

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**GPB CAPITAL HOLDINGS, LLC;
ASCENDANT CAPITAL, LLC;
ASCENDANT ALTERNATIVE
STRATEGIES, LLC;
DAVID GENTILE;
JEFFREY SCHNEIDER; and
JEFFREY LASH,**

Defendants.

21-cv-005830-MKB-VMS

ECF CASE

**NOTICE OF ENTRY OF ORDER APPOINTING RECEIVER
AND IMPOSING LITIGATION INJUCTION**

**TO ALL INVESTORS, CREDITORS AND OTHER PARTIES IN INTEREST OF
GPB CAPITAL HOLDINGS, LLC AND THE OTHER RECEIVERSHIP ENTITIES,¹
PLEASE TAKE NOTICE OF THE FOLLOWING:**

Commencement of Receivership

On December 8, 2023, the United States District Court for the Eastern District of New York (the “Court”) entered the *Order Appointing Receiver and Imposing Litigation Injunction* (the “Appointment Order”),² appointing Joseph T. Gardemal III as receiver (the “Receiver”) of the Receivership Entities and the Receivership Assets (the “Receivership”). By entry of the Appointment Order, the prior order of the Court appointing Joseph T. Gardemal III as monitor has been terminated.

¹ The Receivership Entities are: Armada Waste Management GP, LLC (fka GPB Waste Management GP, LLC), Armada Waste Management, LP (fka GPB Waste Management, LP), Armada WM SLP, LLC (fka GPB WM SLP, LLC), GPB Auto SLP, LLC, GPB Automotive Income Fund, Ltd., GPB AUTOMOTIVE INCOME SUB-FUND, LTD., GPB Automotive Portfolio, LP, GPB Capital Holdings, LLC, GPB Cold Storage, LP, GPB H2 SLP, LLC, GPB H3 SLP, LLC, GPB Holdings II, LP, GPB Holdings III GP, LLC, GPB Holdings III, LP, GPB Holdings Qualified, LP, GPB Holdings, LP, GPB NYC Development, LP, GPB NYCD SLP LLC, GPB SLP, LLC and Highline Management Inc.

² All capitalized terms not otherwise defined herein have the meaning assigned to them in the Appointment Order.

General Case Information and Publicly Available Documents

The Receivership is pending in the Court before the Honorable Margo K. Brodie, United States District Judge.

A copy of the Appointment Order and all other documents filed in the Receivership are available free of charge by accessing the website maintained by Epiq (the “Claims and Noticing Agent”) at <https://dm.epiq11.com/GPBCapital> or by contacting the Claims and Noticing Agent directly at GPBCapInfo@epiqglobal.com.

Purpose of the Receivership

The Receivership provides a means for the Receiver to effectuate the distribution of the Receivership Assets to investors and creditors and to wind down the Receivership Entities in a timely, orderly and cost-efficient manner. During the Receivership, the Receiver will remain in possession and control of the Receivership Assets and will manage, operate and maintain the Receivership Entities.

The Receiver’s main responsibilities will include, but are not limited to, (a) ascertaining the financial condition of the Receivership Estate, (b) overseeing and managing the Receivership Estate, (c) preventing the improper encumbrance or disposal of the Receivership Assets, (d) managing litigation against the Receivership Estate, and (e) proposing for the Court a fair and equitable distribution of the remaining Receivership Assets. The Receiver will be filing a proposed distribution plan with the Court on or before January 22, 2024, in accordance with the Appointment Order.

Stay of Litigation

Pursuant to Article VII of the Appointment Order:

“As set forth in detail below, the following proceedings, excluding (i) the instant proceeding, (ii) all police or regulatory actions and actions of the Commission related to the above-captioned enforcement action, (iii) all actions pending or to be brought by the United States of America or any of its agencies, and (iv) all actions pending or to be brought by any state or commonwealth within the United States of America pursuant to such state’s or commonwealth’s police and regulatory power, are stayed and/or enjoined until further Order of this Court:

All existing or future civil legal proceedings of any nature, including, but not limited to, bankruptcy proceedings, arbitration proceedings, foreclosure actions, default proceedings, or other actions of any nature involving: (a) the Receiver, in the Receiver’s capacity as Receiver; (b) the Retained Personnel and/or Ordinary Course Professionals, in their respective capacities as such; (c) the Receivership Estate; or (d) the Receivership Entities or any Receivership Assets, wherever located. Any person or entity that seeks to put one or more of the Receivership Entities into voluntary or involuntary bankruptcy proceedings must seek leave of Court on motion upon no less than 14 (fourteen) days’ notice to the

Receiver and to the Commission staff. Any such motion must show good cause for the filing of voluntary or involuntary bankruptcy proceedings for such Receivership Entities.

The foregoing stay and injunction shall not prohibit the Receiver from commencing or continuing any litigation in its own name or in the name of any Receivership Entity. For any cause of action accrued or accruing in favor of the Receivership Estate against a third person or party, any applicable statute of limitation is tolled during the period in which this stay of existing legal proceedings and injunction against commencement of new or expanded legal proceedings is in effect as to that cause of action.”

INJUNCTION AGAINST INTERFERENCE WITH RECEIVER

Pursuant to Article VI of the Appointment Order:

“The Receivership Entities, and all persons and entities receiving notice of this Order by personal service, mail, electronic mail, facsimile, regular mail, through electronic case filing notices, overnight courier, or in any other manner consistent with due process, are hereby restrained and enjoined from directly or indirectly taking any action or causing any action to be taken, without the express written agreement of the Receiver, that would:

- A. Interfere with the Receiver’s efforts to take control, possession, or management of the Receivership Entities or any Receivership Assets; such prohibited actions include but are not limited to, taking any action to remove GPBCH as general partner of any GPBCH Fund or otherwise interfere with GPBCH’s control over any GPBCH Fund, using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution, or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any Receivership Assets;
- B. Hinder, obstruct or otherwise interfere with the Receiver in the performance of the Receiver’s duties; such prohibited actions include but are not limited to, concealing, destroying or altering records or information or interfering with any claim, distribution and/or wind-down plans or processes established by the Receiver;
- C. Dissipate or otherwise diminish the value of any Receivership Assets; such prohibited actions include but are not limited to, releasing claims or disposing, transferring, exchanging, assigning or in any way conveying any Receivership Assets, enforcing judgments, assessments or claims against the Receivership Entities or any Receivership Assets, attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness, security agreement or other agreement executed by the Receivership Estate or which otherwise affects any Receivership Assets; or,
- D. Interfere with or harass the Receiver, any Retained Personnel or any Ordinary Course Professional, or interfere in any manner with the exclusive jurisdiction of this Court over the Receiver, the Receivership Estate, the Receivership Entities, or the Receivership Assets.”

The Receiver is required by the Appointment Order to promptly notify the Court and Securities Exchange Commission staff of any failure or apparent failure of any person or entity to comply in any way with the terms of the foregoing or any other provisions of the Appointment Order.

Notices

If you wish to receive further notices of documents filed in the Receivership, you are encouraged to file with the Clerk of Court a written request for service of papers in accordance with the terms of the Court's local rules. Notice of filings can also be requested on the website maintained by the Claims and Noticing Agent at: <https://dm.epiq11.com/GPBCapital>.

Inquiries

Inquiries about the matters described herein may be directed to the Claims and Noticing Agent by email: GPBCapInfo@epiqglobal.com. Additional information about the Receivership is also available at: <https://dm.epiq11.com/GPBCapital>.