

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
CASE NO. 20-CIV-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 APPROVE
ENGAGEMENT OF NOTICING, CLAIMS AND DISTRIBUTION AGENT**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ hereby files this Motion to Approve Engagement of Noticing, Claims, and Distribution Agent (the “Motion”), and states as follows:

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; and ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy 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 Consulting, 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; 500 Fairmount Avenue, LLC; Liberty Eighth Avenue LLC; Blue Valley Holdings, LLC; LWP North LLC; The LME 2017 Family Trust; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor Processing LLC; LM Property Management LLC; and ALB Management, LLC; and the receivership also includes the properties located at 568

Relief Requested

1. The Receiver seeks entry of an order authorizing him to retain and appoint Epiq Corporate Restructuring LLC (“Epiq”) as the noticing, claims, and distribution agent (“Claims Agent”) in connection with the claims proceedings in this Receivership, pursuant to the terms and conditions of that certain standard services agreement dated December 2, 2022, by and between the Receiver and Epiq (the “Services Agreement”). A copy of the Services Agreement is attached hereto as Exhibit 1.

Background

2. On November 22, 2022, the Court entered an Amended Order Granting in Part Plaintiff’s Amended Omnibus Motion for Final Judgment (ECF No. 1450) (the “Order”) and an Amended Final Judgment as to Defendants Lisa McElhone and Joseph LaForte (ECF No. 1451) (the “Final Judgment”).

3. In connection with the entry of this Order and Final Judgment, the Court conducted a status conference on November 21, 2022, during which the Court instructed the Receiver to confer with the Securities and Exchange Commission and Defendants Lisa McElhone and Joseph LaForte regarding establishing a claims administration process in anticipation of the eventual distribution to creditors/investors of amounts collected on the Final Judgment.

4. On November 23, 2022, the Court entered an Interim Scheduling Order Regarding the Claims Administration Process and Order Setting Interim Case Management Conference (ECF No. 1454). In this Order, the Court ordered the Receiver, on or before December 2, 2022, to file

Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; 107 Quayside Dr., Jupiter FL 33477; and 2413 Roma Drive, Philadelphia, PA 19145.

a motion and proposed order with the Court to authorize the Receiver's engagement of a Claims Agent to assist the Receiver in the administration of the claims process in this litigation.

Proposed Engagement of Epiq as Noticing, Claims, and Distribution Agent

5. As previously reported to the Court, the Receiver has identified and assembled information within the records of the Receivership Entities regarding potential claimants, thus allowing him to take the next steps in administering the Receivership Estate, which include setting up, obtaining Court approval of, and implementing a claims submission process.

6. To determine the best way to handle this process, the Receiver has relied on his and his team's experience with noticing, claims, and distribution agents that can provide significant efficiencies in large cases with respect to dealing with noticing, claims administration, and distributions, at a cost that is less than what would be billed at attorney or accounting professional rates.

7. Using this experience, the Receiver has also investigated the claims processes in receivership cases similar to the present case, evaluated different methodologies, and vetted and interviewed several established professional agents about the value they would add to the present case. Finally, the Receiver negotiated pricing and contract terms with several firms.

8. Through this process, the Receiver has determined that the engagement of Epiq as the Claims Agent will be the most effective and efficient manner of providing notice to and receiving and administering claims from creditors. In that capacity, Epiq would provide notice to known potential creditors, and transmit, receive, docket, and maintain claim forms filed by potential creditors in connection with this litigation.

9. In the event that the Court authorizes a distribution process in the future, Epiq would also assist the Receiver in executing the distributions.

10. Epiq is comprised of leading industry professionals with significant experience in the administration of large and complex claims and noticing programs in receiverships and other related matters. Epiq's professionals have experience in noticing, claims administration, and facilitating other administrative aspects of these processes and experience in matters of this size and complexity. Epiq has substantial experience providing services, including claims and noticing services, in matters comparable in size and complexity to this case. *See Securities and Exchange Commission v. Traffic Monsoon, LLC, et al.*, Case No. 2:16-cv-00832-JNP (D. Utah); *Securities and Exchange Commission v. Rex Venture Group, LLC d/b/a Zeekrewards.com, et al.*, Case No. 3:12-cv-519 (W.D. NC); *Securities and Exchange Commission v. Aequitas Management, LLC, et al.*, Case No. 3:16-cv-00438 (D. Or.); *Securities and Exchange Commission v. Steve Chen, USFIA, Inc., et al.*, Case No. 2:15-cv-07425 (C.D. Ca.); *Securities and Exchange Commission v. Path America, LLC, et al.*, Case No. 2015-CV-01350 (W.D. Wa.).

11. The appointment of Epiq as Claims Agent in this receivership will facilitate an efficient process for the distribution of notices and the processing of claims. The Receiver submits, based on all engagement proposals he obtained and reviewed, that Epiq's rates are competitive and reasonable given Epiq's quality of services and expertise.

Services to Be Provided

12. Under the Services Agreement, Epiq will perform the following services (collectively, the "Services"), as the Claims and Noticing Agent, at the request of the Receiver:

a. **Noticing**

- i. Prepare and serve notices as requested.
- ii. If requested by Client, after service of a particular notice - whether by regular mail, overnight or hand delivery, email or facsimile service -

provide an affidavit of service that includes a copy of the notice involved, a list of persons to whom the notice was mailed and the date and manner of mailing.

- iii. Update noticing/claim database to reflect undeliverable or changed addresses.
- iv. If requested by Client, coordinate publication of certain notices in periodicals and other media.
- v. Distribute Claim Acknowledgement Cards or emails (as directed by Client) to creditor having filed a proof of claim/interest.

b. **Claims Management**

- i. Maintain copies of all proofs of claim and proofs of interest filed (in hard copy and electronic form).
- ii. Create and maintain an electronic database for creditor/party in interest information provided by the Client and creditors/parties in interest (*e.g.*, proof of claim/interests).
- iii. Process all proof of claim/interest submitted.
- iv. Maintain claims registers, including, among other things, the following information for each proof of claim or proof of interest, including any notices of determination if requested by Client:
 - 1. Name and address of the claimant and any agent thereof, if the proof of claim or proof of interest was filed by an agent;
 - 2. Date received;
 - 3. Date mailed (if applicable);

4. Claim number assigned;
 5. Asserted amount and classification of the claim;
 6. The allowed claim after any claims objections, withdrawals or other action after a claim is asserted
 7. Supporting information submitted with the claim.
- v. Create and maintain a website with online claim intake form as needed, claim search function, with specific functionality as requested by Client.
 - vi. Implement necessary security measures to ensure the completeness, integrity and security of the claims registers.
 - vii. Provide data extracts and reporting as requested by Client.
 - viii. Maintain an up-to-date mailing list for all entities that have filed a proof of claim, proof of interest.

c. **Call Center**

- i. Provide state-of-the-art Call Center facility and services, including (as needed):
 1. Create frequently asked questions, call scripts, escalation procedures and call log formats.
 2. Record automated messaging.
 3. Train Call Center staff.
 4. Maintain and transmit call log to Client and advisors.

d. **Distributions (if Authorized by the Court)**

- i. Provide general disbursement related services, including:
 1. Preparation and distribution of checks

2. Bank account maintenance and reconciliation
3. Coordination of disbursement with client and counsel
4. Reporting and Check re-issuances
5. Coordination of tax filings and related matters

e. **Miscellaneous**

- i. Provide such other claims processing, noticing and related administrative services as may be requested from time to time by the Client.
- ii. Promptly comply with such further conditions and requirements as the Court or Client may at any time prescribe.
- iii. Comply with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders and other requirements.

13. Epiq will administer the notice and claims process in a manner that conforms to the guidelines established in a future order from the Court.

Professional Compensation

14. Per the Services Agreement, unless this Court orders otherwise, Epiq will bill the Receiver monthly for its services and the Epiq invoices will be due and payable upon receipt as an ordinary cost of the Receiver's administration of the Receivership Estate, without further application to or order from the Court.

15. Epiq has agreed to charge the time for all professionals and staff working on this engagement on an hourly basis at the hourly rates identified in the Services Agreement.

16. The hourly rates in the Services Agreement are discounted by at least ten percent (10%) or more from the standard hourly rates Epiq ordinarily charges for its services.

Additionally, the hourly rates in the Services Agreement are less, and in some instances significantly less, than the rates Epiq has charged in other recent receiverships related to Securities and Exchange Commission enforcement actions.

17. Epiq has requested an advance in the amount of \$25,000 (the “Retainer”). Epiq seeks to hold the Retainer under the Services Agreement during this claims and notice process as security for the payment of fees and expenses incurred under the Services Agreement.

18. Epiq has advised the Receiver that no conflicts of interest exist in connection with its potential retention in this matter.

19. The Receiver has fully vetted Epiq for this engagement, and is confident that this employment is in the best interest of the Receivership Estate. The terms of the Services Agreement, including those related to pricing, have been negotiated at arms’ length and in good faith. As a result of the competitive process the Receiver has employed, the Receiver believes he has obtained fair and reasonable pricing for these types of services. In addition, Epiq has experience in receivership cases similar to the present case, and therefore, the Receiver believes that Epiq will be able to provide services in an efficient manner.

20. Accordingly, the Receiver seeks this Court’s approval for the formal engagement of Epiq as the Claims Agent in connection with this matter.

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully requests this Honorable Court to grant the Motion and approve the Receiver’s proposed engagement of Epiq as the Claims Agent on this matter. A proposed order for the Court’s consideration is attached as Exhibit 2.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

Pursuant to Local Rule 7.1(a)(3), undersigned counsel for the Receiver certifies that he has conferred with counsel for all parties who may be affected by the relief sought in this motion in a good faith effort to resolve the issues raised in this motion, and confirms that the SEC and Defendants Joseph W. LaForte, Lisa McElhone, and Michael Furman do not oppose the relief requested herein.

Dated: December 2, 2022

Respectfully Submitted,

**STUMPHAUZER KOLAYA
NADLER & SLOMAN, PLLC**
Two South Biscayne Blvd., Suite 1600
Miami, FL 33131
Telephone: (305) 614-1400
Facsimile: (305) 614-1425

By: /s/ Timothy A. Kolaya
TIMOTHY A. KOLAYA
Florida Bar No. 056140
tkolaya@sknlaw.com

Co-Counsel for Receiver

**PIETRAGALLO GORDON ALFANO
BOSICK & RASPANTI, LLP**
1818 Market Street, Suite 3402
Philadelphia, PA 19103
Telephone: (215) 320-6200
Facsimile: (215) 981-0082

By: /s/ Gaetan J. Alfano
GAETAN J. ALFANO
Pennsylvania Bar No. 32971
(Admitted Pro Hac Vice)
GJA@Pietragallo.com
DOUGLAS K. ROSENBLUM
Pennsylvania Bar No. 90989
(Admitted Pro Hac Vice)
DKR@Pietragallo.com

Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 2, 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”



EPIQ CORPORATE RESTRUCTURING

STANDARD SERVICES AGREEMENT

This Standard Services Agreement is being entered into by and between the undersigned parties, referred to herein as “Epiq” and “Client” as of the Effective Date, as defined below. In consideration of the premises herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

General Terms and Conditions

1. Services.

In accordance with the charges, terms and conditions contained in this agreement and in the schedule(s) attached hereto (collectively, the “Agreement”), Epiq agrees to furnish Client with the services set forth on the Services Schedule hereto (the “Services”) in connection with a corporate restructuring. Services will be provided on an as needed basis and upon request or agreement of Client. Charges for the Services will be based on the pricing schedule provided to Client hereto (the “Pricing Schedule”). The Pricing Schedule sets forth individual unit pricing for each of the Services provided by Epiq and represents a bona fide proposal for that Service. Client may request separate Services or all of the Services reflected in the Pricing Schedule.

2. Term.

This Agreement shall become effective on the date of its acceptance by both Epiq and Client; provided, however, Epiq acknowledges that District Court approval of its engagement may be required in order for Epiq to be engaged in this receivership proceeding. The Agreement shall remain in effect until terminated: (a) by Client, on thirty (30) days’ prior written notice to Epiq and, to the extent Epiq has been retained by District Court order, entry of an order of the District Court discharging Epiq; or (b) by Epiq, on ninety (90) days’ prior written notice to Client and, to the extent Epiq has been retained by District Court order, entry of an order of the District Court discharging Epiq.

3. Charges.

- 3.1 For the Services and materials furnished by Epiq under this Agreement, Client shall pay the fees, charges and costs set forth in the Pricing Schedule subject to any previously agreed upon discount if applicable. Epiq will bill Client monthly. All invoices shall be due and payable upon receipt.
- 3.2 Epiq reserves the right to make reasonable increases to the unit prices, charges and professional service rates reflected in the Pricing Schedule on an annual basis effective January 2, 2023. If such annual increases exceed 10% from the prior year’s level, Epiq shall provide sixty (60) days’ prior written notice to Client of such proposed increases.



- 3.3 Client agrees to pay Epiq for all materials necessary for performance of the Services under this Agreement (other than computer hardware and software) and any reasonable out of pocket expenses including, without limitation, transportation, long distance communications, printing, photocopying, fax, postage and related items.
- 3.4 Client shall pay or reimburse all taxes applicable to services performed under this Agreement and, specifically, taxes based on disbursements made on behalf of Client, notwithstanding how such taxes may be designated, levied or based. This provision is intended to include sales, use and excise taxes, among other taxes, but is not intended to include personal property taxes or taxes based on net income of Epiq.
- 3.5 Client shall pay to Epiq any actual charges (including fees, costs and expenses as set forth in the Pricing Schedule) related to, arising out of or resulting from any Client error or omission. Such charges may include, without limitation, print or copy re-runs, supplies, long distance phone calls, travel expenses and overtime expenses for work chargeable at the rates set forth on the Pricing Schedule.
- 3.6 In the event of termination pursuant to Section 2 hereof, Client shall be liable for all amounts then accrued and/or due and owing to Epiq under the Agreement.
- 3.7 To the extent permitted by applicable law, Epiq shall receive a retainer in the amount of \$25,000 (the "Retainer") that may be held by Epiq as security for Client's payment obligations under the Agreement. The Retainer is due upon execution of this Agreement. Epiq shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, Epiq shall return to Client any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

4. Confidentiality.

Client data provided to Epiq during the term of this Agreement in connection with the Services ("Client Data") shall be maintained confidentially by Epiq in the same manner and to the same level as Epiq safeguards data relating to its own business; provided, however, that if Client Data is publicly available, was already in Epiq's possession or known to it, was required to be disclosed by law, was independently developed by Epiq without use or reference to any Client Data, or was rightfully obtained by Epiq from a third party, Epiq shall bear no responsibility for public disclosure of such data. Client agrees that Epiq shall not be liable for damages or losses of any nature whatsoever arising out of the unauthorized acquisition or use of any Client Data or other Client materials provided to Epiq in the performance of this Agreement.



5. Title to Property.

Epiq reserves all property rights in and to all materials, concepts, creations, inventions, works of authorship, improvements, designs, innovations, ideas, discoveries, know-how, techniques, programs, systems and other information, including, without limitation, data processing programs, specifications, applications, processes, routines, sub-routines, procedural manuals and documentation furnished or developed by Epiq for itself or for use by Client (collectively, the “Property”). Charges paid by Client do not vest in Client any rights to the Property, it being expressly understood that the Property is made available to Client under this Agreement solely for Client's use during and in connection with each use of the Epiq equipment and services. Client agrees not to copy or permit others to copy any of the Property.

6. Disposition of Data.

6.1 Client is responsible for the accuracy of the programs and Client Data it provides or gives access to Epiq and for the output resulting from such data. Client shall initiate and maintain backup files that would allow Client to regenerate or duplicate all programs and Client Data which Client provides or gives access to Epiq. Client agrees, represents and warrants to Epiq that, prior to delivery of any Client Data to Epiq, it has full authority to deliver Client Data to Epiq. Client agrees, represents and warrants to Epiq that it has obtained binding consents, permits, licenses and approvals from all necessary persons, authorities or individuals, and has complied with all applicable policies, regulations and laws, required by Client, in order to allow Epiq to use all Client Data delivered to it in connection with its Services. Epiq shall not be liable for, and Client accepts full responsibility for, any liability or obligation with respect to Client Data prior to Epiq’s receipt, including without limitation, any liability arising during the delivery of Client Data to Epiq.

6.2 Any Client Data, programs, storage media or other materials furnished by Client to Epiq in connection with this Agreement (collectively, the “Client Materials”) may be retained by Epiq until the services provided pursuant to this Agreement are paid for in full, or until this Agreement is terminated with the services provided herein having been paid for in full. Client shall remain liable for all out of pocket charges incurred by Epiq under this Agreement as a result of any Client Materials maintained by Epiq. Epiq shall dispose of Client Materials in the manner requested by Client (except to the extent disposal may be prohibited by law). Client agrees to pay Epiq for reasonable expenses incurred as a result of the disposition of Client Materials. Epiq reserves the right to dispose of any Client Materials if this Agreement is terminated without Client’s direction as to the return or disposal of Client Materials or Client has not paid all charges due to Epiq for a period of at least ninety (90) days; provided, however, Epiq shall provide Client with thirty (30) days’ prior written notice of its intent to dispose of such data and media.

7. Indemnification.

Client shall indemnify, defend and hold Epiq, its affiliates, parent, and each such entity’s officers, members, directors, agents, representatives, managers, consultants and employees (each an “Indemnified Person”) harmless from and against any and all losses, claims, damages, liabilities, costs



(including, without limitation, costs of preparation and attorneys' fees) and expenses as incurred (collectively, "Losses"), to which any Indemnified Person may become subject or involved in any capacity arising out of or relating to this Agreement or Epiq's rendering of services pursuant hereto, regardless of whether any of such Indemnified Persons is a party thereto, other than Losses resulting solely from Epiq's gross negligence or willful misconduct. Without limiting the generality of the foregoing, "Losses" includes any liabilities resulting from claims by third persons against any Indemnified Person. Client and Epiq shall notify the other party in writing promptly of the commencement, institution, threat, or assertion of any claim, action or proceeding of which Client is aware with respect to the services provided by Epiq under this Agreement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of Client, and shall survive the termination of this Agreement until the expiration of all applicable statutes of limitation with respect to Epiq's liabilities.

8. Limitation of Liability

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THIS SECTION SHALL CONTROL.

(a) EACH PARTY AND ITS RESPECTIVE AGENTS SHALL NOT HAVE ANY OBLIGATION OR LIABILITY TO THE OTHER PARTY OR TO ANY THIRD PARTY (WHETHER IN TORT, EQUITY, CONTRACT, WARRANTY OR OTHERWISE AND NOTWITHSTANDING ANY FAULT, NEGLIGENCE, PRODUCT LIABILITY, OR STRICT LIABILITY IN ACCORDANCE WITH APPLICABLE LAW, RULE OR REGULATION) FOR ANY INDIRECT, GENERAL, PUNITIVE, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO BUSINESS INTERRUPTION, LOST WAGES, BUSINESS OR PROFITS, OR LOSS OF DATA INCURRED BY CLIENT OR ANY OTHER PERSON, ARISING OUT OF RELATING TO THIS AGREEMENT, OR ANY USE, INABILITY TO USE OR RESULTS OF USE OF THE SERVICES OR SOFTWARE OR OTHERWISE, EVEN IF SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) EPIQ SHALL NOT BE LIABLE TO CLIENT FOR ANY LOSSES REGARDLESS OF THEIR NATURE THAT ARE CAUSED BY OR RELATED TO A FORCE MAJEURE EVENT.

(c) THE TOTAL LIABILITY OF EACH PARTY AND ITS AGENTS TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ALL LOSSES ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE SERVICES SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY THE CLIENT TO EPIQ FOR THE PARTICULAR SERVICES WHICH GAVE RISE TO THE LOSSES IN THE IMMEDIATE SIX (6) MONTHS PRIOR TO THE DATE OF THE ACTION GIVING RISE TO THE ALLEGED LOSS.



9. Representations / Warranties.

Epiq makes no representations or warranties, express or implied, including, without limitation, any implied or express warranty of merchantability, suitability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

10. Confidential On-Line Workspace

Upon request of Client, Epiq shall be authorized to: (a) establish a confidential on-line workspace with an outside vendor in connection with the provision of its services to Client pursuant to this Agreement; and (b) with the consent of Client and/or its designees, publish documents and other information to such confidential workspace. By publishing documents and other information to this confidential workspace in accordance with the foregoing, Epiq shall not be considered in violation of any of the provisions of this Agreement, including, but not limited to, Section 4 (Confidentiality).

11. General

- 11.1 No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding upon either party unless signed in writing by a duly authorized representative of both parties.
- 11.2 This Agreement may not be assigned by Client without the express written consent of Epiq, which consent shall not be unreasonably withheld. The services provided under this Agreement are for the sole benefit and use of Client, and shall not be made available to any other persons.
- 11.3 This Agreement shall be governed by the laws of the State of New York, without regard to that state's provisions for choice of law. Client and Epiq agree that any controversy or claim arising out of or relating to this Agreement or the alleged breach thereof shall be settled by mandatory, final and binding arbitration before the American Arbitration Association in New York, New York and such arbitration shall comply with and be governed by the rules of the American Arbitration Association, provided that each party may seek interim relief in court as it deems necessary to protect its confidential information and intellectual property rights. Any arbitration award rendered pursuant to this provision shall be enforceable worldwide.
- 11.4 The parties hereto agree that this Agreement is the complete and exclusive statement of the agreement between the parties which supersedes all proposals or prior agreements, oral or written, and all other communications between the parties relating to the subject matter of this Agreement.
- 11.5 Client will use its best efforts to cooperate with Epiq at Client's facilities if any portion of the Services requires its physical presence thereon.
- 11.6 In no event shall Epiq's Services constitute or contain legal advice or opinion, and neither Epiq nor its personnel shall be deemed to practice law hereunder.



- 11.7 Except for Client's obligation to pay fees, expenses and charges hereunder when due, neither party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement to the extent such delay or failure arises by reason of any act of God, any governmental requirement, act of terrorism, riots, epidemics, flood, strike, lock-out, industrial or transportational disturbance, fire, lack of materials, war, event of force majeure, or other acts beyond the reasonable control of a performing party.
- 11.8 This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.
- 11.9 All clauses and covenants in this Agreement are severable; in the event any or part of them are held invalid or unenforceable by any court, such clauses or covenants shall be valid and enforced to the fullest extent available, and this Agreement will be interpreted as if such invalid or unenforceable clauses or covenants were not contained herein. The parties are independent contractors and, except as expressly stated herein, neither party shall have any rights, power or authority to act or create an obligation on behalf of the other party.



11.10 Notices to be given or submitted by either party to the other, pursuant to this Agreement, shall be sufficiently given or made if given or made in writing and sent by hand delivery, overnight or certified mail, postage prepaid, and addressed as follows:

If to Epiq:

Epiq Corporate Restructuring, LLC
777 Third Avenue, 12th Floor
New York, New York 10017
Attn: Brad Tuttle

If to Client:

Ryan K. Stumphauzer, Esq.
Stumphauzer Kolaya Nadler & Sloman PLLC
One Biscayne Tower
2 S. Biscayne Boulevard, Suite 1600
Miami, FL 33131
(305) 614-1401

With a copy to:

Timothy A. Kolaya, Esq.
Stumphauzer Kolaya Nadler & Sloman PLLC
One Biscayne Tower
2 S. Biscayne Boulevard, Suite 1600
Miami, FL 33131

11.11 Invoices sent to Client should be delivered to the following address:

Ryan K. Stumphauzer, Esq.
Stumphauzer Kolaya Nadler & Sloman PLLC
One Biscayne Tower
2 S. Biscayne Boulevard, Suite 1600
Miami, FL 33131

Email: rstumphauzer@sknlaw.com

11.12 The “Effective Date” of this Agreement is December 2, 2022.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

EPIQ CORPORATE RESTRUCTURING, LLC

A handwritten signature in blue ink, appearing to read "BJT", with a long horizontal flourish extending to the right.

Name: Brad Tuttle
Title: General Manager

CBSG dba Par Funding et al Receivership

By: _____

Name: Ryan K. Stumphauzer
Title: Receiver, CBSG dba Par Funding et al Receivership



SERVICES SCHEDULE

NOTICING

- Prepare and serve notices as requested.
- If requested by Client, after service of a particular notice - whether by regular mail, overnight or hand delivery, email or facsimile service provide an affidavit of service that includes a copy of the notice involved, a list of persons to whom the notice was mailed and the date and manner of mailing.
- Update noticing/claim database to reflect undeliverable or changed addresses.
- If requested by Client, coordinate publication of certain notices in periodicals and other media.
- Distribute Claim Acknowledgement Cards or emails (as directed by Client) to creditor having filed a proof of claim/interest.

CLAIMS MANAGEMENT

- Maintain copies of all proofs of claim and proofs of interest filed (in hard copy and electronic form).
- Create and maintain an electronic databases for creditor/party in interest information provided by the Client and creditors/parties in interest (e.g., proof of claim/interests).
- Process all proof of claim/interest submitted.
- Maintain claims registers, including, among other things, the following information for each proof of claim or proof of interest, including any notices of determination if requested by Client:
 - Name and address of the claimant and any agent thereof, if the proof of claim or proof of interest was filed by an agent;
 - Date received;
 - Date mailed (if applicable);
 - Claim number assigned;
 - Asserted amount and classification of the claim;
 - Maintain the allowed claim after any claims objections, withdrawals or other action after a claim is asserted
 - Supporting information submitted with the claim.



- Create and maintain a website with online claim intake form as needed, claim search function, with specific functionality as requested by Client.
- Implement necessary security measures to ensure the completeness, integrity and security of the claims registers.
- Provide data extracts and reporting as requested by Client.

Maintain an up-to-date mailing list for all entities that have filed a proof of claim, proof of interest

CALL CENTER

- Provide state-of-the-art Call Center facility and services, including (as needed):
 - Create frequently asked questions, call scripts, escalation procedures and call log formats.
 - Record automated messaging.
 - Train Call Center staff.
 - Maintain and transmit call log to Client and advisors.

DISTRIBUTIONS

- Provide general disbursement related services, including:
 - Preparation and distribution of checks
 - Bank account maintenance and reconciliation
 - Coordination of disbursement with client and counsel
 - Reporting and Check re-issuances
 - Coordination of tax filings and related matters

MISCELLANEOUS

- Provide such other claims processing, noticing and related administrative services as may be requested from time to time by the Client.
- Promptly comply with such further conditions and requirements as the Court or Client may at any time prescribe.
- Comply with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders and other requirements.



PRICING SCHEDULE

CLAIM ADMINISTRATION HOURLY RATES

<u>Title</u>	<u>Rates</u>
Clerical/Administrative Support	\$35.00 – \$55.00
IT / Programming	\$58.50 – \$76.50
Case Managers	\$76.50 – \$148.50
Consultants/ Directors/Vice Presidents	\$148.50 – \$175.50
Solicitation Consultant	\$175.50
Executive Vice President, Solicitation	\$193.50
Executives	No Charge

CLAIMS AND NOTICING RATES¹

Printing	\$0.10 per image
Personalization / Labels	WAIVED
Envelopes	VARIES BY SIZE
Postage / Overnight Delivery	AT COST AT PREFERRED RATES
E-Mail Noticing	WAIVED FOR MSL*
Fax Noticing	\$0.05 per page
Claim Acknowledgement Letter	\$0.05 per letter
Publication Noticing	Quoted at time of request

DATA MANAGEMENT RATES

Data Storage, Maintenance and Security	\$0.10 per record/month
Electronic Imaging	\$0.10 per image; no monthly storage charge
Website Hosting Fee	NO CHARGE
CD- ROM (Mass Document Storage)	Quoted at time of request

¹ Noticing via overnight delivery after traditional overnight drop-off times (e.g., 9:00 p.m. in NYC) may result in additional print charges.

*Quoted at time of request for high volume blasts to all creditors



ON-LINE CLAIM FILING SERVICES

On-Line Claim Filing	NO CHARGE
On-Line Claim Intake Form Development	Quoted at time of request

CALL CENTER RATES

Standard Call Center Setup	NO CHARGE
Call Center Operator	\$55 per hour
Voice Recorded Message	\$0.34 per minute

OTHER SERVICES RATES

Custom Software, Workflow and Review Resources	Quoted at time of request
Strategic Communication Services	Quoted at time of request
Escrow Services	Quoted at time of request /competitive rates
Exchange / ATOP Event	Quoted at time of request
eDiscovery	Quoted at time of request, bundled pricing available
Virtual Data Room -- Confidential On-Line Workspace	Quoted at time of request
Disbursements -- Check and/or Form 1099	Quoted at time of request
Disbursements -- Record to Transfer Agent	Quoted at time of request

Exhibit “2”

**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.

_____ /

**[PROPOSED] ORDER GRANTING THE RECEIVER’S MOTION TO
APPROVE ENGAGEMENT OF NOTICING, CLAIMS, AND DISTRIBUTION AGENT**

THIS CAUSE comes before the Court upon Receiver, Ryan K. Stumphauzer’s (“Receiver”) Motion to Approve Engagement of Noticing, Claims, and Distribution Agent (the “Motion”) [D.E. ____].

Having reviewed the Motion and being otherwise duly advised, it is hereby

ORDERED AND ADJUDGED that the Motion is **GRANTED**. The Receiver is authorized to engage the services of Epiq Corporate Restructuring LLC as the Noticing, Claims, and Distribution Agent in this matter, in accordance with the terms of the standard services agreement attached to the Motion.

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

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record