

**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 (1) RESPONSE IN OPPOSITION TO NON-PARTY, GRAND HOPE
INVESTMENTS, INC.’S MOTION TO LIFT LITIGATION INJUNCTION AND
(2) MOTION TO CLARIFY PRIOR ORDER LIFTING LITIGATION INJUNCTION
AS TO GRAND HOPE INVESTMENTS, INC.’S STATE COURT ACTION**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership
Entities,¹ by and through his undersigned counsel, hereby files his: (1) response in opposition to

¹ The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding”); Full Spectrum Processing, Inc. (“Full Spectrum”); 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; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment 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 Consultants, 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; Liberty Eighth Avenue LLC; The LME 2017 Family Trust; Blue Valley Holdings, LLC; LWP North LLC; 500 Fairmount Avenue, LLC; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor

Non-Party, Grand Hope Investments, Inc.’s (“Grand Hope”) Motion to Lift Litigation Injunction [ECF No. 1701] (the “Grand Hope Motion”); and (2) Motion to Clarify Prior Order Lifting Litigation Injunction as to Grand Hope Investments, Inc.’s State Court Action (the “Receiver’s Motion to Clarify”), and states as follows:

1. In the Grand Hope Motion, Grand Hope asks the Court to grant it relief from the stay of litigation in the Amended Order Appointing Receiver [ECF No. 141] (the “Litigation Injunction”), so that Grand Hope may pursue the state court lawsuit of *Grand Hope Investments, Inc., et al. v. Lake Ave South East Real Estate, LLC, et al.*, Case No. 18-000954-CI (Fla. 6th Cir. Ct.) (the “Grand Hope Action”) or, alternatively, to require the Receiver or the Court to take action to stay two tax deed sales that would potentially extinguish both Grand Hope’s and the Receiver’s interests in property located at 1401 and 1501 Lake Ave. SE., Largo Florida (the “Property”) that is the subject of the Grand Hope Action.

2. “The Federal Rules of Civil Procedure contemplate that only those designated as parties may file motions and pleadings.” *Commodity Futures Trading Comm'n v. Oasis Int'l Group, Ltd.*, 8:19-CV-886-VMC-SPF, 2022 WL 1136571, at *2 (M.D. Fla. Apr. 18, 2022).

3. Grand Hope is not a party to this action, and has not requested leave of Court to intervene for the purpose of requesting the relief it seeks in the Grand Hope Motion. As a result, the Court should deny the Grand Hope Motion.²

Processing LLC; and LM Property Management LLC; and the Receivership also includes the property located at 107 Quayside Dr., Jupiter FL 33477.

² Even if it had requested leave to intervene, however, Grand Hope’s intervention would not be proper. To that end, the Receiver incorporates the SEC’s prior arguments opposing requests by non-parties to intervene in this SEC enforcement action. *See, e.g.*, SEC’s Response in Opposition to Lead Funding’s first Motion to Intervene [ECF No. 409].

4. At the same time, however, the Receiver, through the Receiver's Motion to Clarify, notes that the Receiver previously filed a motion requesting the Court to lift the Litigation Injunction with respect to the Grand Hope Action. *See* ECF No. 1354 ("The Receiver has determined, in his professional judgment, that it is in the best interests of the Receivership Estate, to . . . take the contemplated action within the Pinellas Litigation, which requires the Litigation Injunction to be lifted as to those two cases.").

5. In the Court's Order Granting Receiver's Motion to Lift Litigation Injunction as to Certain Counterparties in Default Under Agreements with Complete Business Solutions Group, Inc. or Contract Financing Solutions, Inc., and to Effectuate a Settlement [ECF No. 1356] (the "Prior Order"), the Court granted that prior motion and lifted the Litigation Injunction as to the "Pinellas Litigation," which includes the Grand Hope Action.

6. There was no limitation on what activity could occur in the Grand Hope Action as a result of the Court's Prior Order. As a result, the Receiver submits that Grand Hope's request that it be permitted to pursue the Grand Hope Action is already permitted by the Prior Order and, therefore, unnecessary. Nevertheless, for the avoidance of doubt, the Receiver requests the Court to clarify that the Prior Order does not contain any such restrictions or limitations, and that the Litigation injunction has been lifted as to the Grand Hope Action for all purposes.

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully requests this Honorable Court to: (1) deny the Grand Hope Motion; and (2) grant the Receiver's Motion to Clarify. A proposed order for the Court's consideration is attached as Exhibit 1.

Dated: September 28, 2023

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 28, 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
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 (1) DENYING NON-PARTY, GRAND HOPE INVESTMENTS, INC.'S MOTION TO LIFT LITIGATION INJUNCTION AND (2) GRANTING RECEIVER'S MOTION TO CLARIFY PRIOR ORDER LIFTING LITIGATION INJUNCTION AS TO GRAND HOPE INVESTMENTS, INC.'S STATE COURT ACTION

THIS CAUSE comes before the Court upon (1) Non-Party, Grand Hope Investments, Inc.'s ("Grand Hope") Motion to Lift Litigation Injunction [ECF No. 1701] (the "Grand Hope Motion"); and (2) the Receiver's opposition to the Grand Hope Motion and Motion to Clarify Prior Order Lifting Litigation Injunction as to Grand Hope Investments, Inc.'s State Court Action [ECF No.] (the "Receiver's Motion to Clarify"). The Court has reviewed (1) the Grand Hope Motion; and (2) the Receiver's opposition to the Grand Hope Motion and the Receiver's Motion to Clarify [ECF No. ____]. Accordingly, it is hereby

ORDERED AND ADJUDGED that

1. For the reasons stated in the Receiver's response to the Grand Hope Motion, and in light of the relief the Court is granting herein through its ruling on the Receiver's Motion to Clarify, the Grand Hope Motion is **DENIED**.

2. The Receiver's Motion to Clarify is **GRANTED**. In the Court's previous Order Granting Receiver's Motion to Lift Litigation Injunction as to Certain Counterparties in Default Under Agreements with Complete Business Solutions Group, Inc. or Contract Financing Solutions, Inc., and to Effectuate a Settlement [ECF No. 1356] (the "Prior Order"), the Court lifted the stay of litigation in the Amended Order Appointing Receiver [ECF No. 141] (the "Litigation Injunction") to permit, among other things, the state court lawsuit of *Grand Hope Investments, Inc., et al. v. Lake Ave South East Real Estate, LLC, et al.*, Case No. 18-000954-CI (Fla. 6th Cir. Ct.) (the "Grand Hope Action") to proceed. The Court hereby **CLARIFIES** that the Prior Order did not contain any restrictions or limitations on what action can be taken in the Grand Hope Action as a result of the lifting of the Litigation Injunction and, therefore, the Litigation Injunction has been lifted as to the Grand Hope Action for all purposes.

DONE AND ORDERED in Miami, Florida, this ___ day of September, 2023.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record