

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 20-CV-81205-RAR

SECURITIES & EXCHANGE COMMISSION,

Plaintiff,

v.

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

Defendants.

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ORDER SETTING SETTLEMENT CONFERENCE

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) notified the District Court about a dispute between: (a) the Receiver and class counsel for various investors (“Class Counsel”) and (b) Defendant Dean Vagnozzi and non-parties Alec Vagnozzi, Albert Vagnozzi, and Terry Kohler (the “Vagnozzi Group”) regarding the Vagnozzi Group’s potential objections (the “Potential Objections”) to the Receiver’s anticipated motion to seek the Court’s approval of a settlement in principle that the Receiver and Class Counsel have reached with Eckert Seamans Cherin & Mellot, LLC (“Eckert Seamans”), John W. Pauciulo, and Eckert Seamans’ insurance carriers to resolve certain claims against Eckert Seamans and Mr. Pauciulo. ECF No. 1723. Thereafter, the District Court referred the dispute between the Receiver, Class Counsel, and the Vagnozzi Group over the Potential Objections to the undersigned for a settlement conference. ECF No. 1725. Accordingly, it is hereby **ORDERED AND ADJUDGED** as follows:

The Receiver, a representative from Class Counsel, and the Vagnozzi Group

shall appear before this Court on **Tuesday, October 31, 2023, at 9:30 a.m., at the United States Courthouse, 701 Clematis Street, West Palm Beach, Florida 33401**, for a settlement conference.

On the day before the settlement conference, the Court will conduct an *ex parte* fifteen (15) minute telephone conference with counsel for each side (without clients). Counsel shall email chambers (reinhardt@flsd.uscourts.gov) at their earliest convenience to advise the Court of their availability on that date and schedule a time for their *ex parte* telephone conference. The following rules shall apply to the settlement proceedings:

a.) **NO CONTINUANCES.** This settlement conference shall not be continued unless good cause is shown for another date. Any motions for continuance of the settlement conference must be in writing, properly filed with the Court prior to the date of the conference, and shall contain a proposed date for rescheduling the conference. Counsel moving to continue the conference shall consult with opposing counsel in proposing a new date for the conference.

b.) **WRITTEN SUBMISSIONS TO THE COURT.** No later than **Thursday, October 26, 2023**, counsel shall submit directly to chambers a written submission of no more than five (5) pages (single spaced), which shall contain a brief explanation of the Potential Objections and a proposal for resolving the Potential Objections. The submission shall also indicate the names of the individuals attending the settlement conference, including counsel. The Court will inform the U.S. Marshal Service that those individuals are permitted to bring mobile phones,

tablets, and laptops into the courthouse for the settlement conference. The submission shall further indicate whether there are any liens or any third parties whose involvement would help facilitate settlement. The parties are instructed **not to submit such documents to the Clerk of Court**. Rather, to facilitate timely submission of the documents, **each party shall email their submissions to reinhart@flsd.uscourts.gov**. Such submissions will be kept confidential and will not be disclosed to the opposing party without prior approval of the submitting party.

c.) **ATTENDANCE OF PARTIES REQUIRED.** The Receiver, a representative from Class Counsel, and the Vagnozzi Group shall participate in the settlement conference. Except as provided under Local Rule 16.2E, counsel and each party, or representatives of each party, with ultimate settlement authority must be present at the settlement conference.

d.) **STATEMENTS NOT ADMISSIBLE.** Statements made by any party during the settlement conference shall be confidential and privileged. Accordingly, parties are encouraged to be frank in their discussions. The Court expects the parties to address each other with courtesy and respect.

DONE and ORDERED in Chambers this 19th day of October, 2023, at West Palm Beach in the Southern District of Florida.



BRUCE E. REINHART
UNITED STATES MAGISTRATE JUDGE