

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 21-61644-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

MJ CAPITAL FUNDING, LLC,
MJ TAXES AND MORE, INC., and
JOHANNA M. GARCIA

Defendants.

ORDER

THIS CAUSE is before the Court upon the Receiver's Motion for Approval of Distribution Plan and Initial Distributions (DE [279]) (the "Motion" or "Plan"), filed on January 30, 2025. In the Motion, Bernice C. Lee, as Receiver (the "Receiver") over MJ Capital Funding, LLC ("MJ Capital"), MJ Taxes and More Inc. ("MJ Taxes") (together, the "MJ Defendants" or "MJ Companies"), Pavel Ruiz MJCF LLC ("Pavel Ruiz MJCF") and UDM Remodeling, LLC ("UDM") (together, the "Pavel Entities") (collectively, the "Receivership Entities"), moves for approval of her Plan through which she seeks approval to make distributions on a pro rata basis, using a rising tide methodology, and to make the initial distributions (the "Initial Distributions") listed in the schedule attached to the Plan as Exhibit A (the "Rising Tide Distribution Schedule") to claimants with claims that the Receiver has approved for payment under the Plan ("Allowed Claims").

The Receiver attests that the SEC does not object to the relief sought. No objections to the Motion or Plan have been filed. Moreover, the Court has reviewed the

Motion and record and is otherwise advised in the premises. Based on its review, the Court finds the Plan to be “fair and equitable” under the circumstances. *Onix Cap.*, 2018 WL 1124435, at *2.

Accordingly, it is hereby **ORDERED AND ADJUDGED** that:

1. The Receiver, Bernie C. Lee’s Motion for Approval of Distribution Plan and Initial Distributions (DE [279]) is **GRANTED**.

2. The Plan and Initial Distributions are **APPROVED**.

3. The form and manner of notice of the Plan described in the Motion are **APPROVED**.

4. The Receiver may require creditors with Allowed Claims to provide a completed Form W-9, their address, Employer Identification Number and other information required for the Form 1099-MISC prior to issuing the Initial Distributions to such claimants.

5. All means of implementation and other provisions set forth in the Plan are **APPROVED**, including the following:

a. Delivery of Distributions in General. The Receiver shall make distributions solely to the holders of Allowed Claims without regard to any claim or interest asserted by any third party in such distributions. Distributions shall be made to the holders of Allowed Claims at the addresses set forth in the proof of claim submitted by such holders, as may be amended by a properly completed change of address form submitted to the Receiver.

b. Payments. Distributions shall be made to all holders of Allowed Claims by checks drawn in United States dollars on a United States domestic bank.

- c. Forfeited Distributions. The holder of an Allowed Claim filed by a creditor that, within 180 days from the entry of an Order approving the Plan, fails to respond to the Receiver's request to provide a completed Form W-9, their address, Employer Identification Number and other information required for the Form 1099-MISC, shall be deemed to have forfeited any distribution to which they would otherwise be entitled (the "Forfeited Distributions").
- d. Unclaimed Property and Undeliverable Distributions. "Unclaimed Property" shall mean distributions (i) that are Forfeited Distributions, Initial Distributions for Waived Claims, and funds in the Disputed Claims Reserve that are not disbursed under the Updated Rising Tide Distribution Schedule; (ii) that are returned to the Receiver as undeliverable and no appropriate forwarding address is received within 90 days after such attempted distribution by the Receiver is made to such holder, or (iii) for which the check making such distribution is not negotiated within 180 days of its issuance and no request for re-issuance is made within such 180 day period, at which time, such distribution shall be cancelled through a stop payment order or other means. The Receiver is under no affirmative obligation to attempt to locate any holder of an Allowed Claim. Unclaimed Property shall revert to the Receivership Estate and constitute an unencumbered asset subject to further Court approval. The Allowed Claim related to the Unclaimed Property shall be deemed disallowed, and the holder or successor to such holder of such Allowed Claim so disallowed will be forever barred, expunged, estopped and enjoined from asserting any

such claims and entitlement to the Unclaimed Property, and any such claim shall be disallowed in any manner against the Receiver, the Receivership Estate, and their respective property.

DONE AND ORDERED in Chambers, Fort Lauderdale, Florida, this 30th day of April 2025.



RAAG SINGHAL
UNITED STATES DISTRICT JUDGE

Copies furnished counsel via CM/ECF