

**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.

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**RECEIVER’S NOTICE OF FILING PROPOSED ORDER IN  
CONNECTION WITH STATUS REPORT REGARDING  
WHETHER THE LITIGATION STAY SHOULD REMAIN IN PLACE  
FOR CLAIMS AGAINST ECKERT SEAMANS AND/OR JOHN W. PAUCIULO**

On September 2, 2022, the Receiver filed a Status Report Regarding Whether the Litigation Stay Should Remain in Place for Claims Against Eckert Seamans and/or John Pauciulo [ECF No. 1392] (the “Status Report”). In that Status Report, the Receiver indicated that the stay of litigation (the “Litigation Stay”), provided for in the Amended Order Appointing Receiver [ECF No. 141], should now be lifted in any case against Eckert Seamans and/or John W. Pauciulo in which a Receivership Entity is not a party. Specifically, the Receiver identified the following lawsuits for which the Litigation Stay should be lifted, insofar as the parties have not named or will not seek to join as a party any Receivership Entity:

- *Melchior v. Vagnozzi, et al.*, No. 20-5562 (E.D. Pa. 2020);
- *Montgomery, et al. v. Eckert Seamans Cherin & Mellott, LLC et al.*, No. 1:20-cv-23750 (S.D. Fla. 2020);
- *Parker, et al. v. Pauciulo et al.*, No. 20-00892 (Phila. Ct. Com. Pl. 2020);
- *Dean Vagnozzi v. Pauciulo, et al.*, No. 210402115 (Phila Ct. Com. Pl. 2020);

- *Albert Vagnozzi, et al., v. Pauciulo, et al.*, No. 210502334 (Phila Ct. Com. Pl. 2021); and
- *Legacy Advisory Group, Inc. et al. v. Pauciulo, et al.*, No. 211001003 (Phila Ct. Com. Pl. 2021).

One additional pending action, *Caputo, et al. v. Vagnozzi et al.*, No. 1:20-cv-01042 (D. Del. 2020) (the “Caputo Case”), includes claims against Dean Vagnozzi, Eckert Seamans, John W. Pauciulo and several Receivership Entities, including ABetterFinancialPlan.com, LLC, ABFP Management Company, LLC, ABFP Income Fund LLC, ABFP Income Fund 2, L.P., ABFP Income Fund 3, LLC, ABFP Income Fund 4, LLC, and ABFP Income Fund 6, LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 2 Parallel, L.P., ABFP Income Fund 3 Parallel, LLC, ABFP Income Fund 4 Parallel, LLC, and ABFP Income Fund 6 Parallel, LLC. Because the Caputo Case includes claims against Receivership Entities, this action should remain subject to the Litigation Stay. The Receiver has conferred with counsel for the Plaintiffs in the Caputo Case, who has confirmed that they do not oppose the continuation of the Litigation Stay as to that case.

To the extent the Court agrees with the Receiver’s recommendation regarding lifting the Litigation Stay for these actions, and with the Litigation Stay remaining in effect as to the Caputo Case, the Receiver is filing a proposed Order Lifting the Litigation Stay as to Certain Claims Against Eckert Seamans and/or John Pauciulo (the “Proposed Order”), attached as Exhibit “1.”

Additionally, Defendant Dean Vagnozzi and several non-parties have filed motions to intervene and/or lift the Litigation Stay for the purpose of allowing them to pursue claims against Eckert Seamans and/or John W. Pauciulo. Should the Court agree with the Receiver’s recommendation regarding lifting the Litigation Stay as to these claims, the Receiver suggests that these various motions should be denied as moot. Accordingly, the Receiver has included in the Proposed Order that the following motions are denied as moot:

- Defendant Dean Vagnozzi’s Renewed Motion to Lift Stay of Litigation [ECF No. 1386];

- Motion to Intervene and to Lift Stay of Litigation of Proposed Intervenors Paul T. Kohler, Albert Vagnozzi, Capricorn Income Fund I, LLC, and Capricorn Income Fund I Parallel, LLC [ECF No. 1390]; and
- Renewed Motion to Lift Stay as to Parker Action by Francis Cassidy, David Gollner, Christopher McMorrow, and Mark Nardelli [ECF No. 1395].

Finally, the Receiver indicated in the Status Report that the Litigation Stay between any Receivership Entity and Eckert Seamans and/or John W. Pauciulo should remain in place through and including at least sixty (60) days following entry of the Court's Order(s) on the disgorgement and penalties to be assessed against the Defendants. Thereafter, the Receiver anticipates that he will either report that he has resolved the Receivership Estate's claims against Eckert Seamans and/or John W. Pauciulo, or move the Court for permission to lift the Litigation Stay to pursue claims against Eckert Seamans and/or John W. Pauciulo, and, if the motion is granted, to file suit contemporaneously with the lifting of the Litigation Stay as to those claims. The Proposed Order also reflects this proposal from the Receiver.

Dated: September 7, 2022

Respectfully Submitted,

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on September 7, 2022, 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  
COMMISSION,

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

Defendants.

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**[PROPOSED] ORDER (1) IN CONNECTION WITH STATUS REPORT  
REGARDING WHETHER THE LITIGATION STAY SHOULD REMAIN  
IN PLACE FOR CLAIMS AGAINST ECKERT SEAMANS AND/OR  
JOHN PAUCIULO AND (2) DENYING AS MOOT VARIOUS MOTIONS  
TO INTERVENE AND/OR LIFT THE LITIGATION STAY**

**THIS CAUSE** comes before the Court upon: (1) the Receiver's Status Report Regarding Whether the Litigation Stay Should Remain in Place for Claims Against Eckert Seamans and/or John Pauciulo [ECF No. 1392] (the "Status Report"), filed on September 2, 2022; (2) Defendant Dean Vagnozzi's Renewed Motion to Lift Stay of Litigation [ECF No. 1386], filed on August 30, 2022 (the "Dean Vagnozzi Motion"); (3) Motion to Intervene and to Lift Stay of Litigation of Proposed Intervenors Paul T. Kohler, Albert Vagnozzi, Capricorn Income Fund I, LLC, and Capricorn Income Fund I Parallel, LLC [ECF No. 1390], filed on September 1, 2022 (the "Albert Vagnozzi Motion"); (4) Renewed Motion to Lift Stay as to Parker Action by Francis Cassidy, David Gollner, Christopher McMorrow, and Mark Nardelli [ECF No. 1395], filed on September 7, 2022 (the "Parker Action Motion"); and (5) the Receiver's Notice of Filing Regarding the Status Report [ECF No. \_\_\_\_], filed on September 7, 2022 (the "Notice of Filing"). The Court having reviewed the Status Report, the Dean Vagnozzi Motion, the Albert Vagnozzi Motion, the Parker

Action Motion, the Notice of Filing, and the record in this matter, and being otherwise fully advised, it is hereby

**ORDERED AND ADJUDGED** as follows:

1. For the reasons stated in the Status Report and the Notice of Filing, the stay of litigation (the “Litigation Stay”), provided for in the Amended Order Appointing Receiver [ECF No. 141], is hereby **LIFTED** in any case against Eckert Seamans and/or John W. Pauciulo in which a Receivership Entity is not a party. This includes, but is not limited to, the following lawsuits, insofar as the parties have not named or will not seek to join as a party any Receivership Entity:

- *Melchior v. Vagnozzi, et al.*, No. 20-5562 (E.D. Pa. 2020);
- *Montgomery, et al. v. Eckert Seamans Cherin & Mellott, LLC et al.*, No. 1:20-cv-23750 (S.D. Fla. 2020);
- *Parker, et al. v. Pauciulo et al.*, No. 20-00892 (Phila. Ct. Com. Pl. 2020);
- *Dean Vagnozzi v. Pauciulo, et al.*, No. 210402115 (Phila Ct. Com. Pl. 2020);
- *Albert Vagnozzi, et al., v. Pauciulo, et al.*, No. 210502334 (Phila Ct. Com. Pl. 2021); and
- *Legacy Advisory Group, Inc. et al. v. Pauciulo, et al.*, No. 211001003 (Phila Ct. Com. Pl. 2021).

2. One additional pending action, *Caputo, et al. v. Vagnozzi et al.*, No. 1:20-cv-01042 (D. Del. 2020) (the “Caputo Case”), includes claims against Dean Vagnozzi, Eckert Seamans and John W. Pauciulo, as well as claims against several Receivership Entities, including ABetterFinancialPlan.com, LLC, ABFP Management Company, LLC, ABFP Income Fund LLC, ABFP Income Fund 2, L.P., ABFP Income Fund 3, LLC, ABFP Income Fund 4, LLC, and ABFP Income Fund 6, LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 2 Parallel, L.P., ABFP Income Fund 3 Parallel, LLC, ABFP Income Fund 4 Parallel, LLC, and ABFP Income Fund

6 Parallel, LLC. Because the Caputo Case includes claims against Receivership Entities, this action remains subject to the Litigation Stay.

3. In light of the Court's lifting the Litigation Stay as to the cases identified in paragraph 1 of this Order, the following motions are **DENIED AS MOOT**:

- Defendant Dean Vagnozzi's Renewed Motion to Lift Stay of Litigation [ECF No. 1386];
- Motion to Intervene and to Lift Stay of Litigation of Proposed Intervenors Paul T. Kohler, Albert Vagnozzi, Capricorn Income Fund I, LLC, and Capricorn Income Fund I Parallel, LLC [ECF No. 1390]; and
- Renewed Motion to Lift Stay as to Parker Action by Francis Cassidy, David Gollner, Christopher McMorrow, and Mark Nardelli [ECF No. 1395].

4. The Litigation Stay shall remain in place for any action or claims between any Receivership Entity and Eckert Seamans and/or John W. Pauciulo, through and including at least sixty (60) days following entry of the Court's Order(s) on the disgorgement and penalties to be assessed against the Defendants in this case. Upon the conclusion of this 60-day period, the Receiver shall either (a) file a Status Report indicating that he has resolved the Receivership Estate's claims against Eckert Seamans and/or John W. Pauciulo, or (b) file a motion to lift the Litigation Stay to pursue claims against Eckert Seamans and/or John W. Pauciulo.

**DONE AND ORDERED** in Fort Lauderdale, Florida, this \_\_\_ day of \_\_\_\_\_, 2022.

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**RODOLFO A. RUIZ II**  
**UNITED STATES DISTRICT JUDGE**

Copies to: Counsel of Record