

**UNITED STATES DISTRICT COURT
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.

AMENDED FINAL JUDGMENT AS TO DEFENDANT DEAN J. VAGNOZZI

THIS CAUSE comes before the Court upon Plaintiff Securities and Exchange Commission's Unopposed Motion for Entry of Amended Final Judgment Against Defendant Dean J. Vagnozzi [ECF No. 1163] ("Motion"). The Securities and Exchange Commission filed an Amended Complaint and Defendant Dean J. Vagnozzi has entered a general appearance, consented to the Court's jurisdiction over Defendant and the subject matter of this action, consented to entry of this Final Judgment without admitting or denying the allegations of the Amended Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph IX), waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment. The Court finds that good cause exists for entry of the Final Judgment. Accordingly, the Commission's Motion is **GRANTED** and it is hereby **ORDERED AND ADJUDGED** as follows:

I.

This Final Judgment supersedes the Judgment of Permanent Injunction and Other Relief Against Defendant Dean J. Vagnozzi entered by the Court on November 24, 2021 [ECF No. 1006] and amends the Final Judgment as to Defendant Dean J. Vagnozzi entered February 17, 2022 [ECF No. 1160].

II.

Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person

by, directly or indirectly (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in securities; (B) the prospects for success of any product or company; (C) the use of investor funds; (D) the safety of any securities investment; (E) the use of investor funds or investment proceeds; (F) Orders issued against the Defendants

by state or federal enforcement agencies; (G) the financial status of Par Funding; or (H) the management of Par Funding.

Further, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser

by, directly or indirectly (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in securities; (B) the prospects for success of any product or company; (C) the use of investor funds; (D) the safety of any securities investment; (E) the use of investor funds or investment proceeds; (F) Orders issued against the Defendants

by state or federal enforcement agencies; (G) the financial status of Par Funding; or (H) the management of Par Funding.

Further, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

IV.

Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the

effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

Further, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

V.

Defendant is liable for disgorgement of \$4,531,248, representing net profits gained as a result of the conduct alleged in the Amended Complaint, together with prejudgment interest thereon in the amount of \$160,783, and a civil penalty in the amount of \$400,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], for a total of \$5,092,031.

Defendant shall satisfy this obligation by:

a. surrendering to and disclaiming any interest in the following items currently in the possession of the Court-appointed Receiver:

i. all funds previously paid by or on behalf of the Defendant to the Receiver or that were in the possession of entities controlled by Defendant now held by the Receiver, consisting of

ABFP Income Fund, LLC	\$397
ABFP Income Fund Parallel LLC	\$310
ABFP Income Fund 2, L.P.	\$7,885
ABFP Income Fund 3, LLC	\$237
ABFP Income Fund 3 Parallel, LLC	\$310
ABFP Income Fund 4, LLC	\$238
ABFP Income Fund 4 Parallel, LLC	\$500
ABFP Income Fund 6, LLC	\$237
ABFP Income Fund 6 Parallel, LLC	\$314
ABFP Multi-Strategy Investment Fund LP	\$667,652

ABFP Multi-Strategy Investment Fund 2 LP	\$839,389
ABFP Management Co., LLC	\$208,528
ABetterFinancialplan.com LLC (Citizens Bank)	\$62,951
ABetterFinancialplan.com LLC (Victory Bank)	\$7900
MK Corporate Debt Investment Co., LLC	\$565,000
Paid Pursuant to Motion to Release Certain Entities from Receivership [DE 350, 360 ¶3]	\$87,500
Paid Pursuant to Motion to Release Certain Entities from Receivership [DE 350, 360 ¶9]	\$60,000
Pillar Fund Buyouts	\$29,319
Total	\$2,538,667.00

ii. Defendant’s interest in any entity under the control of the Receiver, including but not limited to his interest, through ABFP Management Company LLC, in ABFP Multi-Strategy Investment Fund LP and ABFP Multi-Strategy Investment Fund 2, LP.

iii. The interest of Defendant and his spouse in Sustainable Resources Group, LLC and Telemachus India, LLC.

b. waiving any right to receive any distribution from the Receivership Estate, including but not limited to Defendant’s \$55,390 investment in ABFP Income Fund Parallel, LLC (obtained in exchange for his previous investment in ABFP Income Fund, LLC) and his \$230,000 investment in ABFP Income Fund 2, L.P.

c. within 30 days of the date of the Final Judgment, paying to the Receiver the amount of \$1,370,744. All funds received by the Receiver from Victory Bank, Capital One Bank, and Citizens Bank pursuant to paragraph VII of this Final Judgment shall be credited against this amount.

d. within 30 days of the date of the Final Judgment, paying to the Receiver the proceeds after liquidation of the balance of account xxx4382 at TD Ameritrade. All funds received by the Receiver from TD Ameritrade pursuant to paragraph VII of this Final Judgment shall be credited against this amount.

Defendant shall in good faith and expeditiously execute all documents and take any other necessary steps to effectuate Paragraph V.a –V.d above. Defendant agrees that once he turns over the aforementioned property and assets he relinquishes all legal and equitable right, title, and interest in the property and assets (“Funds”), and no part of the Funds shall be returned to him.

Any amounts that are due to the Commission may be paid electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier’s check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Dean Vagnozzi as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission’s counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant.

The Commission may enforce the Court’s Final Judgment for disgorgement and prejudgment interest by using all collection procedures authorized by law, including, but not limited to, moving for civil contempt at any time after 30 days following entry of this Final Judgment.

The Commission may enforce the Court's Final Judgment for penalties by the use of all collection procedures authorized by law, including the Federal Debt Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court orders issued in this action. Defendant shall pay post judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and income earned thereon (collectively, the "Fund"), pending further order of the Court.

The Commission may propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain jurisdiction over the administration of any distribution of the Fund and the Fund may only be disbursed pursuant to an order of the Court.

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Final Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant's payment of disgorgement in this action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Defendant shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an

additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Final Judgment. For purposes of this paragraph, a “Related Investor Action” means a private damages action brought against Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Amended Complaint in this action.

VI.

The Commission and the Court have based their decision on what Property Defendant is turning over in satisfaction of his disgorgement, prejudgment interest, and civil penalty liability on Defendant’s sworn representations in his accounting filed with the Court [ECF No. 248-1], as supplemented by additional information provided to the Commission. If at any time following the entry of this Final Judgment the Commission obtains information indicating that the information Defendant provided to the Commission about his assets was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion, and without prior notice to Defendant, petition the Court for an order requiring Defendant to turn over any undisclosed assets to the Commission in further satisfaction of his disgorgement, prejudgment interest, or civil penalty liability. In connection with any such petition, the only issues shall be whether the financial information Defendant provided was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time Defendant made such representations. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The Commission may also request additional discovery. Defendant may not, by way of defense to such petition: (1) challenge the validity of the Consent or the Final Judgment; (2) contest the allegations in the Amended Complaint filed by the Commission; (3) contest the amount of disgorgement, pre-

judgment interest, or civil penalty; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

VII.

Within 10 days after being served with a copy of this Final Judgment, the following entities shall liquidate and remit the entire balance of the following accounts which were frozen pursuant to an Order of this Court as set forth below:

Institution	Account Owner	Acct. Ending in:
TD Ameritrade	Dean and Christa Vagnozzi	*4382
Victory Bank	Dean and Christa Vagnozzi	*4566
Capital One Bank	Dean and Christa Vagnozzi	*7181
Citizens Bank	Dean and Christa Vagnozzi	*8766

These entities shall transmit payment to the Court-appointed Receiver:

Ryan K. Stumphauzer
One Biscayne Tower
Two S. Biscayne Boulevard
Suite 1600
Miami, Florida 33131

VIII.

The Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

IX.

Solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the Amended Complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the

violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

X.

Except as expressly provided herein, nothing in this judgment shall impact any claims between the Receiver and Defendant. In particular, the judgment is without prejudice with respect to the Receiver and the Defendant's disputes relating to (a) the property located at 114 Ithan Lane, Collegeville, Pennsylvania, and (b) the claims asserted by Defendant against Eckert Seamans Cherin & Mellott, LLC and John W. Pauciulo.

XI.

This Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

XII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

DONE and ORDERED in Fort Lauderdale, Florida, this 23rd day of February, 2022.



ROBOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE