

**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 COMBINED TWENTY-SIXTH
MOTION TO LIFT LITIGATION INJUNCTION AS TO CERTAIN
GARNISHMENT PROCEEDINGS; AND MOTION TO LIFT LITIGATION
INJUNCTION TO AUTHORIZE NEWREZ LLC TO PROCEED
WITH CERTAIN FORECLOSURE ACTION IN OHIO STATE COURT**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities¹, by and through undersigned counsel, hereby files this Combined Twenty-Sixth Motion

¹ The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“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

to Lift Litigation Injunction as to Certain Garnishment Proceedings; and Motion to Lift Litigation Injunction to Authorize NewRez LLC to Proceed with Certain Foreclosure Action in Ohio State Court, and states as follows:

I. MOTION TO LIFT LITIGATION INJUNCTION AS TO CERTAIN GARNISHMENT PROCEEDINGS

1. The Receiver hereby moves this Court to lift the Litigation Injunction in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] (the "Operative Receivership Order") for the limited purpose of allowing the Receiver, in his discretion, to dissolve current writs of garnishment, to mark judgments satisfied, and/or to reopen confessed judgments, where the counterparty merchant either has resolved, or has agreed to resolve prior defaults, or otherwise filed for bankruptcy protection, in the following cases in the Court of Common Pleas of Philadelphia County, Pennsylvania.²

2. The cases are:

- a. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Nayda Mora Guzman Sole Proprietor d/b/a Fashion District Fulfillment Corporation and Nayda Mora Guzman*, Philadelphia Court of Common Pleas Docket No. 200101378.
- b. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Lifeline Environment LLC d/b/a Lifeline Environment, Aisha Dorn, and Marc Dorn*, Philadelphia Court of Common Pleas Docket No. 200203558.
- c. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Ability Plus LLC, d/b/a Ability Plus HCS d/b/a Ability Plus and*

Management LLC; and ALB 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; and 2413 Roma Drive, Philadelphia, PA 19145.

² The Receiver generally incorporates the background section of his prior Motions to Lift Litigation Injunction as to Certain Garnishment Proceedings. [*See, e.g.*, ECF Nos. 111.]. To conserve resources and promote efficiency, the Receiver is providing only a summary narrative, as approved by the Court at the October 7, 2020 status conference.

Carla Roldan, Philadelphia Court of Common Pleas Docket No. 190901280.

- d. *Complete Business Solutions Group Inc. d/b/a Par Funding v. After Noonies LLC d/b/a After Noonies and Phoebe Bright*, Philadelphia Court of Common Pleas Docket No. 200302638.
- e. *Contract Financing Solutions, Inc v. Scheer Medical Wellness PC d/b/a Scheer Medical Wellness and Alexandre Scheer*, Philadelphia Court of Common Pleas Docket No. 200100266.
- f. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Law Office of Samuel A. Benjamin Esq., LLC and Samuel A. Benjamin*, Philadelphia Court of Common Pleas Docket No. 200301134.
- g. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Century Shree Inc. d/b/a Century Shree d/b/a Craig Hotel Hampton Inn and Suites*, Philadelphia Court of Common Pleas Docket No. 200202526.
- h. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Allen Sandberg Sole Proprietor d/b/a Allen Sandberg Vending d/b/a Allen Sandberg LLC d/b/a Pelican Vending*, Philadelphia Court of Common Pleas Docket No. 200102038.
- i. *Complete Business Solutions Group Inc. d/b/a Par Funding v. ADP HVAC Industries, Inc. d/b/a ADP HVAC Industries d/b/a Close Aire and Charles Dunham Close IV*, Philadelphia Court of Common Pleas Docket No. 200501350.
- j. *Contract Financing Solutions Inc. v. David McQuay Jr. CPA PA d/b/a Canty and McQuay CPSs LLC and David McQuay, Jr.*, Philadelphia Court of Common Pleas Docket No. 191202475.
- k. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Ultimate Electrician Corporations d/b/a Ultimate Electrician and Jorge Delanoval*, Philadelphia Court of Common Pleas Docket No. 200301940.
- l. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Alcoa Catering Services Inc. d/b/a Cavalier Restaurant d/b/a Cavalier Steakhouse d/b/a Cavalier Face Inc., and Helder T. Lucas* Philadelphia Court of Common Pleas Docket No. 190800699.
- m. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Analytics Medical Professionals LLC d/b/a Analytics Medical Professionals, Chastity Wood, and Patrick Caruso*, Philadelphia Court of Common Pleas Docket No. 200100043.
- n. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Johnny's Red Hots Inc. and John Vourtsis*, Philadelphia Court of Common Pleas Docket No. 190606800.

- o. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Economics & Family Inc. d/b/a Economics & Family, and Hossein Yekani*, Philadelphia Court of Common Pleas Docket No. 200700183.
- p. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Boze Manufacturing LLC d/b/a Boze Manufacturing, Aaron Bozarth, and Torrie Bozarth*, Philadelphia Court of Common Pleas Docket No. 200400616.

3. The Receiver has determined, in his professional judgment, that it is in the best interests of the Receivership Estate to dissolve current writs of garnishment, to mark judgments satisfied, and/or to reopen confessed judgments with respect to these cases.

II. MOTION TO LIFT LITIGATION INJUNCTION TO AUTHORIZE NEWREZ LLC TO PROCEED WITH CERTAIN FORECLOSURE ACTION IN OHIO STATE COURT

4. On June 22, 2022, NewRez LLC d/b/a Shellpoint Mortgage (“NewRez”) commenced a foreclosure action captioned *NewRez LLC v. Naveen Kumar Reddy Bekkam et al*, at case number 22-CVE-060300 in the Court of Common Pleas of Delaware County, Ohio (the “Foreclosure Action”).

5. The Foreclosure Action involves property commonly identified as 76 Courtyard Crossing Drive, Powell, Ohio, 43065 (the “Property”).

6. Complete Business Solutions Group Inc. possesses a mortgage in the Property pursuant to a Deed of Trust dated November 6, 2018. The mortgage secures a loan in the amount of \$356,200.00.

7. Applicable records provide that CBSG’s mortgage is junior to the mortgage held by NewRez and which forms the basis of the Foreclosure Action. The Receiver has no reason to believe that NewRez’s mortgage is invalid or otherwise inferior to CBSG’s.

8. The most recent appraisal determined the Property’s value to be approximately \$317,000.00.

9. As provided in the written pleadings, and through representations by counsel, NewRez's claim in the Foreclosure Action totals approximately \$281,00.00. NewRez's claim continues to increase through accruing interest, costs, and taxes.

10. The Property is also subject to various tax liens and third-party judgments.

11. Through the Receiver's investigations it appears unlikely that surplus proceeds will be available to satisfy the entirety of the Receiver's claim. There is a chance that the Receiver may receive a partial distribution, however, if the sale price exceeds the value of NewRez's claim plus other allowable costs.

12. Given the narrow cushion between NewRez's claim and the value of the Property, in the Receiver's business judgment, the best potential for recovery is to allow NewRez to proceed through a judicial sale.

13. Lifting the Litigation Injunction allows for the best chance of recovery by the Receiver. Without a lift of the Litigation Injunction, NewRez's accruing interest, costs, and taxes will exceed the value of the Property and further diminish, or eliminate, any potential for recovery.

14. NewRez, or the duly authorized sheriff, will tender any proceeds due to the Receiver following the sale of the Property.

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully requests this Honorable Court to grant the motion and lift the Litigation Injunction on a limited basis as set forth above. A proposed order for the Court's consideration is attached as Exhibit 1.

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 either (1) not responded to the Receiver's meet and confer requests or (2) confirmed that their clients either do not oppose or take no position with respect to the relief sought. The SEC does not oppose the Receiver's motion to lift the litigation injunction, but does not take any position regarding the merits of the underlying litigation matters.

Dated: January 3, 2023

Respectfully Submitted,

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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 3, 2023, 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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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 RECEIVER, RYAN K. STUMPHAUZER'S
COMBINED TWENTY-SIXTH MOTION TO LIFT LITIGATION INJUNCTION
AS TO CERTAIN GARNISHMENT PROCEEDINGS; AND MOTION TO LIFT
LITIGATION INJUNCTION TO AUTHORIZE NEWREZ LLC TO PROCEED
WITH CERTAIN FORECLOSURE ACTION IN OHIO STATE COURT**

THIS CAUSE comes before the Court upon the Receiver's Twenty-Sixth Motion to Lift Litigation Injunction as to Certain Garnishment Proceedings; and Motion to Lift Litigation Injunction as to Authorize Newrez LLC to Proceed with Certain Foreclosure Action in Ohio State Court [ECF No. ____] ("Motion"), filed on January 3, 2023.

In Section I of the Motion, 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 provided for in that Order for certain garnishment matters currently pending in the Court of Common Pleas of Philadelphia County, Pennsylvania to be opened for the limited purpose to authorize the Receiver, in his discretion, to dissolve current writs of garnishment, to mark judgments satisfied, and/or to reopen confessed judgments, where the counterparty merchant either

has resolved, has agreed to resolve prior defaults, or otherwise filed for bankruptcy protection, in certain cases in the Court of Common Pleas of Philadelphia County, Pennsylvania.

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** with respect to the relief requested in Section I thereof. Specifically, the litigation injunction set forth in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] is hereby lifted in the following matters in the Court of Common Pleas of Philadelphia County, Pennsylvania, and solely for the purpose as described in the Motion:

- a. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Nayda Mora Guzman Sole Proprietor d/b/a Fashion District Fulfillment Corporation and Nayda Mora Guzman*, Philadelphia Court of Common Pleas Docket No. 200101378.
- b. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Lifeline Environment LLC d/b/a Lifeline Environment, Aisha Dorn, and Marc Dorn*, Philadelphia Court of Common Pleas Docket No. 200203558.
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- d. *Complete Business Solutions Group Inc. d/b/a Par Funding v. After Noonies LLC d/b/a After Noonies and Phoebe Bright*, Philadelphia Court of Common Pleas Docket No. 200302638.
- e. *Contract Financing Solutions, Inc v. Scheer Medical Wellness PC d/b/a Scheer Medical Wellness and Alexandre Scheer*, Philadelphia Court of Common Pleas Docket No. 200100266.
- f. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Law Office of Samuel A. Benjamin Esq., LLC and Samuel A. Benjamin*, Philadelphia Court of Common Pleas Docket No. 200301134.
- g. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Century Shree Inc. d/b/a Century Shree d/b/a Craig Hotel Hampton Inn and Suites*, Philadelphia Court of Common Pleas Docket No. 200202526.
- h. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Allen Sandberg Sole Proprietor d/b/a Allen Sandberg Vending d/b/a Allen*

Sandberg LLC d/b/a Pelican Vending, Philadelphia Court of Common Pleas Docket No. 200102038.

- i. *Complete Business Solutions Group Inc. d/b/a Par Funding v. ADP HVAC Industries, Inc. d/b/a ADP HVAC Industries d/b/a Close Aire and Charles Dunham Close IV*, Philadelphia Court of Common Pleas Docket No. 200501350.
- j. *Contract Financing Solutions Inc. v. David McQuay Jr. CPA PA d/b/a Canty and McQuay CPSs LLC and David McQuay, Jr.*, Philadelphia Court of Common Pleas Docket No. 191202475.
- k. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Ultimate Electrician Corporations d/b/a Ultimate Electrician and Jorge Delanoval*, Philadelphia Court of Common Pleas Docket No. 200301940.
- l. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Alcoa Catering Services Inc. d/b/a Cavalier Restaurant d/b/a Cavalier Steakhouse d/b/a Cavalier Face Inc., and Helder T. Lucas*, Philadelphia Court of Common Pleas Docket No. 190800699.
- m. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Analytics Medical Professionals LLC d/b/a Analytics Medical Professionals, Chastity Wood, and Patrick Caruso*, Philadelphia Court of Common Pleas Docket No. 200100043.
- n. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Johnny's Red Hots Inc. and John Vourtsis*, Philadelphia Court of Common Pleas Docket No. 190606800.
- o. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Economics & Family Inc. d/b/a Economics & Family, and Hossein Yekani*, Philadelphia Court of Common Pleas Docket No. 200700183.
- p. *Complete Business Solutions Group Inc. d/b/a Par Funding v. Boze Manufacturing LLC d/b/a Boze Manufacturing, Aaron Bozarth, and Torrie Bozarth*, Philadelphia Court of Common Pleas Docket No. 200400616.

In Part II of the Motion, the Receiver seeks to modify the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141], for the limited purpose of lifting the litigation injunction provided for in that Order relating to the case captioned *NewRez LLC v. Naveen Kumar Reddy Bekkam et al*, at number 22-CVE-060300 in the Court of Common Pleas of Delaware County, Ohio.

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 to Lift Litigation Injunction to Authorize NewRez LLC to Proceed with Certain Foreclosure Action in Ohio State Court is **GRANTED**. The litigation injunction set forth in the Court's Amended Order Appointing Receiver dated August 13, 2020 [ECF No. 141] is hereby lifted to allow continuation of the case captioned as *NewRez LLC v. Naveen Kumar Reddy Bekkam et al*, at case number 22-CVE-060300 in the Court of Common Pleas of Delaware County, Ohio.

DONE AND ORDERED in Fort Lauderdale, Florida, this ____ day of January, 2023.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record