

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 21-61644-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

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

Defendants.

ORDER¹

THIS CAUSE is before the Court upon the Receiver's Motion for Approval of Updated Rising Tide Distribution Schedule and Supplemental Distributions (DE [317]) (the "Motion"), filed on November 24, 2025. Bernice C. Lee, as Receiver (the "Receiver") over MJ Capital Funding, LLC, MJ Taxes and More Inc., Pavel Ruiz MJCF LLC, and UDM Remodeling, LLC, moves for approval of the Motion through which she seeks to make supplemental distributions on a pro rata basis, using a rising tide methodology, (the "Supplemental Distributions") listed in the schedule attached to the Motion as Exhibit A (the "Updated Rising Tide Distribution Schedule"). The Receiver seeks to make these Supplemental Distributions to three groups of claimants with Allowed Claims: (a) six investors whose claims were previously disputed and have now been resolved favorably; (b) two investors whose pre-Receivership payments have been clarified since the Initial

¹ In Granting this Motion, the Court has adopted the language proffered by the parties with minor alterations.

Distribution, resulting in updated distribution amounts; and (c) eight investors whose claims were timely submitted but were inadvertently omitted by the claims agent and provided to the Receiver after she filed the Initial Distribution Motion.


This Court previously granted the Receiver's Motion for Approval of Distribution Plan and Initial Distributions (DE [279] (the "Initial Distribution Motion")), see Order (DE [288]), in which the Receiver set forth her plan to make distributions on a pro rata, rising tide basis (the "Initial Plan"). The Court found the Initial Plan to be "'fair and equitable' under the circumstances," *id.* at 2 (quoting *SEC v. Onix Capital, LLC*, 2018 WL 11244325, at *2 (S.D. Fla. Feb. 23, 2018)), and reaches the same conclusion with respect to the Supplemental Distributions. The Receiver attests that the SEC does not object to the relief sought. Accordingly, it is hereby **ORDERED AND ADJUDGED** that:

1. The Receiver, Bernice C. Lee's Motion for Approval of Updated Rising Tide Distribution Schedule and Supplemental Distributions (DE [317]) is **GRANTED**.
2. The Supplemental Distributions, see (DE [317-1]), are **APPROVED**.
3. The form and manner of notice of the Motion and Supplemental Distributions 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 Supplemental Distributions to such claimants.
5. All means of implementation and other provisions set forth in the Motion are **APPROVED**, including the following for the Supplemental Distributions:

- 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 4th day of December 2025.



RAAG SINGHAL
UNITED STATES DISTRICT JUDGE

Copies furnished counsel via CM/ECF