UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

WIGBERTO LUGO-MENDER as the duly appointed Trustee in the liquidation of EURO PACIFIC INTERNATIONAL BANK, INC. *Plaintiff,* vs. **QENTA, INC.; PETER D. SCHIFF; BRENT DE JONG; ABC INSURANCE COMPANY; XYZ INSURANCE COMPANY; and DEFENDANTS A and B.** *Defendants,* **EURO PACIFIC FUNDS SCC LTD.; EURO PACIFIC SECURITIES, INC.; EURO PACIFIC CARD SERVICES LTD. AND GLOBAL CORPORATE STAFFING LTD.** *Parties in Interest.*	CASE NO.: **25-cv-1501(PAD/GLS)** VIOLATION OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 1, *et. seq.;* VIOLATION OF THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT, 18 U.S.C. §1962; DECLARATORY JUDGMENT; REQUEST FOR PROVISIONAL REMEDIES PURSUANT TO THE PUERTO RICO RULES OF CIVIL PROCEDURE; DEMAND FOR TRIAL BY JURY

MOTION TO HOLD IN ABEYANCE CO-DEFENDANT PETER D. SCHIFF'S MOTION FOR RULE 11 SANCTIONS (DOCKET NO. 49)

TO THE HONORABLE COURT:

COMES NOW, Wigberto Lugo-Mender, in his capacity as the duly appointed Trustee in the liquidation of **Euro Pacific International Bank, Inc.** (hereinafter "EPIB"), by and through its undersigned counsel, very respectfully STATES and PRAYS:

On November 6, 2025, co-defendant Peter D. Schiff filed an improvident Motion for Sanctions under Rule 11 (Docket No. 49). The Trustee respectfully but unequivocally denies the factual assertions and accusations contained in that motion. The *Verified Complaint* was filed only after extensive investigation, corroboration through documentary evidence, and is accompanied by a sworn Declaration detailing the factual basis for every cause of action. Nothing in the *Verified Complaint* was filed lightly, hastily, or without a solid factual foundation. The Trustee has advanced a strong and well-supported claim against all defendants, grounded in substantial evidence, and brought not only to vindicate the rights of harmed customers but also to protect a significant public interest; namely, the integrity of Puerto Rico's regulated financial system and the safeguarding of customer assets entrusted to a licensed financial institution.

At the same time, the Trustee remains committed to working cooperatively with all parties, Mr. Schiff included, in the Court-ordered settlement process currently underway. The Trustee has no desire to escalate conflict unnecessarily or to derail the progress that has been made. To that end, and in the interest of facilitating the most constructive and transparent negotiations possible, today the parties have executed a confidentiality agreement that will permit Qenta, Inc. to disclose critical asset information previously withheld. This disclosure is essential to the settlement discussions and will enable the Trustee, Qenta, and Mr. Schiff to engage meaningfully in the next round of negotiations.

In light of this progress and the sensitive nature of these ongoing discussions, the Trustee respectfully submits that adjudicating Mr. Schiff's Rule 11 motion at this stage would be counterproductive, would risk destabilizing the settlement process, and would undermine the cooperative posture the Court has directed the parties to maintain. For these reasons, the Trustee requests that the Rule 11 motion be held in abeyance pending the conclusion of settlement negotiations, without prejudice to any party's arguments or defenses.

Should the parties be unable to resolve the dispute, the Trustee is prepared to respond to the motion for sanctions by December 8, 2025 (Docket No. 52).

Granting this request will serve judicial economy, avoid unnecessary expenditure of party and judicial resources, and foster the possibility of an early global resolution in the best interest of affected EPIB customers and all parties.

WHEREFORE, Plaintiff respectfully requests that the Court: (i) hold the pending motions for sanctions under Rule 11 in abeyance pending the conclusion of settlement negotiations; and, (ii) should the parties be unable to resolve the dispute, grant the Trustee until December 8, 2025, to respond to the referenced motion for sanctions.

WE HEREBY CERTIFY: that on this date, we electronically filed the foregoing motion with the Clerk of the Court using the CM/ECF system that will send notification of such filing to all attorneys of record registered in the use of the CM/ECF system.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico this 20th day of November 2025

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