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May 09, 2025

Marcee D. Sloan, Board Prothonotary
Pennsylvania Judicial Center
601 Commonwealth Avenue, Suite 5600
P.O. Box 62625
Harrisburg, PA 17106-2625

Amelia C. Kittredge, Esquire
Office of Disciplinary Counsel
District I Office
1601 Market Street, Suite 3320
Philadelphia, PA 19103

Re: John W. Pauciulo, Esquire
DOCKET NO. 36 DB 2025
ATTORNEY REG. NO. 60474

Dear Marcee:

Please be advised I represent the Respondent, John W. Pauciulo, Esquire, in the captioned matter. Enclosed for filing please find my Answer to the Petition for Discipline on his behalf. If anything else is needed, please let me know. Thank you.

Very truly yours,


Samuel C. Stretton

SCS:mlr
Enclosure
Cc: John W. Pauciulo, Esquire

VIA EMAIL (paboardfilings@pacourts.us)
(Marcee.Sloan@pacourts.us)

BEFORE THE DISCIPLINARY BOARD OF
THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL	:	DISCIPLINARY BOARD
PETITIONER	:	
V.	:	DOCKET NO. 36 DB 2025
	:	
JOHN W. PAUCIULO, ESQUIRE	:	ATTORNEY REG. NO. 60474
RESPONDENT	:	
	:	(CHESTER COUNTY)

ANSWER OF THE RESPONDENT, JOHN W. PAUCIULO, ESQUIRE
TO THE PETITION FOR DISCIPLINE

The Respondent, John W. Pauciulo, Esquire, by his counsel, Samuel C. Stretton, Esquire respectfully answers the Petition for Discipline as follows, requests a Trial in the captioned matter, and denies violations of the charged rules for the following reasons:

1. Admitted.
2. Admitted with the exception the Respondent's law office has moved recently and is now located at 175 Strafford Avenue, Suite One, #206, Wayne, Pennsylvania 19087, which is in Chester County.
3. Denied as stated. The Respondent never represented CBSC, Par Funding company, or any of their respective shareholders, directors, or officers. Respondent was never involved in or aware of a fraud scheme. Respondent denies defrauding any investors. To the contrary, Respondent was

counsel to Dean Vagnozzi and his several companies. Par Funding was represented by the Fox Rothschild law firm.

4. Admitted there was a decision in a criminal case of which the Respondent was not a party. There is no finding in the case that the Respondent was involved. Respondent only represented Dean Vagnozzi and his companies. He was never involved with the LaFortes or Par Funding in any legal capacity.

5. Denied as stated. The Respondent did not represent Mr. Vagnozzi in that proceeding. He had independent counsel. In July of 2020, the SEC investigation involved Par Funding.

6. Denied as stated. Par Funding's business involved factoring accounts receivable, a form of financing. Second, it is denied that the securities had to be registered with the SEC. To the contrary, under 506(b) of Regulation D, Respondent's position was the securities offered by his client, Mr. Vagnozzi, did not have to be registered with the SEC.

7. Denied as stated. Respondent did not know what Par Funding advertised in 2011. In early 2016, as part of his representation of Mr. Vagnozzi, he was told that Par Funding provided financing to small businesses, which were then required to pay them back. This was known as the factoring discount.

8. Denied. Respondent never became involved with the scheme. Respondent never represented Par Funding. To his knowledge, the notes offered by Par Funding did not have to be registered under 506(b) of Regulation D in the Securities Act. Respondent did his due diligence for his client, Dean Vagnozzi, and did not see any misconduct at the time.

9. Denied as stated. But some time later and without Respondent's knowledge or involvement, Mr. Vagnozzi did sell some of the promissory notes offered by Par Funding.

10. Denied that the Respondent, in any way, set up companies to create a more complex structure to avoid any scrutiny or regulation. Again, the Respondent never represented Par Funding. Respondent only represented Dean Vagnozzi and his companies.

11. Denied. It is absolutely and emphatically denied the Respondent played a pivotal role in any scheme. Denied that he was dishonest, reckless, conflicted, and self-serving. Respondent was not involved with Par Funding and was not aware of their misconduct. Respondent never invested any monies in Par Funding nor did he invest any monies with Dean Vagnozzi. The Respondent, other than legal fees, received no money from Mr. Vagnozzi or his companies. He was just acting as Dean Vagnozzi's private lawyer.

12. Emphatically denied. Respondent did not exploit his status as a lawyer or expose his own clients and innocent retail investors to a fraudulent scheme. That is emphatically denied. Respondent was not aware of any fraudulent schemes at the time and did not participate in it.

13. Admitted the Respondent, from 2010 to 2022, was a Partner in the Eckert Law Firm. Admitted he was Chairman of the Financial Transactions Practice Group. Respondent is a very knowledgeable corporate lawyer and, in fact, at one point in his career, he worked for the Securities and Exchange Commission as a lawyer in the Enforcement Division.

14. To the best of Respondent's knowledge, apparently members of Par Funding, the LaFortes, and others have entered Guilty Pleas. Some of them have been sentenced to substantial prison terms. Respondent was not charged criminally and is not involved in the criminal cases in any way.

15. To the Respondent's understanding, the wife of Joseph LaForte has also pled Guilty, but the Respondent is not involved in the criminal cases in any way.

16. Admitted that the Securities and Exchange Commission instituted public administrative proceedings against Respondent in 2022. That matter was settled and there was no admission of any

liability by the Respondent. It is true that, as part of the settlement, the Respondent was suspended from practicing before the SEC for five years.

17. Admitted, but this is a statement of the law to which no answer is required. But there are exceptions, and there is no requirement of registration under Rule 506(b) of Regulation D of the Securities Act.

18. Generally correct, but this is really a statement of law to which no response is required. Under Regulation D in Section 506(b), there are exceptions and safe harbors where there is no registration requirement.

19. Admitted. Rule 506(b) of Regulation D of the Securities Act speaks for itself. Generally though, this is a correct summary of the rule.

20. Admitted this is generally correct. This is, again, a summary of the statement of the law for which no answer is required. Generally, it summarizes the law in private placements.

21. Admitted. Again, this is a statement of the law for which no answer is required, but that is a generally correct summary.

22. Admitted that this is generally a correct summary of the law for which no answer is required.

23. Admitted. Again, this is a general summary of the law for which no answer is required.

24. Admitted, but this is a general summary of the law for which no answer is required.

25. Admitted that this is a general summary of the law for which no answer is required.

26. Admitted this is a general summary of the law for which no answer is required.

27. Admitted the Respondent began representing Dean Vagnozzi who was a Financial Advisor initially involving Life Insurance in 2004. Sometime later, Mr. Vagnozzi formed a business called A Better Financial Plan (ABFP).

28. Admitted Mr. Vagnozzi, at one point, had several different security licenses. To the best of Respondent's knowledge, these licenses are no longer valid since Mr. Vagnozzi apparently gave them up somewhere in the 2010 range.

29. Admitted there might have been such an advertisement, but the Respondent did not review or approve the advertisement, and he was not involved in making the advertisement. It must be remembered that the Respondent, during this entire time period, represented many, many, many other business clients, and Dean Vagnozzi was only one of them. Further, Respondent's

representation of Dean Vagnozzi was limited to those matters on which Mr. Vagnozzi sought his advice.

30. Dean Vagnozzi did aggressively market through the radio and elsewhere. Respondent was not involved in that advertising campaign and did not give advice.

31. Denied as stated. Respondent was not involved in any unauthorized fashion. Respondent did not consent to Mr. Vagnozzi using the Respondent's license or his law practice at that time. Respondent did not approve those advertisements. Respondent was only Mr. Vagnozzi's lawyer. He did not run Mr. Vagnozzi's business.

a. Respondent did not approve or agree to that.

b. Respondent did not agree to that.

c. Denied. Respondent did not agree to that and Respondent did not advise people to invest in any matters. He was the lawyer for Mr. Vagnozzi.

32. Admitted, but this was to explain a legal issue regarding exemptions from registration and private placements.

33. Denied as stated. It was admitted that the Respondent did speak and Mr. Vagnozzi recorded certain explanations of legal issues. The recordings were only on the issue of the 506(b) exemption under Regulation D of the Securities Code. Respondent

did not provide investment advice, but he explained this complicated rule, 506(b).

34. Admitted there was such a video. Again, that video talked about the exemptions under Rule 506(b). That was the Respondent's role as the lawyer for Dean Vagnozzi. Respondent explained how Rule 506(b) worked.

35. Denied as stated. Respondent never used his title to bolster his expertise. Respondent described his role in the firm, but his purpose was to describe the 506(b) exemption. Respondent did not use this as a marketing ploy, but was providing a legal explanation.

36. Admitted that was said.

37. Admitted there was a longer video but, again, the bottom line was the discussion about Regulation D of the Securities Code and 506(b). Respondent did not invest in these matters and did not say he did.

38. Admitted that was said.

39. Admitted. Respondent was explaining the exemptions under 506(b).

40. Admitted. Respondent was not given an opportunity to approve the Ads of Mr. Vagnozzi.

41. Denied as stated. Mr. Vagnozzi retained the Respondent in 2016 to conduct due diligence on Par Funding.

42. Admitted Par Funding had an advertising piece, but the Respondent was not involved in preparing that, or approving that. Respondent did not represent Par Funding.

43. a. Admitted. That is a general summary of Par Funding's business as described to Respondent at the time.

b. Admitted. The Par Funding notes were not registered under 506(b) of the Securities Act.

c. Probably true, though the Respondent is not aware of all the salesmen for Par Funding. They would not have to be registered with the SEC if the documents were exempt under 506(b).

44. Denied. To the Respondent's knowledge based on what he was told at the time, it was his belief that the Security did not have to be registered pursuant to Regulation D of the Securities Code, Section 506(b).

45. Denied. Respondent never represented Par Funding. He always represented only Mr. Vagnozzi and his companies. Respondent did not deal with the management team of Par Funding. He represented Dean Vagnozzi. The Respondent, in 2016, had a due diligence meeting with the Par Funding team. LaForte was present.

46. Admitted that Respondent testified in the deposition as to names of people who he was told worked for Par Funding as part of their management team. Respondent did not represent them.

47. Admitted that is what the Respondent said in summary, but the actual testimony should be reviewed. Respondent did due diligence, but ultimately was told by Mr. Vagnozzi to stop the investigation of Par Funding because Mr. Vagnozzi did not want to spend the monies for a full due diligence review. Though the Respondent specifically denies it was a superficial inquiry, he did inquire, but was told to stop by Mr. Vagnozzi when the cost amounted to about \$20,000. Denied there was any willful blindness or recklessness. Admitted that all information, which was requested was not provided, and Respondent advised his client, Dean Vagnozzi, as such. Mr. Vagnozzi indicated that he did not want to press for the information.

48. Admitted.

49. Admitted. It should be noted that most businesses do not have audited Financial Statements and are not legally required to have them, and apparently Par Funding did not either. It is not unusual because of the expense for audited Financial Statements.

50. Admitted in part. Respondent met with Barletta and Lisa McElhone. He did not meet with Joe Mack (LaForte). It should be

noted that Respondent was not aware that Joe Mack and Joe McElhone were really names for LaForte. He only learned that at a much later time.

51. Admitted. Respondent asked, but was not given that information. He has a vague recollection of seeing a document shown. Lisa McElhone was present.

52. Admitted that is what the Respondent said.

53. Admitted that is what the Respondent testified to, though his entire testimony has to be reviewed. The Respondent was not asked to do anymore investigation by his client, Mr. Vagnozzi.

54. Admitted that is what was said in the deposition, but Respondent thought it might be at a later time, but his entire deposition testimony had to be read. As to the plane trip, that was in 2020 to the Respondent's recollection. Mr. Vagnozzi asked the Respondent to go with him and several others to look at other businesses and to give him advice. Again, Respondent did not represent anyone except for Dean Vagnozzi and his business.

55. Admitted that email states that.

56. Denied as stated. Respondent did not know that information. He did not know, at the time, they were convicted felons. He did not know about the New York matter. None of that was known by him. This was not revealed during the original due

diligence review. Mr. Vagnozzi told the Respondent to go no further in the due diligence review. It was only much later Respondent learned about the criminal background.

57. Though that is true, the Respondent did not know those details at the time.

58. Denied as stated. Respondent did not know that information about Perry Abbonizio. He was not aware of any of that.

59. a. Denied. Respondent had no knowledge of that Order.

b. Denied. Respondent had no knowledge of that.

c. Respondent had no knowledge of that. No one told him that and it was not discovered during his initial review, which Mr. Vagnozzi asked him to go no further.

60. Denied as stated. Respondent did no docket searches then and was not aware of any of this information. Respondent wanted to do a very extensive background search on Par Funding, but Mr. Vagnozzi told him not to do anymore after he was submitted a \$20,000 bill. Respondent was not aware of these unpaid loans, etc.

61. Denied as stated. Respondent was not aware of that information, and no one told him.

62. Admitted that the Respondent, during his deposition with the SEC, indicated he did not do West Law searches.

63. Admitted. No documents were given. It must be remembered Respondent did not represent Par Funding and did not know those people. When the Respondent first met with Par Funding, they gave a Power Point presentation and the Respondent recalls that there was a slide about Par Funding's customer default notes. All of this information provided by Par Funding was conveyed to Dean Vagnozzi.

64. Admitted.

65. Admitted.

66. Admitted. Respondent did no further investigation because he was told not to by Mr. Vagnozzi, his client. He was told to stop in or about May of 2016.

67. Admitted. Respondent did not know about that at the time. It should be noted Mr. Vagnozzi did not seek the Respondent's advice regarding activity as a "Finder" for Par Funding in September of 2016.

68. Denied as stated. Respondent began working on a draft, but it was never utilized since the draft was in early stages and never completed.

69. Denied due diligence was meager. Respondent did some due diligence and then was told to stop by his client. It is not the Respondent's fault that the Par Funding people lied to him and to

others nor is it his fault that his client told him to stop doing any further due diligence. Mr. Vagnozzi did continue to advertise, but the Respondent was not involved in drafting or approving the advertisements. That was Mr. Vagnozzi. Respondent was the lawyer for Mr. Vagnozzi, not a corporate officer with Mr. Vagnozzi.

70. Admitted Mr. Vagnozzi used the Respondent's name in his advertisements, but Respondent did not approve that use. Anytime the Respondent spoke on behalf of Mr. Vagnozzi, it was to explain the Regulation D, 506(b) exemptions for security regulations.

71. Admitted at the dinner the Respondent again explained what he did several times on behalf of Mr. Vagnozzi about Regulation D, 506(b) exemptions on the securities, promissory notes, and other documents did not have to be registered at securities.

72. a. Admitted the Respondent said that.

b. Admitted the Respondent said that.

73. Denied as stated. Respondent never attempted to explain away his failure to disclose LaForte's criminal background. Respondent, as noted, did not know about the criminal background originally, and only learned about that much later.

a. Admitted that is what the Respondent said.

b. The Respondent objects to the fiduciary duty suggestion and the editorial comments. These are statements of law, which are not part of pleadings and just argument, and he denies those allegations. Respondent's client was Dean Vagnozzi. He reviewed his thoughts with Dean Vagnozzi and Dean Vagnozzi made the decision to do business with Par Funding.

Under Answer No. 73, it should be noted there is no criminal disclosure requirement if a conviction is more than ten years old.

74. Apparently true. Respondent was not involved at that time.

75. Admitted, though the Respondent was not involved initially with that complaint.

76. Admitted, but it should be pointed out the promissory notes do not have to be registered under Rule 506(b) and the same thing applied with Pennsylvania Department of Banking rules.

77. Respondent was not involved with that, but he believes such a subpoena was issued. Remember, the Respondent did not represent Par Funding.

78. Denied. Respondent has no knowledge of what Par Funding's attorney learned or told Par Funding. Respondent was not involved with that and not spoken to.

79. Denied. Respondent has no knowledge of what Par Funding's counsel advised them to do or not do because no one told him about it, or sought his information or advice.

80. a. Denied as stated. Respondent was not involved in that settlement and does not know all of the details.

b. Denied. Respondent was not involved in that and did not discuss with Par Funding counsel that information. Respondent has no direct knowledge of that.

81. a. Admitted. Apparently, there was an investigation, but Respondent was not involved. Mr. Vagnozzi was doing this on his own. There were different notes and brokers involved.

b. Denied that the Respondent represented Mr. Vagnozzi on that.

82. Denied. Respondent was not involved with that and has no personal information.

83. Denied. Respondent has no involvement with that and has no personal information.

84. a. Admitted. Respondent, during his deposition, indicated he was not involved with the New Jersey Regulatory matter.

b. Admitted because the Respondent did not represent Mr. Vagnozzi in that and learned about it only from the newspaper. It must be remembered that Respondent was counsel for Dean Vagnozzi. He did not know everything in Dean Vagnozzi's life. He only knew of the issues Mr. Vagnozzi asked him to be involved in.

85. Denied the Respondent was involved in any decision-making in that regard.

86. Denied. Respondent had no involvement with Par Funding. He never represented them. He never went into overdrive. Respondent represented ABFP and Mr. Vagnozzi.

a. Admitted. Respondent represented persons identified by Mr. Vagnozzi.

b. Admitted.

c. Admitted.

87. Denied as stated. Respondent did not continue to act unlawfully. He did explain what had to be registered and what did not have to be registered under 506(b). He did believe that his advice was proper for Dean Vagnozzi to work under the exception to the registration.

88. Denied as stated. Respondent was not involved in creating a turnkey. He was not involved in Mr. Vagnozzi's soliciting of unregistered agents from outside of Pennsylvania.

89. Denied as stated. Respondent represented the so-called agent funds for which his law firm earned fees. What Mr. Vagnozzi earned with the agent funds, Respondent does not know since he was not involved in that aspect.

90. Admitted. Respondent did not prepare this document. It was prepared by someone else. Admitted some of these things were said, though the document speaks for itself.

91. Admitted that is what the document said. Respondent did not write this and did not approve it.

92. Admitted. Apparently, that was the arrangement, but the Respondent was not involved in this. Respondent did not invest in it, received no money from it, was not consulted, and was not involved.

93. a. Admitted. Respondent did draft specific documents as requested by Mr. Vagnozzi and the individual agents who set up investment funds.

b. Admitted. Respondent did draft Security Compliance Forms.

c. Admitted.

94. a. Admitted.

b. Admitted.

c. Admitted. Respondent went to a meeting, but only as Mr. Vagnozzi's attorney.

95. Admitted that is what the Respondent said, but the entire deposition has to be read.

96. Respondent is not sure, but thinks that is roughly the correct amount. Again, he has no direct knowledge.

97. Admitted that is what the Respondent said.

98. Admitted in part. Legal fees were paid to Respondent's law firm. Respondent did not receive any "income stream."

99. Admitted there was potential for a conflict, but the conflict was waived.

100. Admitted the Respondent's law firm had benefited from legal fees by Dean Vagnozzi, but it must be remembered that the law firm represented Mr. Vagnozzi from about 2010 until 2022. If you view it that way, his firm made approximately \$100,000 each year. Those are not excessive fees.

101. Denied as stated. The Respondent had drafted some documents, but did not work closely with Par Funding, and did not represent Par Funding.

102. Admitted.

103. Admitted.

104. Admitted.

105. Denied since the allegation is one of speculation.

106. Denied as stated. Respondent always told Mr. Vagnozzi to invest in several different merchant cash advance companies.

107. Denied as stated. It is denied that the documents were false and misleading. Respondent believes and still does that the documents did not have to be registered and complied with Regulation D of the securities law, Rule 506(b).

108. a. Denied. Respondent had no knowledge they were subject to general solicitation.

b. Denied. Respondent was not aware that there was a requirement that the agents be registered because the agents were principals of their own funds.

c. Denied. Further, Respondent disagrees with the summary of the law on that particular issue and no answer is required since this is a legal conclusion. It should also be noted

that it was questionable whether much of that information was material to the investors.

109. a. Denied. Respondent incorporates his earlier answers and explanations. Also, as noted above, if the criminal records were more than ten years old, there was no requirement to disclose.

b. Denied. The Respondent incorporates and references earlier answers. As noted, most businesses do not have audited Financial Statements because of the expense, and there is no legal requirement to have audited financials.

c. Admitted, though the Respondent did not disclose them because he believed they were not material and the issues had been resolved.

d. Admitted.

110. a. Admitted.

b. Admitted and all of that is perfectly legal.

c. Admitted.

111. Denied as stated. That is a conclusion of law and no answer is required. Whether that would apply in this case with the conflicts is an issue that cannot be resolved on the pleadings and proof is demanded at Trial.

112. Denied as stated. The Respondent was still representing Mr. Vagnozzi and that was referenced in the PowerPoints.

a. Denied. Respondent was not involved in those statements and advised against it.

b. Respondent, again, advised against these statements. Respondent did not approve what is set forth in this question and was not told about it.

113. Denied as stated. Respondent received only several calls and answered only their legal questions. He never gave advice about the investments.

114. Admitted, though the Respondent was not involved with the Texas matter.

115. Admitted. Respondent did not represent Mr. Vagnozzi in the Texas matter, but advised him to hire a Texas lawyer.

116. Denied as stated. Respondent was not involved in the Texas matters since Mr. Vagnozzi hired Texas counsel. Further, the wrong entity was cited in the Texas matter.

117. a. Admitted.

b. Admitted.

c. Denied as stated. Respondent has no idea what this individual said and what made this individual decide to get

involved with this. Respondent just provided legal background to the person.

118. Admitted that Mr. Vagnozzi sent such an email. Respondent did not send such an email. This email was sent at the beginning of COVID in March of 2020 when everything was shutting down.

119. Admitted that is what Mr. Vagnozzi said.

120. Denied as stated. First, the Respondent did not send that email. Denied that the Respondent was advising investors. Respondent represented Mr. Vagnozzi. A few times, investors would call the Respondent at Mr. Vagnozzi's request, but the Respondent did not represent them.

121. Emphatically denied. It is denied the Respondent baselessly concluded that Par Funding was insolvent.

122. Denied there was no one pressured in these videos. On the contrary, advice was given as to what to do in a very difficult time since COVID was hitting and everything was closing down.

123. Admitted. Respondent had to sign a Nondisclosure Agreement to get information from Par Funding.

124. Admitted, but the videos speak for themselves.

125. Admitted, but the videos speak for themselves.

126. Admitted, though the videos speak for themselves.

127. Admitted that the videos speak for themselves.

128. Admitted, though the videos speak for themselves.

129. Admitted.

130. Admitted.

131. Denied. Respondent gave his honest assessment about the situation as best he could "as COVID began." There is a concept called "Zone of Insolvency" where Courts will look if Creditors can be paid when due and things of that nature. Respondent was correct in his assessment.

132. Admitted. Respondent's conclusion at that point was that Par Funding was in bad financial shape.

a. Admitted.

b. Admitted.

c. Admitted. Respondent was just saying what was the best of three bad choices.

133. Admitted that is what the Respondent said, though the statement has to be reviewed.

134. Denied. Respondent's client was Dean Vagnozzi and his company. He did not represent Par Funding. He did not represent

investors. He was not advising them what to do or not do. He was just giving general advice during a very difficult time as the pandemic was taking over everything and closing down businesses.

135. Denied that the Respondent used more coercive language. The videos speak for itself. This does summarize some of the video.

136. Admitted.

137. Admitted. Another video was sent where Respondent spoke on the video.

138. Admitted.

139. Admitted, though the entire video speaks for itself.

140. Denied as stated that there was "without any basis."

a. Admitted.

b. Admitted.

c. Admitted.

141. Denied that anything done was false, misleading, and had material misrepresentations. This is emphatically denied. The video speaks for itself.

142. a. Admitted.

b. Admitted Respondent had been told that individuals have liens in 2016, but not in 2021.

c. Admitted. Respondent did a brief search, but used the wrong name as noted above.

143. Admitted.

144. Admitted.

145. a. Denied as stated. Approximately, 90% took the offer and the other 10% did not.

b. Admitted.

c. Denied.

146. Admitted such a petition was filed.

147. Denied. Respondent denies that as a conclusion of law to which no answer is required. Further, at all pertinent times the Respondent was not aware of the Pars Funding misconduct.

148. a. Admitted that is what the Court concluded. Denied that is necessarily accurate. The Respondent was not involved in that part of the litigation.

b. Denied. The Respondent has no personal knowledge.

149. Admitted that is what the auditor said. Respondent was not aware of that information when he was representing Dean

Vagnozzi. Respondent denies he was aware that this was a Ponzi Scheme at the pertinent times.

150. Apparently it is true that LaForte and others for Par Funding acted illegally, and improperly, and probably criminally. Denied that the Respondent knew of the misconduct during his representation. He represented Mr. Vagnozzi. The Respondent did not represent Par Funding. He was not aware that Par Funding was acting badly. The Respondent provided advice to Mr. Vagnozzi based on what he knew to the best of his abilities.

151. Denied as stated. Respondent did not play a central or any role in the scheme of misconduct. Respondent represented a client, Mr. Vagnozzi and his company, and did his best to do so. Unfortunately, Par Funding was acting illegally, but the Respondent was not aware of it at the pertinent times. In hindsight, it is easier to say, you should have known, but the reality is the Respondent did not know, and tried his best to represent Mr. Vagnozzi to the best of his abilities. As to what the investors would have done or not done, the Respondent does not know and states that is pure speculation, and not relevant to these matters. Respondent emphatically denies the allegation.

152. Admitted that Mr. LaForte now has been convicted and agreed to forfeit his assets. Mr. LaForte unfortunately turned out to be a very bad person, but the Respondent was not aware of this

during the pertinent times. It must be kept in mind, the Respondent did not get one penny from the above deals other than his earned legal fees for over 13 or 14 years of representation.

153. Admitted.

154. Apparently that is true. Respondent has not been so found.

155. Denied. Respondent denies violating the charged Rules of Professional Conduct. He has asked for strict proof at Trial.

WHEREFORE, the Respondent by his counsel, Samuel C. Stretton, Esquire, respectfully requests that a Hearing Committee be appointed, a hearing be held on these matters, and after the hearing, this case be dismissed since the Respondent never intentionally was involved in any fraudulent scheme, represented only one client, Dean Vagnozzi and his company, and was not involved in any illegal or fraudulent activities.

New Matter

Respondent raises the following defense by way of New Matter:

156. Respondent incorporates by reference all of his answers to the Petition for Discipline.

157. Respondent raises the four-year statute of limitations under Pennsylvania disciplinary rules.

158. Respondent raises the doctrine of latches.

159. Respondent contends that at all pertinent times he never represented Par Funding or any of the pertinent people. He only represented Dean Vagnozzi and his companies. His involvement was that as a lawyer. His main advice was essentially that these documents were unregistered securities pursuant to Regulation D of the Securities Act and Rule 506(b) based on the information given to him.

160. Respondent himself never invested or received any funds other than his law firm received legal fees for over 13 or 14 years of work.

WHEREFORE, the Respondent by his counsel, Samuel C. Stretton, Esquire, respectfully requests these charges be dismissed and this case closed.

Respectfully submitted,



s/Samuel C. Stretton
Samuel C. Stretton, Esquire
Attorney for Respondent,
John W. Pauciulo, Esquire
103 South High Street
P.O. Box 3231
West Chester, PA 19381-3231
(610) 696-4243
Attorney I.D. No. 18491

05/09/25
Date

VERIFICATION

I, John W. Pauciulo, Esquire, hereby verify that the facts set forth in the attached Answer to the Petition for Discipline are true and correct to the best of my knowledge, information, and belief. I understand that any false statements made herein are subject to the penalties of 18 Pa.C.S.A. Section 4904 relating to unsworn falsification to authorities.

Date:

May 9, 2025

John W. Pauciulo
John W. Pauciulo, Esquire