

**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 FOR A STATUS CONFERENCE REGARDING
CRIMINAL CHARGES PENDING AGAINST COMPLETE BUSINESS
SOLUTIONS GROUP, INC. d/b/a PAR FUNDING IN THE UNITED STATES
DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities, by and through his undersigned counsel, requests the Court to schedule a status conference at the Court’s earliest convenience regarding the criminal charges pending against Complete Business Solutions Group, Inc. d/b/a Par Funding (“CBSG”) in the United States District Court for the Eastern District of Pennsylvania.

INTRODUCTION

As this Court is aware through the Receiver’s quarterly status reports, CBSG is facing criminal charges in the United States District Court for the Eastern District of Pennsylvania, in case number 2:24-CR-66. Counsel for the Receiver and the government, by and through the United States Attorney’s Office for the Eastern District of Pennsylvania, have been in regular communication regarding a potential non-trial disposition.

This Court convened a status conference by Zoom on August 8, 2025, at which time undersigned counsel provided a detailed account of the government's efforts to obtain a conviction of CBSG and the potential challenges such a conviction would create for the Receiver in carrying out his duties under the Receivership Orders in this case. At that time, this Court expressed concerns about the Receiver entering a guilty plea on behalf of CBSG. Based in large measure upon this Court's comments on the record on August 8, 2025, undersigned counsel moved for a continuance of the then-scheduled trial in case number 2:24-CR-66. The Honorable Mark A. Kearney of the United States District Court for the Eastern District of Pennsylvania granted the requested continuance and scheduled the criminal trial for March 9, 2026.

REQUEST FOR A CONFERENCE WITH THE COURT

The United States Attorney for the Eastern District of Pennsylvania has not receded from his quest to secure a conviction of corporate defendant CBSG. As this Court noted in our August 8, 2025, status conference, such a conviction would be a hollow victory. In a telephonic status conference on the record on February 4, 2026, Judge Kearney agreed with this sentiment. The Receiver intends to dissolve CBSG at the conclusion of the Receivership, and the Receiver—who has maintained full control of CBSG since July 2020—has stopped the ongoing fraud and returned more than \$200 million to victim investors. Nevertheless, at this juncture, the government and the Receiver must proceed to trial, enter a guilty plea, or seek another continuance of trial. If one or both parties seek yet another continuance, Judge Kearney will require a satisfactory showing that such a continuance is in the interests of justice.

As discussed during this Court's August 8, 2025, status conference, the Receiver's largest concern was the impact a conviction might have on the second interim distribution of funds to Receivership claimants. Since that time, this Court granted the Receiver's motion to approve a second interim distribution, and the Receiver has now distributed an additional \$96,871,261.28 to

claimants. With this second distribution, the Receiver has distributed a total of \$207,739,976.22, which amounts to a total recovery for certain claimants of up to 100% of their net investment amounts. Other claimants have not reached 100%, yet they have still received substantial recoveries. An additional concern is the Receiver's pending request for a federal tax refund of approximately \$10 million. The Receiver's consultants at Development Specialists, Inc. have been unable to obtain with any level of certainty information concerning whether the Internal Revenue Service might ultimately issue such a refund and, if so, when that might possibly occur.

The Receiver, therefore, requests another status conference, at the Court's earliest convenience, to revisit the authority to enter a guilty plea in the Eastern District of Pennsylvania on behalf of CBSG. Proceeding to trial will unnecessarily drain the remaining assets of the Receivership Estate that would otherwise be available for distribution to claimants. The Receiver has explained the situation to the bank where the Receivership Estate's funds are on deposit, and the bank has indicated that it will take no adverse action in the event CBSG pleads guilty. Given the uncertainty of the timing and actions of the Internal Revenue Service, undersigned counsel cannot in good faith represent to Judge Kearney that the Receivership will be in a substantially different financial position in three, six, or even nine months, such that a brief continuance of trial would cure the current challenges.

WHEREFORE, the Receiver respectfully requests that this Honorable Court schedule a status conference by remote videoconference (Zoom) at the Court's earliest convenience. A proposed order on the Motion is attached as Exhibit 1.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

The undersigned counsel has conferred with counsel for the SEC regarding the relief sought through this motion and certifies that the SEC does not oppose the Receiver's requested relief.

Dated: February 17, 2026

Respectfully Submitted,

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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 17, 2026, 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 ON RECEIVER’S MOTION FOR STATUS CONFERENCE
REGARDING CRIMINAL CHARGES PENDING AGAINST COMPLETE
BUSINESS SOLUTIONS GROUP, INC. d/b/a PAR FUNDING IN THE UNITED
STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

THIS CAUSE comes before the Court upon the Receiver’s motion for a status conference regarding the criminal charges pending against Complete Business Solutions Group, Inc. d/b/a Par Funding (“CBSG”) in the United States District Court for the Eastern District of Pennsylvania, [ECF No. ____], (“Motion”). The Court having carefully reviewed the Motion and the record in this matter, it is hereby

ORDERED AND ADJUDGED as follows:

1. The Receiver’s Motion is **GRANTED**.
2. This Court shall convene a status conference via Zoom on the ____ day of February, 2026, at ____ AM/PM. A link will be provided on the docket.
3. The United States Attorney’s Office for the Eastern District of Pennsylvania may participate in this conference if it so chooses, but it is not required to do so. Attorneys from the

United States Attorney's Office for the Eastern District of Pennsylvania may attend the status conference without intervening or seeking admission to this Court *pro hac vice*.

4. The Receiver or his counsel shall provide a copy of this Order to the United States Attorney's Office for the Eastern District of Pennsylvania within 24 hours of its issuance and place a notice on the docket of this Court verifying that such notice has been provided.

DONE AND ORDERED in Miami, Florida, this ____ day of February, 2026.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record