

**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’S STATUS REPORT REGARDING WHETHER
LITIGATION STAY SHOULD REMAIN IN PLACE FOR RECEIVER’S
CLAIMS AGAINST ECKERT SEAMANS AND/OR JOHN PAUCIULO**

1. On September 8, 2022, the Court entered an Order (ECF No. 1398) lifting the Litigation Stay in any case against Eckert Seamans and/or John W. Pauciulo in which a Receivership Entity is not a party, including but not limited to, the following lawsuits:

- *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. 2021);
- *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. The Court maintained the Litigation Stay in one additional pending action, *Caputo, et al. v. Vagnozzi, et al.*, No. 1:20-cv-01042 (D. Del. 2020) (“Caputo Case”), which 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, 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.

3. The Court further ordered that the litigation stay 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. The Court further ordered that 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.

4. The sixty (60) day period referenced in Paragraph 3 above expires on January 20, 2023, based upon the Court's entry of Amended Judgments against certain Defendants on November 22, 2022.

5. The Receiver has been engaged in settlement negotiations with Eckert Seamans. At this time, the Receiver believes it is in the best interest of the Receivership Estate to permit the Receiver to continue these negotiations without the necessity of filing and pursuing expensive and time-consuming litigation.

WHEREFORE, the Receiver respectfully requests that this Court enter an Order allowing the Receiver within 60 days to either: (a) file a Status Report indicating that he has resolved the

Receivership Entities' claims against Eckert Seamans and/or John Pauciulo, or advising the Court on the status of these negotiations; or (b) file a Motion to Lift the Litigation Stay to pursue claims against Eckert Seamans Cherin & Mellott, LLC and/or John W. Pauciulo.

Dated: January 20, 2023

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on January 20, 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