

**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.

**RECEIVER'S NOTICE OF AMENDMENTS TO NOTICES OF
DETERMINATION AND PROPOSED RULINGS ON OBJECTIONS IN CONNECTION
WITH RECEIVER'S MOTION (1) TO APPROVE PROPOSED TREATMENT OF CLAIMS**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver ("Receiver") of the Receivership Entities,¹ hereby gives notice that he has amended his proposed notices of determination on certain

¹ The "Receivership Entities" are Complete Business Solutions Group, Inc. d/b/a Par Funding ("CBSG"); 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; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment Fund 2 LP; MK Corporate Debt Investment Company LLC; 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 Processing LLC; LM Property Management LLC; and ALB Management, Inc., and the Receivership also includes the property located at 107 Quayside Drive, Jupiter, Florida 33477.

proofs of claim, as well as his proposed rulings on certain objections, as set forth in the Receiver’s Motion (1) to Approve Proposed Treatment of Claims and (2) for Determination of Ponzi Scheme [ECF No. 1843] (the “Claims Motion”). Specifically:

1. Adjustment to Notice of Determination for Claim 20696 (Par Equity Fund 1 LLC)

Par Equity Fund 1 LLC submitted a proof of claim in the receivership, which was assigned claim number 20696. This claimant obtained two promissory notes from Par Funding. The first was in the name of the claimant, Par Equity Fund 1 LLC. The second, however, included the following as the name of the payee under the note: “Par Equity Fund 1 *Lenders* LLC” (emphasis added).

As a result of this discrepancy, the Receiver’s notice of determination only considered the payment history under the first note for this claimant, and calculated the allowed claim amount as \$601,060.04. The allowed claim amount should have also, however, included the payment history on the second note. As a result, the corrected allowed claim amount for this claim is: \$2,349,560.04. As such, the approved claim amount for claim number 20696 (Exhibit 1 (ECF No. 1843-1) at p. 10) is hereby updated to this amount, as follows:

Confirmation Number / Claim Number	Who is the current creditor?	Allowed Claim Amount
20696	Par Equity Fund 1 LLC	\$2,349,560.04

2. Amendment to Notice of Determination for Claim 20407 (Jax Fund LLC) and Revised Proposed Ruling on Objection

Claim number 20407 was submitted on behalf of an individual investor, who invested in CBSG through an agent fund, Jax Fund LLC. The Receiver rejected this claim on the basis that the individual investor did not have a claim against CBSG; rather, the agent fund—as the entity that obtained a promissory note from CBSG—should have been the one to submit a claim against CBSG.

There were only two individual investors in Jax Fund LLC. The supporting documentation for this proof of claim included relevant backup information that the Receiver would have required

for considering a claim from Jax Fund LLC, and was signed and submitted by the agent fund manager. As a result, the Receiver has determined that the following modifications should be made to his notice of determination for claim number 20407:

- The claimant should be changed to “Jax Fund LLC.”
- The approved claim amount should be \$418,341.70.
- This claim should be added to the list of “Approved Investor Claims,” which is Exhibit 1 to the Claims Motion (ECF. No. 1843-1), as follows:

Confirmation Number / Claim Number	Who is the current creditor?	Allowed Claim Amount
20407	Jax Fund LLC	\$418,341.70

The Receiver anticipates that this amendment to the Receiver’s notice of determination will resolve the pending objection from this investor, which was included on the exhibit detailing the unresolved objections from investors in agent funds (Claims Motion, Exhibit 15 (ECF No. 1843-15) at p. 3).²

3. Amendment to Notice of Determination for Claim 278 (Merchant Growth & Income Funding LLC) and Revised Proposed Ruling on Objection

Claim number 278 was submitted on behalf of an individual investor, who invested in CBSG through an agent fund he operated, Merchant Growth & Income Funding LLC. The Receiver rejected this claim on the basis that the individual investor did not have a claim against CBSG; rather, the agent fund—as the entity that obtained a promissory note from CBSG—should have been the one to submit a claim against CBSG.

² The other individual investor in this agent fund submitted a claim that was assigned claim number 20193, which was superseded by amended claim number 20355. The Receiver also rejected these proofs of claim on the basis that the individual investor, who invested through an agent fund, did not have a claim against CBSG. Based on the proposed reclassification of 20407 as a claim on behalf of the agent fund, and proposed allowance of that claim, no amendments or modifications are necessary to the Receiver’s proposed notices of determination for claim numbers 20193 and 20355.

There were a total of five individual investors in Merchant Growth & Income Funding LLC, including this agent fund manager who invested some of his own funds. The supporting documentation for this proof of claim included relevant backup information that the Receiver would have required for considering a claim from Merchant Growth & Income Funding LLC, and was signed and submitted by the agent fund manager. As a result, the Receiver has determined that the following modifications should be made to his notice of determination for claim number 278:

- The claimant should be changed to “Merchant Growth & Income Funding LLC.”
- The approved claim amount should be \$452,500.06.
- This claim should be added to the list of “Approved Investor Claims,” which is Exhibit 1 to the Claims Motion (ECF. No. 1843-1), as follows:

Confirmation Number / Claim Number	Who is the current creditor?	Allowed Claim Amount
278	Merchant Growth & Income Funding LLC	\$452,500.06

The Receiver anticipates that this amendment to the Receiver’s notice of determination for this proof of claim will resolve the pending objection from this investor, which was included on the exhibit detailing the unresolved objections from investors in agent funds (Claims Motion, Exhibit 15 (ECF No. 1843-15) at p. 2).

Dated: May 6, 2024

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 6, 2024, 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