

**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. Grant’s Wrecker Service Inc.
 - b. Edge Industries Inc d/b/a Edge Industries d/b/a Cutters Edge
 - c. F and M Property Developing Inc. d/b/a F and M Property and Development d/b/a Frontier Properties
 - d. USA United Pest Control of SW FL Inc
 - e. Merita Health, LLC d/b/a Premier Medical Care, LLC d/b/a Addiction Recovery Clinics of Ohio d/b/a Meritra Clinics, LLC d/b/a Meritra Primary Care/Walk In Clinic d/b/a Access Medical Group d/b/a John Y Robertson Family Medicine, Inc d/b/a Robertson Abad Family Medicine
 - f. Hom Enterprises LLC d/b/a Aldo Zampieri
 - g. Concession Management Group, LLC d/b/a Concession Management Group
 - h. Special Entertainment Events Inc
 - i. Surya Hotel LLC d/b/a Surya Hotel d/b/a Hotel Royal
 - j. Road Service 1 Inc d/b/a Road Service 1
 - k. MEP Nationwide LLC d/b/a MEP Nationwide
 - l. BNJ Trucking LLC d/b/a BNJ Trucking
 - m. Kandela Design LLC d/b/a Kandela Design
 - n. IBN Global Consulting
 - o. All Dressed Up LLC d/b/a All Dressed Up
 - p. B J Oil, Inc d/b/a Chevron
 - q. Born of Earth Spa LLC d/b/a Born of Earth Spa d/b/a Born of Earth
 - r. Boston Logistics LLC d/b/a Boston Logistics
 - s. Cogent Medical Lab LLC d/b/a Cogent Medical Lab d/b/a Cogent Medical Laboratory LLC
 - t. Engineered Systems and Equipment Inc d/b/a Engineered Systems and Equipment d/b/a Engineered Systems & Equipment d/b/a ESE
 - u. Christopher Ernie Perez Jr Sole Proprietor d/b/a Forza Group
 - v. J.D.M. Medical, Inc d/b/a JDM Medical Inc d/b/a JDM Medical

- w. MTS Express
 - x. New Image Construction of New Jersey, Inc d/b/a New Image Construction of New Jersey
 - y. Oakbend Enterprises Inc d/b/a Maaco of Athens d/b/a Maaco Auto Painting & Body Work d/b/a Maaco America's Bodyshop d/b/a Maaco Collision Repair and Auto Painting d/b/a Elite Auto Collision d/b/a Maaco Auto Paint and Collision
 - z. Usfood Union LLC d/b/a Usfood Union d/b/a Duck N Bao d/b/a Duck N Bao Katy
 - aa. Structural Solutions of NJ LLC d/b/a Structural Solutions of NJ
 - bb. Your Cause Auto Services LLC d/b/a Your Cause Auto Services
 - cc. Ridgeway Trailer Company Inc d/b/a Ridgeway Trailer Company d/b/a Ridgeway Trailer Co
 - dd. CPC Construction LLC
 - ee. Commercial Management Company LLC d/b/a CMC Inc
 - ff. LBG Enterprises LLC d/b/a Lighting by Gregory
 - gg. Ro Fro Yo LLC d/b/a Jimmy Johns d/b/a RFY Eton LLC d/b/a RFY Niles LLC d/b/a Ro Fro Yo LLC Steelyard d/b/a Ro Fro Yo LLC E 4th d/b/a Blue Falcon Subs d/b/a ZS Subs Co
 - hh. Charlie and Terrie Inc d/b/a Charlies Sports Bar
 - ii. Dayne Property Management Group Inc d/b/a Beacon Light Construction d/b/a New Era Realty NYS Inc d/b/a La Fe Construction
 - jj. Richard G Gaskin Sole Proprietor d/b/a Middle G Cattle Company LLC
 - kk. Dilworth Market Ventures LLC d/b/a Dilworth Market Ventures d/b/a The Peoples Market
 - ll. LMR Custom Home Construction, LLC d/b/a LMR Custom Home Construction d/b/a LMR Construction d/b/a LMR Construction Management d/b/a LMR Construction Contractors d/b/a LMR Construction Companies d/b/a LMR Construction Building Contractors
 - mm. Allen Sandberg d/b/a Allen Sandberg Vending
2. Pursuit of claims, including confessing judgment, where appropriate:
- a. Bresciani Hay Co Inc d/b/a Bresciani Hay Co d/b/a Bresciani Hay Company Inc
 - b. Maryland Performance Diesel LLC d/b/a Maryland Performance Diesel
 - c. Frank Wadan LLC d/b/a Value Auto Sales
 - d. AAH Homes, LLC d/b/a AAH Homes LLC d/b/a AAH Homes
 - e. Elevate Roofing and Construction LLC

- f. American Construction Pros Inc d/b/a American Construction Pros
- g. Apollo HP Inc
- h. Antolio Renzio, Sole Proprietor d/b/a AR Sandblasting
- i. B and H Underground LLC d/b/a B and H Underground
- j. Baileys Construction and Plumbing Inc d/b/a Baileys Construction and Plumbing d/b/a Baileys Construction & Plumbing
- k. Blue City Construction Corp d/b/a Blue City Construction
- l. Vadim Baranski, Sole Proprietor d/b/a Lockdown Alarm Systems
- m. M Burton Marshall, Sole Proprietor d/b/a Miles B Marshall d/b/a M Burton Marshall
- n. Med Life LLC d/b/a Pace Medical Transport
- o. Fenix Health LLC d/b/a Fenix Health
- p. Uncle Ricks Diesel and Auto LLC d/b/a Mt. Vernon Automotive d/b/a Uncle Ricks Performance Auto Repair
- q. New Beginnings Transport Inc d/b/a New Beginnings Transport
- r. Ascension Pharmacy Holdings LLC d/b/a Mermaid RX d/b/a Lemberg's Pharmacy d/b/a G.L. Management Group Inc
- s. NAVS, PLLC d/b/a NAVS PLLC

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 22, 2021

Respectfully Submitted,

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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 22, 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 22, 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 (the "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:
 - a. Grant's Wrecker Service Inc.
 - b. Edge Industries Inc d/b/a Edge Industries d/b/a Cutters Edge
 - c. F and M Property Developing Inc. d/b/a F and M Property and Development d/b/a Frontier Properties
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 - z. Usfood Union LLC d/b/a Usfood Union d/b/a Duck N Bao d/b/a Duck N Bao Katy
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 - bb. Your Cause Auto Services LLC d/b/a Your Cause Auto Services
 - cc. Ridgeway Trailer Company Inc d/b/a Ridgeway Trailer Company d/b/a Ridgeway Trailer Co
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 - ff. LBG Enterprises LLC d/b/a Lighting by Gregory
 - gg. Ro Fro Yo LLC d/b/a Jimmy Johns d/b/a RFY Eton LLC d/b/a RFY Niles LLC d/b/a Ro Fro Yo LLC Steelyard d/b/a Ro Fro Yo LLC E 4th d/b/a Blue Falcon Subs d/b/a ZS Subs Co
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- m. M Burton Marshall, Sole Proprietor d/b/a Miles B Marshall d/b/a M Burton Marshall
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- q. New Beginnings Transport Inc d/b/a New Beginnings Transport
- r. Ascension Pharmacy Holdings LLC d/b/a Mermaid RX d/b/a Lemberg's Pharmacy d/b/a G.L. Management Group Inc
- s. NAVS, PLLC d/b/a NAVS PLLC

DONE AND ORDERED in Fort Lauderdale, Florida, this _____ day of _____, 2022.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record