



ORDERED in the Southern District of Florida on December 16, 2019.

A handwritten signature in black ink, appearing to read "Robert A. Mark".

Robert A. Mark, Judge
United States Bankruptcy Court

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov**

In re:

1 GC COLLECTIONS, *et al.*,¹

Debtors.

Chapter 11

Case No. 18-19121-RAM

(Jointly Administered)

**ORDER GRANTING MOTION FOR (A) APPROVAL OF SETTLEMENT
AND COMPROMISE WITH CERTAIN INVESTMENT ADVISORS/AGENTS
AND REQUEST FOR ENTRY OF BAR ORDER; (B) APPROVAL OF
PAYMENT OF EARNED CONTINGENCY FEE
AND
ENTRY OF LITIGATION BAR ORDER**

(Journey Wealth Parties)²

THIS MATTER came before the Court for a hearing on December 13, 2019 at 10:00 a.m.

(the “**Hearing**”) upon the *Motion for (A) Approval of Settlement and Compromise with Certain*

¹ The Debtors in these Chapter 11 Cases are 1 Global Capital LLC and 1 West Capital LLC.

² The Court will enter separate Orders as to each group of Settling Defendants and a separate Order approving the Contingency Fee.

Investment Advisors/Agents and Request for Entry of Bar Order; and (B) Approval of Payment of Earned Contingency Fee [ECF No. 1315] (the “**Motion**”)³ filed by 1 Global Capital LLC and 1 West Capital LLC (collectively, the “**Debtors**”). The Motion seeks (A) approval of a Settlement Agreement, dated September 12, 2019 (the “**Settlement Agreement**”), by and between (i) the Debtors⁴ and each of Terrence P. Wright, as trustee on behalf of Terrence Wright Living Trust As Amended 02/23/2018, Sarah Foster, Barbara E. Shore, individually and FBO the Barbara E. Shore IRA, Maurice R. Shore, FBO Maurice R. Shore IRA, and as trustee on behalf of Maurice Shore Revocable Trust (collectively, the “**Class Plaintiffs**”), and (ii) each of Pinnacle Plus Capital LLC, Pinnacle Wealth Management LLC, Pinnacle Plus Financial LLC, Pinnacle Plus Holdings, LLC, Travis Allen Horn, George Gille, and Matthew Lynn Walker (the “**Pinnacle Parties**”); American Alternative Investments, LLC a/k/a American Alternative Investments Corp., Rob Whitlow and Thomas Bosen (the “**AAI Parties**”); Henry J. Wieniewitz a/k/a Trae Wieniewitz, Wieniewitz Financial LLC, and Wieniewitz Wealth Management (the “**Wieniewitz Parties**”); Nicholas & Company, Inc. and David Nicholas (the “**Nicholas Parties**”); Journey Wealth Management, Journey Wealth Management Advisors LLC, P & R Marketing as the trade name with the true name as TLS Management and Marketing Services LLC Division CJ, P & R Marketing as the trade name with the true name as TLS Management and Marketing Services LLC Division AG, Roy Y. or Patricia Y. Gagaza (the “**Journey Wealth Parties**”); Priority Financial & Insurance Solutions and Joseph Donti (the “**Priority Financial Parties**”); Goldstone Financial Group, Pell Corp. Brothers Inc., Stone Trust Capital Management, Inc., Anthony Pellegrino, Michael Pellegrino, Justin J. Reppy, and Brian R. Korienek (the “**Goldstone**

³ All capitalized terms not defined herein shall have the meanings ascribed to them in the Motion and the Status Report (as defined below).

⁴ The Liquidating Trustee has been substituted as the representative of the Debtors’ estates as of the Effective Date of the Plan.

Parties”), Wendel Financial Network, LLC d/b/a Wendel Retirement Planning, J.J.C.C., Inc., and Jeff Wendel (the “**Wendel Parties**”), Christopher Dantin Financial Services, LLC and Christopher D. Dantin (the “**Dantin Financial Parties**”); Denton Wealth Strategies, LLC and Samuel Denton (the “**Denton Wealth Parties**”)(the Pinnacle Parties, the AAI Parties, the Wieniewitz Parties, the Nicholas Parties, the Journey Wealth Parties, the Priority Financial Parties, the Goldstone Parties, the Wendel Parties, the Dantin Financial Parties, and the Denton Wealth Parties shall be collectively referred to herein as the “**Settling Defendants**”; and in respect of the request for the Bar Order, the Journey Wealth Parties, the Nicholas Parties, the Priority Financial Parties and the Pinnacle Parties shall be referred to as the “**Limited Settling Defendants**”), (B) the entry of the Bar Order in favor of the Limited Settling Defendants, and (C) approval to pay a contingency fee in connection with the Settlement Agreement.

Having reviewed the Motion, the Settlement Agreement and the record in this case, including the Declaration of James S. Cassel in support of the Settlement Motion [ECF No. 1664](the “**Cassel Declaration**”) and the *Liquidating Trustee’s Second Amended Status Report Regarding Motion for (A) Approval of Settlement and Compromise with Certain Investment Advisors/Agents and Request for Entry of Bar Order; and (B) Approval of Payment of Earned Contingency Fee* [ECF No. 1656] (the “**Status Report**”), having considered the presentation of counsel at the Hearing, having considered the evidence proffered and introduced at the Hearing, including the Cassel Declaration, having considered the resolution of objections to the Settlement Motion through modifications to the Settlement contained in the Settlement Motion as set forth in the Status Report, the terms of which are included herein and approved as part of the Settlement, and being otherwise fully apprised on the premises, the Court pursuant to Federal

Rule of Bankruptcy Procedure 7052, made applicable to this matter pursuant to Federal Rule of Bankruptcy Procedure 9014

FINDS and CONCLUDES as follows:⁵

A. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157, 1334 and 1651, 11 U.S.C. § 105(a), Federal Rule of Bankruptcy Procedure 9019 and other applicable rules of procedure.

B. The Settlement Agreement was negotiated, proposed, and entered into by the parties at arm's length, without fraud or collusion, and in good faith.

C. The relief requested in the Motion and granted in this Order, including but not limited to the Bar Order as applied to the Journey Wealth Parties, is fair and equitable and in the best interests of the Liquidating Trust, its beneficiaries (the allowed claims of the Debtors' creditors), and all other parties in interest.

D. The legal and factual bases set forth in the Motion establish just cause for the relief requested in the Motion.

E. Proper, timely, adequate, and sufficient notice of the Motion and the Hearing, and of the proposed relief, including the Bar Order contained in this Order, was given, and such notice was reasonable and appropriate under the circumstances and comports in all regards with the requirements of due process, 11 U.S.C. § 102(1), and Federal Rule of Bankruptcy Procedure 2002.

Therefore, it is –

ORDERED and ADJUDGED as follows:

1. The Motion is GRANTED as to the Journey Wealth Parties.

⁵ To the extent any of the following findings of fact constitute conclusions of law, or conclusions of law constitute findings of fact, they are adopted as such.

2. The Settlement Agreement and all of the terms and conditioned therein as they relate to the Journey Wealth Parties, including as such terms are modified in the Status Report in respect of the Journey Wealth Parties, are APPROVED in all respects.

3. All objections to the Motion, including without limitation, the objections filed or asserted by the Goldstone Objectors [ECF No. 1561], the Horter Objectors [ECF No. 1562], Paula R. Wells, *pro se* [ECF No. 1572], Christopher Blackstone [ECF No. 1560], the U.S. Securities and Exchange Commission [ECF No. 1558] and Donald Stec, that are not otherwise resolved herein are hereby OVERRULED.

4. The Liquidating Trustee is authorized to perform all obligations under the Settlement Agreement, including as modified as set forth in the Status Report.

5. The Journey Wealth Parties shall pay to the Liquidating Trustee an amount equal to \$452,000.00, with an initial payment of at least 10% of such amount being paid on the Approval Date,⁶ with the balance to be paid on or before the two-year anniversary of the Approval Date (the “**Settlement Payment**”).

6. It is hereby further ORDERD that:

Except as expressly otherwise permitted by the Settlement Agreement, all Barred Persons (as defined below) are permanently barred, enjoined, and restrained from commencing, prosecuting, conducting, asserting or continuing in any manner, directly, indirectly or derivatively, any suit, action, cause of action, cross-claim, counterclaim, third party claim, or other demand (including any of the Claims being released herein) in any federal or state court or any other judicial or non-judicial proceeding (including, without limitation, any proceeding in any judicial, arbitral, mediation, administrative, or other forum) by any Barred Person (as defined below) against or affecting any of the Journey Wealth Parties (and all their respective present and former parent companies, subsidiaries, shareholders, officers, directors,

⁶ Defined in the Settlement Agreement as two business days after the later of (i) the date of the entry of this Order and (ii) the date of the Order of the Circuit Court approving the Settlement Agreement.

employees, agents, servants, registered representatives, attorneys, insurers, affiliates, and successors, personal representatives, heirs and assigns) which is based in whole or in part on any allegation, claim, demand, cause of action, matter or fact directly or indirectly relating in any way to or arising out of or in connection with the acts or omissions of the Journey Wealth Parties as they relate to the Debtors or the Debtor's business, including the offering and sale of Memoranda of Indebtedness ("MOIs"), Promissory Notes, Merchant Cash Advances ("MCAs") or any other actual or alleged Securities (collectively, the "Barred Claims").

For purposes of this Order, "Barred Persons" shall mean any person or entity that has held, holds, may hold, or purports to hold a claim or other debt or liability or an interest, including a membership interest, or other right against, in, arising out of, or in any way related to the Debtors or any their members, whether that person or entity filed a proof of claim in the Bankruptcy Case or otherwise.

Notwithstanding anything herein to the contrary, the Bar Order shall not relieve the Journey Wealth Parties from their obligations under the Settlement Agreement.

7. Notwithstanding anything herein or in the Settlement Agreement to the contrary, no federal, state, or local governmental agency or self-regulatory organization, including but not limited to the Securities and Exchange Commission and the Department of Justice, shall be a Barred Person; nor shall this Bar Order apply to any federal state, or local governmental agency or self-regulatory organization, including but not limited to the Securities and Exchange Commission and the Department of Justice.

8. The lack of any specific description or inclusion of any particular provision of the Settlement Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Settlement Agreement be approved in its entirety.

9. In the event of any discrepancy between the Settlement Agreement and this Order, the terms of this Order shall govern.

10. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement, implementation and interpretation of this Order, including as applicable with respect to entering judgment against the Journey Wealth Parties and in favor of the Liquidating Trust for any breach of the Settlement Agreement, and/or revocation of the Bar Order and the releases provided under the Settlement Agreement in the event that the Settlement Payment is not timely made as provided in the Settlement Agreement.

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Submitted by:

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(Epiq Corporate Restructuring, LLC is directed to serve copies of this Order upon all interested parties and to file a Certificate of Service with the Court.)