

**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 MOTION TO ESTABLISH ADDITIONAL
PROCEDURES FOR MEDIATION IN CONNECTION WITH
MOTION TO APPROVE SETTLEMENT WITH ECKERT SEAMANS**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ pursuant to the Court’s Order Granting Motion to Stay and Requiring Mediation dated

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

August 1, 2024 [ECF No. 2006] (“Order Requiring Mediation”), files this motion to establish additional procedures for the mediation in connection with the Receiver’s Motion for: (i) Approval of Settlement among Receiver, Putative Class Plaintiffs, and Eckert Seamans; (ii) Approval of Form, Content, and Manner of Notice of Settlement and Bar Order; (iii) Setting a Deadline to Object to Approval of the Settlement and Entry of Bar Order; and (iv) Scheduling a Hearing; with Incorporated Memorandum of Law [ECF No. 1861] (the “Eckert Seamans Motion”), and states:

1. On August 1, 2024, the Court entered the Order Requiring Mediation, directing the following “Mediation Participants” to participate in a mediation with the Honorable Michael A. Hanzman (Ret.): (i) the Receiver; (ii) Eckert Seamans Cherin & Mellott, LLC and its insurers; (iii) the putative investor class; (iv) Defendant Dean Vagnozzi and non-parties Alec Vagnozzi, Albert Vagnozzi, and Terry Kohler; (v) the Plaintiffs in the case of *Parker, et al. v. Pauciulo, et al.*, No. 20-00892 (Phila. Ct. Com. Pl. 2020) (the “Parker Plaintiffs”); and (vi) B & T Supplies, Inc. d/b/a B and T Supply d/b/a Biggest Book.com; Tzvi Odzer; Ruben Azrak; RKDK Inc. d/b/a Haagen Dazs; Gelato on Hudson LLC d/b/a Haagen Dazs; Asia Star Broadcasting Inc.; Daniel Shah; Perfect Impression Inc.; Susan Abrahams; Kara Dipietro; Carl Dorvil; Pamela Fleetwood; Robert Fleetwood; Fleetwood Services LLC; Michael Joseph Foti; Chad Frost; Gex Management Inc; HMC, Inc; Johnny Harrison, Sr; Michael Heller; Julie Paula Katz; MH Marketing Solutions Group, Inc; Petropangea Inc; Radiant Images Inc; Sunrooms Group Inc; TourMappers NorthAmerica LLC; Volunteer Pharmacy, LLC; Sean Whalen; Giane Wolfe; and Iris Chen Yngyin.

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

2. On August 13, 2024, the Mediation Participants attended an initial planning session for this mediation with Judge Hanzman via Zoom. During the initial planning session, the Mediation Participants provided Judge Hanzman with a general overview of the disputed issues in connection with the Eckert Seamans Motion, discussed the logistics for the mediation, and finalized dates for the more in-depth mediation sessions.

3. The Mediation Participants have agreed to schedule an in-person mediation session with Judge Hanzman, to occur on **October 7, 2024, at 9:00 a.m.**, at the offices of Bilzin Sumberg, 1450 Brickell Avenue, 23rd Floor, Miami, Florida 33131-3456. The mediation will continue from day-to-day until the Mediation Participants reach a settlement or Judge Hanzman declares an impasse.

4. For administrative convenience, Judge Hanzman has requested that the Receiver enter into the mediation retainer agreement with his law office, and advance the mediation fee for an estimated four days of mediation.

5. Under the Mediation Participants' agreement, prior to the first day of the in-person mediation session, each of the five other Mediation Participants will be responsible for reimbursing the Receiver for its respective one-sixth share of the mediation fee for two (2) days of mediation. At the conclusion of the mediation, Judge Hanzman will, in his discretion, have the power to allocate the payment of fees for any additional days of the mediation (unless the Mediation Participants are able to reach an agreement at the mediation to allocate payment of the remaining fees in a different manner).

6. There are many individuals associated with the Mediation Participants. For example, there are 15 different fund managers within the Parker Plaintiffs, who are located in several different states across the country. The Mediation Participants agree that Judge Hanzman

should have the discretion to determine which individuals from each of the groups comprising the Mediation Participants must attend the mediation in person and, conversely, which individuals may participate remotely via Zoom or otherwise be excused from the mediation because other in-person attendees at the mediation are representing their interests.

7. To clarify and memorialize these procedures, the Receiver requests the Court to enter the proposed Order attached hereto as Exhibit 1.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

The undersigned counsel conferred with counsel for each of the other Mediation Participants regarding this matter and certifies that all Mediation Participants have confirmed their agreement to the relief requested herein. In addition, counsel for the Securities and Exchange Commission has confirmed that the Commission does not oppose the relief requested herein.

Dated: September 12, 2024

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 12, 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

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 GRANTING RECEIVER’S MOTION TO ESTABLISH
ADDITIONAL PROCEDURES FOR MEDIATION IN CONNECTION
WITH MOTION TO APPROVE SETTLEMENT WITH ECKERT SEAMANS**

THIS CAUSE comes before the Court upon the Receiver’s Motion to Establish Additional Procedures for Mediation in Connection with Motion to Approve Settlement with Eckert Seamans [ECF No. _____] (the “Motion”), filed on September 12, 2024.

The Receiver has made a sufficient and proper showing in support of the relief requested. Accordingly, it is hereby

ORDERED AND ADJUDGED that:

1. The Receiver’s Motion is **GRANTED**.
2. The mediation conference in this matter among the Mediation Participants¹ in connection with the Receiver’s Motion for: (i) Approval of Settlement among Receiver, Putative

¹ The “Mediation Participants” are (i) the Receiver; (ii) Eckert Seamans Cherin & Mellott, LLC and its insurers; (iii) the putative investor class; (iv) Defendant Dean Vagnozzi and non-parties Alec Vagnozzi, Albert Vagnozzi, and Terry Kohler; (v) the Plaintiffs in the case of *Parker, et al. v. Pauciulo, et al.*, No. 20-00892 (Phila. Ct. Com. Pl. 2020); and (vi) B & T Supplies, Inc. d/b/a B and T Supply d/b/a Biggest Book.com; Tzvi Odzer; Ruben Azrak; RKDK Inc. d/b/a Haagen Dazs;

Class Plaintiffs, and Eckert Seamans; (ii) Approval of Form, Content, and Manner of Notice of Settlement and Bar Order; (iii) Setting a Deadline to Object to Approval of the Settlement and Entry of Bar Order; and (iv) Scheduling a Hearing; with Incorporated Memorandum of Law [ECF No. 1861] (the “Eckert Seamans Motion”) shall be held with **Michael A. Hanzman** on **October 7, 2024, at 9:00 a.m.** at the offices of Bilzin Sumberg, 1450 Brickell Avenue, 23rd Floor, Miami, Florida 33131-3456, and will continue from day-to-day until the Mediation Participants reach a settlement or Judge Hanzman declares an impasse.

3. The Court previously ordered [ECF No. 2006 at ¶ 3] that the costs of this mediation shall be split six ways, with one-sixth of the mediator’s fees to be paid for by each of the Mediation Participants. The Mediation Participants have agreed to modify this requirement as set forth in paragraphs 4 through 6 of this Order.

4. The Receiver is authorized to enter into the mediation retainer agreement with, and advance the mediation fee to, the mediator’s law office.

5. Prior to the first day of the in-person mediation session, each of the five other Mediation Participants must reimburse the Receiver for its respective one-sixth share of the mediation fee for two (2) days of the mediation.

6. At the conclusion of the mediation, Judge Hanzman will then, in his discretion, allocate the payment of fees for any additional days (unless the Mediation Participants are able to

Gelato on Hudson LLC d/b/a Haagen Dazs; Asia Star Broadcasting Inc.; Daniel Shah; Perfect Impression Inc.; Susan Abrahams; Kara Dipietro; Carl Dorvil; Pamela Fleetwood; Robert Fleetwood; Fleetwood Services LLC; Michael Joseph Foti; Chad Frost; Gex Management Inc; HMC, Inc; Johnny Harrison, Sr; Michael Heller; Julie Paula Katz; MH Marketing Solutions Group, Inc; Petropangea Inc; Radiant Images Inc; Sunrooms Group Inc; TourMappers NorthAmerica LLC; Volunteer Pharmacy, LLC; Sean Whalen; Giane Wolfe; and Iris Chen Yngyin.

reach an agreement at the mediation to allocate payment of the remaining fees in a different manner).

7. The mediator is authorized, within his discretion, to determine which individuals from each of the groups comprising the Mediation Participants must attend the mediation in person and, conversely, which individuals may participate remotely via Zoom or otherwise be excused from attending the mediation because other in-person attendees at the mediation are representing their interests.

8. Upon the conclusion of the mediation, the Mediation Participants shall file a status report indicating the outcome of the mediation, whether the stay of the Eckert Seamans Motion should remain in effect or be lifted, and whether the Final Approval Hearing on the Eckert Seamans Motion, which the Court previously canceled in an Order dated August 1, 2024 [ECF No. 2006] should be rescheduled.

DONE AND ORDERED in Miami, Florida, this ____ day of September, 2024.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record