

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 20-CIV-81205-RAR

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**COMPLETE BUSINESS SOLUTIONS
GROUP, INC. d/b/a PAR FUNDING, et al.,**

Defendants.

**ORDER FOR LISA MCELHONE AND JOSEPH COLE BARLETA
TO SHOW CAUSE WHY THEY SHOULD NOT BE HELD IN CONTEMPT**

THIS CAUSE comes before the Court upon the Receiver's Motion for an Order Requiring Lisa McElhone and Joseph Cole Barleta to Show Cause Why They Should Not be Held in Contempt [ECF No. 423] ("Motion"), filed on December 11, 2020. The Court having reviewed the Motion and the record in this matter, and being otherwise fully advised, it is hereby

ORDERED AND ADJUDGED that the Motion is **GRANTED** as set forth herein.

A party may initiate contempt proceedings by filing a motion requesting the court to issue an order to show cause why a party should not be held in civil contempt. *Newman v. State of Ala.*, 683 F.2d 1312, 1318 (11th Cir. 1982). "If the court finds that the conduct as alleged would violate the prior order, it enters an order requiring [the party] to show cause why [the party] should not be held in contempt and conducts a hearing on the matter." *Mercer v. Mitchell*, 908 F.2d 763, 768 (11th Cir. 1990).

The Court's Orders appointing the Receiver in this case [ECF Nos. 36 and 141] ("Orders") authorized the Receiver to exercise exclusive possession or control over Receivership Property and prohibited Defendants from interfering with the Receiver's efforts to take control, possession,

or management of any Receivership Property. The Motion asserts that despite the Orders, Defendants Lisa McElhone and Joseph Cole Barleta and their former employees at Par Funding continued to access and/or download files via Par Funding's servers after the establishment of the Receivership. *See* Mot. at 8-11. Specifically, the Motion notes three violations of the Orders by Defendants: (1) using Par Funding employees to access and download Receivership Property; (2) setting up a separate cloud-based server and copying Par Funding documents to that server, about which Defendants failed to notify the Receiver or return forthwith; and (3) copying the entire Par Funding and Full Spectrum QuickBooks accounting database to a separate server under Defendants' control. *Id.* at 7.

The Motion also alleges that the Receivership Property was not immediately returned to the Receiver as required by the Orders; indeed, Defendants are purportedly continuing to refuse to provide the Receiver with a copy of the QuickBooks database improperly hosted on Summit Hosting, a cloud-based hosting software. *Id.* at 14. Considering the allegations and evidence presented by the Receiver regarding the aforementioned violations of the Court's Orders, it is

ORDERED AND ADJUDGED as follows:

1. The Motion [ECF No. 423] is **GRANTED**.
2. Defendants Lisa McElhone and Joseph Cole Barleta shall show cause why they should not be held in civil contempt for violating the Orders [ECF Nos. 36 and 141] by filing a written response to the Receiver's Motion on or before **December 22, 2020**.

DONE AND ORDERED in Fort Lauderdale, Florida, this 11th day of December, 2020.



RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record