IN THE 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, v. **QENTA, INC.; PETER D. SCHIFF; BRENT DE JONG; ET AL.,** Defendants. **EURO PACIFIC FUNDS SCC LTD.; EURO PACIFIC SECURITIES, INC.; EURO PACIFIC CARD SERVICES LTD.; AND GLOBAL CORPORATE STAFFING LTD.** Parties in Interest.	**CIVIL NO.**: 25-1501 (PAD)

DEFENDANT PETER D. SCHIFF'S MOTION TO MAINTAIN AND EXPEDITE ADJUDICATION OF PENDING MOTION FOR SANCTIONS

TO THE HONORABLE COURT:

COMES NOW Defendant Peter D. Schiff ("Schiff" or "Defendant"), through the undersigned counsel, and respectfully states and prays as follows:

1. On May 8, 2026, the Trustee Wigberto Lugo-Mender filed a Notice of Voluntary Dismissal pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(i), dismissing this action with prejudice following his settlement with Defendant Qenta, Inc. (Docket No. 94.) Defendant Peter D. Schiff was not a party to that settlement.
2. The Trustee's decision to dismiss the case does not, and cannot, moot the pending Motion for Sanctions (Docket No. 49) that Mr. Schiff filed on November 6, 2025. The voluntary dismissal of a frivolous lawsuit does not undo the harm it caused, does not compensate the sanctioned party, and does not deter future misconduct.

3. It is well settled that a district court retains jurisdiction to consider and impose Rule 11 sanctions after a case has been voluntarily dismissed. *Cooter & Gell v. Hartmarx Corp.*, 496 U.S. 384, 395-96 (1990) (holding that a court may award Rule 11 sanctions even after a plaintiff voluntarily dismisses its action under Rule 41(a)(1)(A)(i), because 'the imposition of a Rule 11 sanction is not a judgment on the merits of an action' but rather 'a separate and distinct proceeding'). The Supreme Court was unambiguous: "[a] voluntary dismissal does not deprive a court of authority to impose Rule 11 sanctions." *Id.* at 395.
4. This principle is fully applicable here. The Trustee's Notice of Dismissal (Docket No. 94) cannot extinguish Mr. Schiff's right to seek redress for the sanctionable conduct that occurred before dismissal. Accordingly, Mr. Schiff respectfully requests that the Court adjudicate the pending Motion for Sanctions (Docket No. 49) on an expedited basis.
5. Prompt adjudication is warranted for several reasons. First, Mr. Schiff has been living under the cloud of demonstrably false RICO and CEA allegations for months. The longer the motion remains unresolved, the longer the harm to his reputation continues without judicial remedy. Second, the public record of this case—including the Verified Complaint and its baseless allegations—remains accessible. A ruling on the sanctions motion would provide the public, Mr. Schiff's customers, and the financial community with the Court's assessment of the propriety of the Trustee's conduct. Third, judicial efficiency is served by resolving the pending motion now, while the record is fresh and counsel for all parties are fully familiar with the underlying facts.

WHEREFORE, Defendant Peter D. Schiff respectfully requests the Court GRANT this motion, with any relief it deems just and necessary.

RESPECTFULLY SUBMITTED in San Juan, Puerto Rico on this May 8, 2026.

WE HEREBY CERTIFY: Today we have electronically filed the foregoing document using the CM/ECF system which will send a copy and notification of filing to all counsel of record.

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