Inc.
- q. Premier PCS of TX, LLC d/b/a Skytalk
- r. Ad Lucem Inc.
- s. Brandon Excavating LLC d/b/a Brandon Excavating
- t. Buy Laminate Direct LLC
- u. Jaafar LLC d/b/a Lau Nightclub
- v. PHI Gaming LLC
- w. Primex Prime Electronic Execution Inc.
- x. Bohrenworks LLC
- y. Refined Outdoor Living Environments LLC
- z. Darrin Sweat, Sole Proprietor d/b/a Sweat Construction
- aa. The Casery Inc.
- bb. GC Lending LLC d/b/a GC Lending Inc.
- cc. Jason Miller, Sole Proprietor d/b/a Instant Karma d/b/a Instant Karmas Gourmet Hot Dogs, d/b/a Instant Karma Gourmet Hot Dogs, d/b/a Eagle Drive In
- dd. K3Works, Inc.
- ee. Radford Industries, LLC d/b/a Backwoods Steak and Seafood Restaurant, d/b/a Backwards Steak and Seafood Restaurant
- ff. Ohio Natural Stone Works, LLC

2. Pursuit of claims, including confessing judgment, where appropriate:

- a. NMRV Inc. d/b/a NMRV, d/b/a Northwest RV & Auto
- b. Ridgeback Excavating LLC
- c. Alexis Ella, Inc.
- d. Hardin Enterprises Inc.

- e. ABC Capital Investments LLC, ABC Capital Realty LLC, and New Philly Construction LLC
- f. Northeast Fuel Group Inc.
- g. Texas Wind Consultants LLC
- h. Castle Rock Properties LLC
- i. R Tech Company, LLC
- j. Rue Rue Transportation Inc. d/b/a TNK Trucking
- k. McKnight Enterprises Inc.
- l. Leitch Heating and Air Conditioning Inc. d/b/a Leitch Heating & Air Conditioning
- m. GEX Management Inc. d/b/a Payroll Express LLC, Amast Consulting LLC
- n. Department of Green Energy Inc.
- o. ER Cars LLC d/b/a State Road Truck Sales
- p. Jaz Construction LLC
- q. 17707 Miles Road Inc. d/b/a Miles Road Exxon, d/b/a Exxon
- r. Olde Naples Frameworks LLC
- s. Overdrive Raceway LLC
- t. Ram Electrical Construction LLC
- u. Helping Hands Construction and Remodeling LLC, d/b/a Helping Hands Construction & Remodeling, d/b/a Remodel Lex
- v. The Hopwood Company, d/b/a Langston Insurance Services, d/b/a Langston Insurance of Kissimmee Inc.
- w. Top Tech Heat & Air Inc., d/b/a Top Tech Heat and Air
- x. Vantaggio Farming Corporation
- y. Virginia Hay Company LLC
- z. Vittles of Brentwood LLC, d/b/a Vittles Restaurant
- aa. Integrated Construction Management LLC
- bb. Ideal Refuse Savings Inc.
- cc. Hackensack Structural LLC
- dd. AK Premier Contracting Corp.
- ee. The Ansell Group LLC
- ff. Be Clinical Incorporated
- gg. Lencred Inc.

The Receiver has determined, in his professional judgment, that it is in the best interests of the Receivership Estate to execute upon judgments and/or pursue claims against these Counterparties, as well as certain of the guarantors under these various Agreements and the collateral and security that any Counterparty may have provided to CBSG under these Agreements.

ARGUMENT

Receivership courts generally rely on a three-factor test to adjudicate requests to lift the litigation stay injunction. These factors include:

- (1) whether refusing to lift the stay genuinely preserves the status quo or whether the moving party will suffer substantial injury if not permitted to proceed;
- (2) the time in the course of the receivership at which the motion

for relief from the stay is made; and (3) the merit of the moving party's underlying claim.

S.E.C. v. Byers, 592 F. Supp. 2d 532, 536 (S.D.N.Y. 2008), *aff'd*, 609 F.3d 87 (2d Cir. 2010)

The three factors weigh in favor of lifting the Litigation Injunction to allow the Receiver to pursue the claims. Regarding the first element, the Receiver will suffer injury if prohibited from pursuing these judgments and proposed claims. The Counterparties owe substantial sums under the relevant Agreements with CBSG. The Receiver seeks to collect these amounts for the benefit of the Receivership Estate.

Secondly, the timing is appropriate in this instance to lift the Litigation Injunction. While the initial phase of a receivership often involves fact investigation and determining which claims, if any, the Receiver might pursue, the Receiver has now determined that this litigation is necessary to promote the orderly administration of the estate, particularly as it applies to these Counterparties. Finally, the claims against these Counterparties are meritorious. These Counterparties executed Agreements obligating them to pay CBSG and are in breach of their obligations thereunder. A proposed Order granting this relief is attached as Exhibit 1.

CONCLUSION

WHEREFORE, the Receiver respectfully requests that the Court enter an Order lifting the Litigation Injunction to allow the Receiver to execute on judgments and/or to pursue claims, as he deems appropriate, against the Counterparties under the Agreements, as well as certain of the guarantors under these various Agreements and any collateral and security the Counterparties provided to CBSG under these Agreements.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

The undersigned counsel has conferred with all counsel of record and unrepresented parties in this matter regarding the relief sought through this motion and certifies that all counsel of record

and unrepresented parties have confirmed that they and/or their clients either do not oppose, take no position, or have not responded with their position with respect to the relief sought. The SEC also takes no position on the motion to lift the litigation injunction. Its position on the underlying claims was not solicited and therefore none was provided.

Dated: December 2, 2021

Respectfully Submitted,

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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 2, 2021, 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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COMPLETE BUSINESS SOLUTIONS
GROUP, INC. d/b/a/ PAR FUNDING, et al.,

Defendants.

**[PROPOSED] ORDER GRANTING RECEIVER, RYAN K.
STUMPHAUZER’S MOTION TO LIFT LITIGATION INJUNCTION
AS TO CERTAIN COUNTERPARTIES IN DEFAULT UNDER
AGREEMENTS WITH COMPLETE BUSINESS SOLUTIONS GROUP, INC.**

THIS CAUSE comes before the Court upon the Receiver, Ryan K. Stumphauzer’s Motion to Lift Litigation Injunction as to Certain Counterparties in Default Under Agreements with Complete Business Solutions Group, Inc. [ECF No. ____] (the “Motion”), filed on December 2, 2021.

Through this Motion, the Court-Appointed Receiver, Ryan K. Stumphauzer (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 for the limited purpose of allowing the Receiver to execute upon existing judgments and/or to pursue claims against certain counterparties in default under Merchant Cash Advance Agreements with CBSG.

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 Motion is **GRANTED**. Specifically, the litigation injunction set forth in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] is hereby lifted so as to allow the Receiver to pursue claims, as he deems appropriate, against the following counterparties, as well as certain of the guarantors under the various Agreements and any collateral and security these counterparties provided to CBSG:

1. Judgments for Execution:

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- c. Medic of South Carolina, LLC
- d. Gate Ten Inc d/b/a/ Gate Ten Events, d/b/a Parking Edge Industries
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- j. Sugarman Auction Group Corp. d/b/a Sugarman Auction Group, d/b/a Sugarman Auction
- k. JTT Health Management LLC
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- w. Primex Prime Electronic Execution Inc.
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- m. GEX Management Inc. d/b/a Payroll Express LLC, Amast Consulting LLC
- n. Department of Green Energy Inc.
- o. ER Cars LLC d/b/a State Road Truck Sales
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- v. The Hopwood Company, d/b/a Langston Insurance Services, d/b/a Langston Insurance of Kissimmee Inc.
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- bb. Ideal Refuse Savings Inc.
- cc. Hackensack Structural LLC
- dd. AK Premier Contracting Corp.
- ee. The Ansell Group LLC
- ff. Be Clinical Incorporated
- gg. Lencred Inc.

DONE AND ORDERED in Fort Lauderdale, Florida, this ____ day of _____, 2021.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record