

**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.

_____ /

ORDER RESETTING FINAL APPROVAL HEARING

THIS CAUSE comes before the Court upon *sua sponte* review of the record. On May 12, 2024, this Court entered an Order Preliminarily Approving Settlement among Receiver, Putative Class Plaintiffs, and Eckert Seamans (“Preliminary Approval Order”), [ECF No. 1906], in response to the Receiver’s Motion for (i) Approval of Settlement among Receiver, Putative Class Plaintiffs, and Eckert Seamans Cherin & Mellott, LLC and John Pauciulo, Esq.;¹ (ii) Approval of Form, Content, and Manner of Notice of Settlement and Bar Order; (iii) Setting Deadline to Object to Approval of the Settlement and Entry of Bar Order; and (iv) Scheduling a Hearing (“Motion”), [ECF No. 1861]. The Motion concerned the Receiver’s request for approval of a proposed settlement among a group of investors that filed class actions (defined below as the “Putative Class

¹ Eckert Seamans Cherin & Mellott, LLC and John Pauciulo, Esq. are collectively referred to as “Eckert Seamans.” As used in this Order, the “Parties” means the Putative Class Plaintiffs; the Receiver; and Eckert Seamans. Terms used but not defined in this Order have the meaning ascribed to them in the Settlement Agreement, [ECF No. 1861-1]. To the extent there is any discrepancy between a defined term in the Settlement Agreement and the same defined term herein, the definition in the Settlement Agreement shall control.

Plaintiffs”); the Receiver; and Eckert Seamans, which is memorialized in the settlement agreement attached to the Motion as Exhibit 1 (“Settlement Agreement”), [ECF No. 1861-1]. By way of the Motion, the Receiver sought an order preliminarily approving the Settlement Agreement and establishing procedures to provide notice of the settlement and an opportunity to object, setting a deadline to object, and scheduling a hearing. The Receiver also sought entry of the Final Approval and Bar Order attached as Exhibit B to the Settlement Agreement (“Bar Order”).

The Court set a final approval hearing for July 16, 2024, at 10:30 A.M. during which the Court will carefully review the terms of the Settlement Agreement and determine whether the Bar Order is “essential, fair, and equitable.” *See Sec. & Exch. Comm’n v. Quiros*, 966 F.3d 1195, 1199 (11th Cir. 2020). However, at a subsequent status conference, [ECF No. 1935], the Court was advised that counsel for certain objectors would be unable to attend the July 16, 2024 hearing. Accordingly, after circulating new dates amongst the parties to ensure the availability of all counsel, it is

ORDERED AND ADJUDGED that the deadlines set forth in the Preliminary Approval Hearing are hereby modified as follows:

I. Final Hearing

The Court will now conduct an in-person hearing at **10:30 A.M. on August 13, 2024** (“Final Approval Hearing”) in **Courtroom 11-2, 11th Floor, at the Wilkie D. Ferguson, Jr. United States Courthouse, 400 North Miami Avenue, Miami, Florida 33128**. The purposes of the Final Approval Hearing will be to consider final approval of the Settlement Agreement, entry of the Bar Order, and an award of attorneys’ fees.

II. Objection Deadline; Objections and Appearances at the Final Approval Hearing

Any person who objects to the terms of the Settlement Agreement, the Bar Order, the Motion, or any of the relief related to any of the foregoing, must file an objection, in writing, with

the Court pursuant to the Court's Local Rules no later than **thirty (30) days** before the Final Approval Hearing. All objections filed with the Court must:

- a. Contain the name, address, and telephone number of the person filing the objection or his or her attorney;
- b. Be signed by the person filing the objection, or his or her attorney;
- c. State, in detail, the factual and legal grounds for the objection;
- d. Attach any document the Court should review in considering the objection and ruling on the Motion; and
- e. If the person filing the objection intends to appear at the Final Approval Hearing, make a request to do so.

Subject to the discretion of this Court, no person will be permitted to appear at the Final Approval Hearing without first filing a written objection and requesting to appear at the hearing in accordance with the provisions of this paragraph. Copies of any objections filed must be served by email and regular mail on:

Ryan Stumphauzer
Stumphauzer Kolaya Nadler & Sloman PLLC
One Biscayne Tower
2 S. Biscayne Boulevard
Suite 1600
Tel: (305) 614-1400
Fax: (305) 614-1425
Email: rstumphuazer@sknlaw.com

Timothy A. Kolaya
Stumphauzer Kolaya Nadler & Sloman PLLC
One Biscayne Tower
2 S. Biscayne Boulevard
Suite 1600
Tel : (305) 614-1400
Fax : (305) 614-1425
Email : tkolaya@sknlaw.com

Gaetan J. Alfano
Pietragallo Gordon Alfano Bosick & Raspanti, LLP
1818 Market Street, Suite 3402
Philadelphia, PA 19103
Tel.: (215) 320-6200

Fax: (215) 981-0082
Email: gja@pietragallo.com

Levine Kellogg Lehman Schneider + Grossman LLP
Jeffrey C. Schneider
Jason K. Kellogg
Victoria J. Wilson
Miami Tower
100 SE 2nd Street, 36th Floor
Miami, FL 33131
Tel.: (305) 403-8788
Fax: (305) 403-8789
Email: jcs@lklsg.com
Email: jk@lklsg.com
Email: vjw@lklsg.com

Steven A. Schwartz
Chimicles Schwartz Kriner & Donaldson-Smith LLP
361 West Lancaster Avenue
Haverford, PA 19041
Tel.: (610) 642-8500
Fax: (610) 649-3633
Email: sas@chimicles.com

Marc H. Edelson
Eric Lechtzin
Edelson Lechtzin LLP
411 S. State Street
Ste N-300
Newtown, PA 18940
Tel.: (215) 867-2399
Fax: (267) 685-0676
Email: medelson@edelson-law.com
Email: elechtzin@edelson-law.com

Scott Lance Silver
Silver Law Group
11780 W. Sample Road
Coral Springs, FL 33065
Tel: (954) 755-4799
Fax: (954) 755-4684
Email: ssilver@silverlaw.com

Melanie Emmons Damian
Damian & Valori LLP
1000 Brickell Avenue
Suite 1020
Miami, FL 33131

Tel.: (305) 371-3960
Fax: (305) 371-3965
Email: mdamian@dvlip.com

Jay A. Dubow
Troutman Pepper
3000 Two Logan Square
Eighteenth and Arch Streets
Philadelphia, PA 19103-27799
Tel.: (215) 981-4713
Email: jay.dubow@troutman.com

Catherine M. Recker
Welsh and Recker
306 Walnut Street
Philadelphia, PA 19106
Email: cmrecker@welshrecker.com

Any person failing to file an objection by the time and in the manner set forth in this paragraph shall be deemed to have waived the right to object (including any right to appeal) and to appear at the Final Approval Hearing, and such person shall be forever barred from raising such objection in this action or any other action or proceeding, subject to the discretion of this Court.

III. Responses to Objections

Any party to the Settlement Agreement may respond to an objection filed pursuant to this Order by filing a response in this Action. To the extent any person filing an objection cannot be served by the Court's CM/ECF system, a response must be served to the email address provided by that objector, or, if no email address is provided, to the mailing address provided.

IV. Attorneys' Fees

As set forth in the Settlement Agreement, within **thirty (30) days** of the entry of this Order, Class Counsel must advise the Receiver that they have agreed on an allocation of the Attorneys' Fund. The procedures for distribution of the Attorneys' Fund set forth in the Settlement Agreement are hereby approved by this Court.

V. Adjustments Concerning Hearing and Deadlines

The date, time, and place for the Final Approval Hearing, and the deadlines and other requirements in this Order, shall be subject to adjournment, modification, or cancellation by the Court without further notice other than that which may be posted by means of the Court's CM/ECF system in the SEC Action. **If no objections are timely filed or if the objections are resolved before the hearing, the Court may cancel the Final Approval Hearing.**

VI. No Admission

Nothing in this Order or the Settlement Agreement is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability, or wrongdoing, or of any infirmity in the claims or defenses of the settling parties with regard to the SEC Action, the action brought by the Putative Class Plaintiffs, or any other case or proceeding.

VII. Jurisdiction

The Court retains jurisdiction to consider all further matters relating to the Motion or the Settlement Agreement, including, without limitation, entry of an Order finally approving the Settlement Agreement and the Bar Order.

VIII. Barred Claims

All claims that would be Barred Claims against the Eckert Seamans Released Parties, including, but not limited to:

- a. *Melchior, et al. v. Vagnozzi, et al.*, No. 20-5562 (E.D. Pa. 2020);
- b. *Montgomery, et al. v. Eckert Seamans Cherin & Mellott, LLC, et al.*, No. 20-cv-23750 (S.D. Fla. 2020);
- c. *Parker, et al. v. Pauciulo, et al.*, No. 20-00892 (Phila. Ct. Com. Pl. 2020);
- d. *Dean Vagnozzi v. Pauciulo, et al.*, No. 210402115 (Phila Ct. Com. Pl. 2021);
- e. *Albert Vagnozzi, et al. v. Pauciulo, et al.*, No. 210502334 (Phila Ct. Com. Pl. 2021);

- f. *Legacy Advisory Group, Inc., et al. v. Pauciulo, et al.*, No. 211001003 (Phila Ct. Com. Pl. 2021);
- g. *Westhead, et al. v. Eckert Seamans, et al.*, No. 240102114 (Phila. C.C.P.);
- h. *B and T Supplies, Inc., et al. v. AG Morgan Tax and Accounting LLC, et al.*, No. 23-cv-11241 (S.D.N.Y.); and
- i. *Caputo, et al. v. Vagnozzi, et al.*, No. 20-cv-01142 (D. Del).

are **STAYED** until the Final Hearing or further order of this Court. To the extent reasonably necessary for the Receiver or the Investors to pursue claims against others, Eckert Seamans shall produce non-privileged testimony or documents within their custody or control, subject to all appropriate objections, but shall be reimbursed for any reasonable expenses or costs incurred in doing so.

DONE AND ORDERED in Miami, Florida, this 29th day of May, 2024.



RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE