

**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.

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**DEFENDANTS' MOTION TO COMPEL THE RECEIVER TO PRODUCE  
DOCUMENTS RESPONSIVE TO DEFENDANT LISA MCELHONE'S  
REQUESTS FOR PRODUCTION OF DOCUMENTS**

Pursuant to the Court's order dated December 31, 2020 [D.E. 457], Defendants Perry S. Abbonizio ("Abbonizio"), Joseph W. LaForte ("LaForte"), and Dean J. Vagnozzi ("Vagnozzi") (together, the "Moving Defendants") file this Motion to Compel the Receiver to produce documents responsive to Defendant Lisa McElhone's requests for production of documents, the first of which was served on the Receiver **three-and-a-half months ago** on September 22, 2020 (the "First Requests"). The Moving Defendants continue to be prejudiced by their lack of access to requested documents and information in the Receiver's exclusive possession and control. The Receiver cannot justify continuing to withhold responsive documents merely because of an ongoing dispute with other Defendants who the Receiver has not even alleged are similarly situated. As such, and for the reasons explained in more detail below, the Court should grant this Motion and compel the Receiver to produce documents to the Moving Defendants immediately, as the need for these documents is dire.

## I. BACKGROUND

On July 24, 2020, the Securities and Exchange Commission (the “SEC”) initiated this action by filing a Complaint for Injunctive and Other Relief. [D.E. 1]. The SEC simultaneously filed a motion for the appointment of a Receiver over the Defendant entities, including Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding” or “Par”), Full Spectrum Processing, Inc. (“Full Spectrum”), and ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan (“ABFP”). [D.E. 4]. On July 27, 2020, the Court granted the SEC’s motion and entered an order appointing Ryan K. Stumphauzer, Esq. as Receiver. [D.E. 36]. The Court entered an amended Receivership order on August 12, 2020.<sup>1</sup> [D.E. 141, and with D.E. 36, the “Receivership Orders”].

Through the Receivership Orders, the Court vested the Receiver with the authority to “take custody, control, and possession” of all Receivership Property and to administer and manage that Property. *See* D.E. 36 at 2; D.E. 141 at ¶ 7(B). The Receivership Property was defined to include the “records, documents, and materials” of the Receivership Entities. *See* D.E. 36 at 3; D.E. 141 at ¶ 8. As such, Defendants were ordered and directed to turn over to the Receiver all such records, documents, and materials in their possession. *See* D.E. 141 at ¶¶ 8, 15, 18.

Accordingly, the Moving Defendants have been left without access to crucial documents and information that bear on the allegations against them, other than the documents the SEC has furnished in support of its own case. For example, Abbonizio, who the SEC alleges raised investment capital and recruited agent funds for Par Funding dating back to 2016, has been denied all access to Par-hosted emails and other corporate documents that directly relate to the SEC’s

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<sup>1</sup> The Court has since granted several motions by the Receiver to expand the scope of the Receivership to include additional entities. [D.E. 238, D.E. 436]. Par Funding, Full Spectrum, ABFP, and all other entities subject to the Receivership Orders are referred to as the Receivership Entities.

various allegations concerning Abbonizio's individual work on behalf of Par and its operations and manner of doing business. Indeed, *all* Defendants have been left entirely at the mercy of the Receiver's compliance, or lack thereof, with its production obligations in order to start preparing their respective defenses.

With that context, from the outset of the case, Defendants, for the sake of efficiency, have tried to streamline the discovery process by coordinating their discovery efforts. Defendants adopted this approach not only for their own benefit, but for the Receiver's benefit, as well, as Defendants knew the approach would spare the Receiver the substantial time and resources that otherwise would be required to address duplicative and overlapping requests. Thus, when Defendant Lisa McElhone ("McElhone") served her First Requests on the Receiver on September 22, 2020 [**Exhibit A**],<sup>2</sup> all Defendants anxiously were waiting for those documents to be made available so that the litigation with the SEC could proceed both in a timely and cost-effective manner.

As of the filing of this Motion, however, which is **three-and-a-half months** after the First Requests were served and **five-and-a-half months** into the case, the Receiver has yet to produce a single document to Defendants. The Receiver has not disputed the relevance of the Requests or argued that the Requests are unduly burdensome or not proportional to the needs of the case. To the contrary, the Receiver had confirmed by early December 2020 that it had identified significant categories of responsive documents that were ready to be produced at a moment's notice, subject

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<sup>2</sup> McElhone later served the Receiver with a second request for production of documents on December 10, 2020 (the "Second Requests") [**Exhibit B**], and with a third request for production of documents on December 15, 2020 (the "Third Requests") [**Exhibit C**].

to the Court's entry of a protective order.<sup>3</sup> The Receiver reiterated its readiness to produce documents during a status conference with the Court on December 15, 2020. The Court entered a protective order the following day, on December 16, 2020. [D.E. 437]

The Receiver nevertheless has expressed a continued unwillingness to produce documents to the Moving Defendants, notwithstanding that a protective order is now in place. The Receiver's unwillingness appears to stem from an ongoing dispute between the Receiver on the one hand, and McElhone and Defendant Joseph Cole Barleta ("Cole") on the other. In summary, the Receiver alleges that McElhone and Cole or others violated the Receivership Orders by accessing and/or downloading files from Par Funding's cloud-based server account after the establishment of the Receivership, by copying those files onto a separate server, and by failing to return those files to the Receiver. On December 11, 2020, the Receiver filed a motion for an order requiring McElhone and Cole to show cause as to why they should not be held in contempt. [D.E. 423]. The Court granted the motion the next day and entered an order to show cause. [D.E. 425]. McElhone and Cole moved for an extension of time until January 11, 2021, to respond to the order to show cause [D.E. 446] and the Court granted the extension [D.E. 447].

The Receiver, however, has not alleged that Abbonizio, LaForte, or Vagnozzi (or, for that matter, any individual Defendant other than McElhone and Cole) engaged in or were even aware of this alleged conduct. Nonetheless, the Receiver has refused to make documents available to *any* Defendant until McElhone and Cole "have returned to the Receiver all copies of records

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<sup>3</sup> The categories of responsive documents that the Receiver represented were ready to be produced included, for example, a static copy of the QuickBooks database for Par Funding and Full Spectrum as of July 28, 2020; bank statements for Par Funding and Full Spectrum from July 2015 through 2020; deposit logs and bank activity reports; client consolidation schedules; syndication agreements; investor agreements, investor log reports, and investor notes; and tax returns. The Receiver again specified and listed the categories of documents it was ready to produce during the conference call with this Court on December 23, 2020.

belonging to the Receivership Entities and confirmed that they no longer are in violation of the Orders by maintaining copies of these records,”<sup>4</sup> D.E. 423 at 10, and until they have provided the Receiver with access logs.

During a discovery hearing with this Court on December 23, 2020, all Defendants raised concerns with the Court about their continued lack of access to documents responsive to the First Requests.<sup>5</sup> [D.E. 454]. On December 30, 2020, with no progress on the discovery impasse, the Moving Defendants formalized a written request to the Receiver asking that the Receiver reconsider its position and produce the documents it already had acknowledged were available for immediate production to those Defendants not involved in the pending contempt proceedings. **[Exhibit D]**. Upon the Receiver’s refusal, the Moving Defendants requested another hearing before this Court. The Court ordered that aggrieved Defendants first file a motion to compel detailing the discovery issue. [D.E. 457]. This Motion is made in response to that order.

In short, the Receiver’s delay in producing documents gravely prejudices Defendants — prejudice that persists whether or not the Court finds the Receiver has not been acting in bad faith. The Moving Defendants are subject to preliminary injunctions and expansive and debilitating asset freezes, and yet they remain without a crucial means of defending themselves six months into this action through no fault of their own. The Receiver has exclusive possession and control of the documents and information that would enable Defendants to respond substantively to the SEC’s allegations and the Receiver’s findings. The Receiver’s production of documents is long past due,

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<sup>4</sup> Setting aside the merits of the Receiver’s December 11, 2020 motion for an order to show cause, the Receiver’s reliance on the conduct alleged in the motion as a newly articulated basis for continuing to withhold documents to all Defendants is puzzling, as the Receiver has been aware of the alleged conduct since it filed an emergency motion to enjoin access to electronically-stored information in mid-August 2020 — long before the First Requests were even served. *See* D.E. 155.

<sup>5</sup> Similarly, McElhone’s Second Requests and Third Requests were also discussed at the December 23<sup>rd</sup> hearing.

and there is no basis for making the Moving Defendants wait even longer, until some date uncertain, for the resolution of a dispute they are not involved in and have no control over. This is especially true given the strictures of the protective order already in place as to all Defendants, including the Moving Defendants. To date, the Receiver has not articulated a basis to continue to deny discovery to the Moving Defendants. The Court therefore should grant the Motion and compel the Receiver to produce responsive documents to the Moving Defendants immediately.

## **II. LEGAL STANDARD**

The Federal Rules of Civil Procedure govern actions involving receivers. *See* Fed. R. Civ. P. 66; *see also* D.E. 141 at ¶¶ 12–13. Federal Rule 34(b)(2) provides that “[t]he party to whom the request [for production of documents] is directed must respond in writing within 30 days after being served . . . .” If the party fails to respond to the document requests, then under Federal Rule 37(a), “[a] party seeking discovery may move for an order compelling . . . production.” Although the Court has discretion as to whether to grant a motion to compel, the Court should be guided by the “overall purpose of discovery under the Federal Rules,” which is “to require the disclosure of all relevant information so that the ultimate resolution of disputed issues in any civil action may be based on a full and accurate understanding of the true facts.” *Hancock Bank v. Hill St., LLC*, Case No. 13-CIV-000071, 2013 WL 6815055, \*1 (M.D. Fla. Dec. 24, 2013). The Court should also be guided by the Court’s Standing Discovery Order, which clarifies that “[w]hether by rolling production or otherwise, a final production date more than 30 days after the response deadline (i.e., generally 60 days after the request is served) is presumptively unreasonable under Rule 34(b)(2)(B).”

### **III. ARGUMENT**

The Court should exercise its discretion in this case to grant the Motion and compel the Receiver to produce documents to the Moving Defendants immediately because: (1) the Moving Defendants continue to be prejudiced by their lack of access to requested documents and information, without which they will remain unable to prepare their respective defenses; and (2) the Moving Defendants are third parties to the dispute the Receiver is relying upon as the basis for its continued unwillingness to produce documents.

*First*, the Receiver's delay in producing documents continues to prejudice the Moving Defendants' ability to defend themselves. Three-and-a-half months after the First Requests were served and five-and-a-half months into the case, the Receiver still has not produced to Defendants *any* requested documents that bear on the SEC's allegations or the Receiver's findings to date, including highly relevant financial and business records. Under this Court's Standing Discovery Order, the length of the delay in producing documents is "presumptively unreasonable."

Given that the Receiver is in exclusive possession and control of these documents, Defendants necessarily will remain at a complete standstill in the case until the Receiver makes its production, unable to gain an independent understanding of the allegations, consult with experts, schedule or prepare for depositions, or develop their respective defense strategies — all while key deadlines under the Court's scheduling order are fast approaching and now cannot realistically be met. [*See* D.E. 279 (e.g., Expert Reports due April 5, 2021, discovery deadline of May 3, 2021, etc.)]. To this point, the Moving Defendants have been handicapped by having to engage in motion practice, attend status conferences, and even participate in mediation without the benefit of any requested documents. It would be unfair and unduly prejudicial to make them wait any longer. The continued delay in initial document production also necessarily will delay the ability of the

Moving Defendants to engage in other required discovery, including hiring experts and taking fact and expert witness depositions.

*Second*, the contempt allegations involving McElhone and Cole do not involve the Moving Defendants, and there is no basis for the Receiver to rely upon a pending dispute with *other* Defendants to justify continuing to withhold discovery; the Moving Defendants do not have any involvement or control over the outcome of that dispute. Moreover, non-production is not justified merely because there is an ongoing document-related dispute between the parties. *See Atico Int'l USA, Inc. v. Luv'n' care, Ltd.*, Case No. 09-CIV-60397, 2010 WL 11505474, \*2 (S.D. Fla. July 21, 2010) (“[I]t is clear under the text and spirit of the discovery rules that the existence of a discovery dispute as to one matter is not a ground to delay or withhold . . . other discovery.”) (internal citation and quotation marks omitted); *cf. Penny v. AT&T Corp.*, Case No. 15-CIV-00557, 2015 WL 12852976, \*3 (M.D. Fla. Sept. 17, 2015) (a party may not unilaterally withhold discoverable information). This is perhaps especially true where the dispute was known long before the First Requests were even served, and where the motion that provides the purported basis for continuing to withhold documents was not filed until several months after responses to the First Requests were due.

The Court already has entered a protective order, drafted by the Receiver, that adequately safeguards the requested discovery and which should be sufficient to address any lingering concerns the Receiver has about producing documents to the Moving Defendants.<sup>6</sup>

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<sup>6</sup> The Defendants, including the Moving Defendants, back in August 2020 engaged a noted forensic accounting firm to analyze the financial information about the company in order to address and rebut numerous financial-related allegations made by the SEC and the Receiver. To date, they have been practically dormant as they await the documents we have been seeking for months. Any documents obtained by Moving Defendants will be shared with the accounting firm under the terms of the protective order.



**IV. CONCLUSION**

For the foregoing reasons, the Court should grant the Motion and compel the Receiver to produce documents to the Moving Defendants immediately.

**CERTIFICATE OF GOOD FAITH CONFERENCE**

Pursuant to Local Rule 7.1, the undersigned certify that they conferred with the Receiver but were unable to resolve this dispute.

Dated: January 5, 2021

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

On January 5, 2021, I filed the foregoing with the Southern District of Florida's CM/ECF case management system, which has caused the same to be served upon all counsel of record.

/s/ Jeffrey E. Marcus

# EXHIBIT A

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION**

**CASE NO.: 20-cv-81205-RAR**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

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

Defendants.

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**DEFENDANT LISA MCELHONE'S FIRST REQUEST  
FOR THE PRODUCTION OF DOCUMENTS TO PAR FUNDING  
C/O RYAN K. STUMPHAUZER, COURT APPOINTED RECEIVER**

Pursuant to Rules 26 and 34 of the Federal Rules of Civil Procedure, Defendant Lisa McElhone, by her attorneys the Law Offices of Alan S. Futerfas, requests that Par Funding c/o Ryan K. Stumphauzer, Court Appointed Receiver, produce each of the Documents and other things described below to 565 Fifth Avenue, 7th Floor, New York, New York 10017 within 30 days of the service hereof.

**DEFINITIONS**

1. “Action” means the lawsuit captioned *SEC v. Complete Business Solutions Group, Inc. d/b/a Par Funding, et al.*, Case No. 20-CIV-81205, filed July 24, 2020, currently pending in the United States District Court for the Southern District of Florida.

2. “Communication” means any transmission, conveyance, or exchange of information whether by written, oral, electronic, or other means, including electronically stored information.

3. “Concerning” means constituting, referring to, relating to, pertaining to, involving, discussing, mentioning, or otherwise bearing any logical relation to the specified subject matter.

4. “Document(s)” means, without limitation, any written, printed, typed, photographed, recorded, or otherwise reproduced or stored communication or representation, whether comprised of letters, words, numbers, pictures, sounds or symbols, or any combination thereof. This definition includes drafts and originals and copies or duplicates contemporaneously or subsequently created which have any non-conforming notes or other markings and the backsides of any communication or representation which contains any of the above. This definition also includes any attachments or enclosures, and includes any document stored in any medium from which information can be obtained either directly or, if necessary, after translation by the responding party into a reasonably usable form.

5. “Par G Suite” means any Google hosted database which stores documents for any Receivership Entities.

6. “Investor” means any individual or entity who transferred funds to you that were (a) provided to you for the purpose of investment with one of the Receivership Entities, or (b) thereafter transferred to one of the Receivership Entities.

7. “Joseph Cole’s laptop computer” means the personal laptop computer of Joseph Cole Barleta produced to the Receiver’s IT expert on August 19, 2020.

8. “Receivership Entities” and “Receivership Entity” includes: Complete Business Solutions Group, Inc. d/b/a Par Funding, Full Spectrum Processing, Inc., ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan, ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC, ABFP Income Fund, LLC, ABFP Income Fund 2, L.P., United Fidelis Group Corp., Fidelis Financial Planning LLC, Retirement Evolution Group, LLC, RE Income Fund LLC, RE Income Fund 2 LLC; and the following related entities: ABFP Income Fund 3, LLC, ABFP Income Fund 4, LLC, ABFP Income Fund 6, LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 2 Parallel, ABFP Income Fund 3 Parallel, ABFP Income Fund 4 Parallel, and ABFP Income Fund 6 Parallel.

9. “You” or “your” means Par Funding and any agent or affiliate thereof.

10. “Par Funding” includes Complete Business Solutions Group, Inc. (“CBSG”), Full Spectrum Processing (“FSP”), and all subsidiary and affiliated entities.

11. “Notes” includes any and all documents reflecting an investment in Par Funding or a debt owed by Par Funding including, but limited to, subscription agreements, promissory notes, private placement memoranda, debt instruments any kind and description, and any and all investment documents of any kind and description.

12. “Merchant” or Merchants” means retail or non-retail business establishments that communicated with and/or contracted with Par Funding about the receipt of cash advance funding.

### **GENERAL INSTRUCTIONS**

1. You are required to respond to these requests in accordance with the Federal Rules of Civil Procedure and the Southern District of Florida's Local Rules.

2. In complying with these requests, you are required to produce all documents and things specified herein in your possession or custody, under your control, or otherwise available to you. These requests are continuing in nature; you must make supplementary productions when and if you obtain additional documents or things or different versions of a document or thing.

3. If any documents or things requested herein have been but are no longer in your possession, custody, or control, state what disposition was made of them and when, and identify the person(s) or entity(ies) responsible for or otherwise involved in such disposition. If any documents or things requested herein have been lost or destroyed, describe in detail the circumstances of such loss or destruction and identify, to the extent possible, each lost or destroyed document or thing and all files that contained such documents or things.

4. If you cannot comply with any request in full, you shall comply with it to the extent possible and provide a complete explanation as to why full compliance is not possible.

5. Whenever a request is stated in the conjunctive, you shall also take it in the disjunctive, and vice versa. Whenever a request is stated in the singular, you shall also take it to mean the plural, and vice versa.

6. If you assert any claim of privilege or work product protection as to any requested document (or portion thereof), you shall provide, at the time of production, a privilege log separately and specifically identifying each such document (or portion thereof) by date, author, recipient, persons copied, and general description of the subject matter of the document, along with a statement of the specific privilege claimed and its basis. You shall update this privilege log as you supplement your production.

7. Unless otherwise stated in a specific request below, the operative time frame for your responses is from January 1, 2012 to July 31, 2020.

**REQUESTS FOR THE PRODUCTION OF DOCUMENTS**

**REQUEST FOR PRODUCTION NO. 1**

All Par Funding QuickBooks records from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 2**

All Par Funding current and closed client consolidation schedules from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 3**

All Par Funding current and closed current and historic "deposit log" reports from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 4**

All Par Funding current and closed current "bank activity" reports from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 5**

All Par Funding current and closed current third party syndication files from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 6**

All Par Funding documents evidencing, relating to or reflecting Par Funding retained earnings during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.



**REQUEST FOR PRODUCTION NO. 7**

All Par Funding documents evidencing, relating to or reflecting Par Funding exposure ratios during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 8**

All Par Funding documents evidencing, relating to or reflecting Par Funding use of investor funds during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 9**

All Par Funding documents evidencing, relating to or reflecting Par Funding schedule or accounting for and inventory of investor funds during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 10**

All Par Funding documents evidencing, relating to or reflecting Par Funding schedule or accounting for and inventory of funds provided to Merchants during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 11**

All Par Funding documents evidencing, relating to or reflecting Par Funding use of bank accounts to make funding payments to Merchants during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 12**

All Par Funding documents evidencing, relating to or reflecting Par Funding schedules or accounting for payments to Joseph Laforte, Lisa McElhone, Joseph Cole Barleta and or the L.M.E. 2017 Family Trust during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 13**

All Par Funding documents evidencing, relating to or reflecting Par Funding use of bank accounts to make payments to Joseph Laforte, Lisa McElhone, Joseph Cole Barleta and or the L.M.E. 2017 Family Trust during the period of January 2012 to July 31, 2020, whether located on Quickbooks, bank statements, schedules, spreadsheets, tax returns, audits or in any other document.

**REQUEST FOR PRODUCTION NO. 14**

All Par Funding investor agreements from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 15**

All Par Funding investor log reports from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 16**

All Notes relating or referring to Par Funding from January 2012 to July 31, 2020.

**REQUEST FOR PRODUCTION NO. 17**

All Par Funding files located on the Par G Suite from 2012 to July 31, 2020, including copies of QuickBooks (these files are found in the accounting files stored on the Right Network server), all financial records, tax returns, investor files, sales force files, underwriting files and

customer/merchant files, as well as all Notes and any other contacts or agreements with merchants, investors and vendors.

**REQUEST FOR PRODUCTION NO. 18**

All CBSG and FSP files for Receivership Entities located on the G Suite from 2012 to the present, including copies of QuickBooks (these files are found in the accounting files stored on the Right Network server), all financials records, tax returns, investor files, sales force files, underwriting files and customer/merchant files, as well as all Notes and any other contacts or agreements with merchants, investors and vendors.

**REQUEST FOR PRODUCTION NO. 19**

All funding agreements entered into between Par Funding and any Merchant, including but not limited to all amendments or modifications to such agreements.

Dated: New York, New York  
September 22, 2020

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant*  
*Lisa McElhone*

**CERTIFICATE OF SERVICE**

I hereby certify that on September 22, 2020, I caused a copy of Defendant Lisa McElhone's First Request for the Production of Documents to Par Funding c/o Ryan K. Stumphauzer, Court Appointed Receiver to be served by email upon Gaetan Alfano, Douglas Rosenblum, Timothy A. Kolaya, and Adam Foslid, who are counsel to Ryan K. Stumphauzer, Court Appointed Receiver, and all counsel appearing in this action.

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant  
Lisa McElhone*

# EXHIBIT B

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION**

**CASE NO.: 20-cv-81205-RAR**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

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

Defendants.

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**DEFENDANT LISA MCELHONE'S SECOND REQUEST  
FOR THE PRODUCTION OF DOCUMENTS TO PAR FUNDING  
C/O RYAN K. STUMPHAUZER, COURT APPOINTED RECEIVER**

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2. “Communications” means any transmission, conveyance, or exchange of information whether by written, oral, electronic, or other means, including electronically stored information.

3. “Concerning” means constituting, referring to, relating to, pertaining to, involving, discussing, mentioning, or otherwise bearing any logical relation to the specified subject matter.

4. “Document(s)” means, without limitation, any written, printed, typed, photographed, recorded, or otherwise reproduced or stored communication or representation, whether comprised of letters, words, numbers, pictures, sounds or symbols, or any combination thereof. This definition includes drafts and originals and copies or duplicates contemporaneously or subsequently created which have any non-conforming notes or other markings and the backsides of any communication or representation which contains any of the above. This definition also includes any attachments or enclosures, and includes any document stored in any medium from which information can be obtained either directly or, if necessary, after translation by the responding party into a reasonably usable form.

5. “Par Funding” includes Complete Business Solutions Group, Inc. (“CBSG”), Full Spectrum Processing (“FSP”), and all subsidiary and Affiliated Entities.

6. “Affiliated Entities” means any entity owned, controlled, or affiliated with Joseph LaForte, Lisa McElhone, and/or Joe Cole Barletta including but not limited to, Complete Business Solutions Group, Inc. d/b/a Par Funding, Full Spectrum Processing, Inc.

7. The “Trust Entity” means The LME 2017 Family Trust, and any entity owned by the LME 2017 Family Trust.

8. “Individuals” means any of Joseph LaForte, Lisa McElhone or Joseph Cole Barleta.

9. “Receivership Entities” and “Receivership Entity” includes: Complete Business Solutions Group, Inc. d/b/a Par Funding, Full Spectrum Processing, Inc., ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan, ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC, ABFP Income Fund, LLC, ABFP Income Fund 2, L.P., United Fidelis Group Corp., Fidelis Financial Planning LLC, Retirement Evolution Group, LLC, RE Income Fund LLC, RE Income Fund 2 LLC; and the following related entities: ABFP Income Fund 3, LLC, ABFP Income Fund 4, LLC, ABFP Income Fund 6, LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 2 Parallel, ABFP Income Fund 3 Parallel, ABFP Income Fund 4 Parallel, and ABFP Income Fund 6 Parallel.

10. “Non-Receivership Entity” means any of the Affiliated Entities, Trust Entities or Individuals that are not Receivership Entities.

11. “You” or “your” means Par Funding and any agent or affiliate thereof.

12. “Merchant” or “Merchant client” means retail or non-retail business establishments that communicated with and/or contracted with Par Funding about the receipt of cash advance funding.



### **GENERAL INSTRUCTIONS**

1. You are required to respond to these requests in accordance with the Federal Rules of Civil Procedure and the Southern District of Florida's Local Rules.

2. In complying with these requests, you are required to produce all documents and things specified herein in your possession or custody, under your control, or otherwise available to you. These requests are continuing in nature; you must make supplementary productions when and if you obtain additional documents or things or different versions of a document or thing.

3. If any documents or things requested herein have been but are no longer in your possession, custody, or control, state what disposition was made of them and when, and identify the person(s) or entity(ies) responsible for or otherwise involved in such disposition. If any documents or things requested herein have been lost or destroyed, describe in detail the circumstances of such loss or destruction and identify, to the extent possible, each lost or destroyed document or thing and all files that contained such documents or things.

4. If you cannot comply with any request in full, you shall comply with it to the extent possible and provide a complete explanation as to why full compliance is not possible.

5. Whenever a request is stated in the conjunctive, you shall also take it in the disjunctive, and vice versa. Whenever a request is stated in the singular, you shall also take it to mean the plural, and vice versa.

6. If you assert any claim of privilege or work product protection as to any requested document (or portion thereof), you shall provide, at the time of production, a privilege log separately and specifically identifying each such document (or portion thereof) by date, author, recipient, persons copied, and general description of the subject matter of the document, along with a statement of the specific privilege claimed and its basis. You shall update this privilege log as you supplement your production.

7. Unless otherwise stated in a specific request below, the operative time frame for your responses is from January 1, 2014 to July 28, 2020.

**REQUESTS FOR THE PRODUCTION OF DOCUMENTS**

**REQUEST FOR PRODUCTION NO. 20**

All communications, including attachments and enclosures, from January 1, 2014 to July 28, 2020, between Joe Laforte and/or Lisa McElhone and/or Joseph Cole Barleta and any of the following lawyers and law firms: Bybel Rutledge LLP, G. Philip Rutledge, Esq., Cynthia Clark, Esq., DLA Piper, Lisa R. Jacobs, Esq., Michael E. Bushey, Jr., Esq., Haynes Boone, Kit Addleman, Esq., Tim Newman, Esq., Benjamin Goodman, Esq., Offit Kurman, Jason C. Berger, Esq., Fox Rothschild, Brett A. Berman, Esq., and Martin A. Hewitt, Esq., Cynthia Clark, Esq., Norman Valz, Esq., John Hartley, Esq., Brian Smith, Esq., and Peter Mulcahy, Esq.

**REQUEST FOR PRODUCTION NO. 21**

All communications from January 1, 2014 to July 28, 2020 relating to or concerning insurance coverage for the business of Par Funding, and/or the insurance coverage for Par Funding merchant clients, including but limited to, all communications, correspondence, invoices, bills, emails, insurance binders, cost or coverage quotations, weekly charges, and all other manner of communications. Such request includes, but is not limited to, all emails, communications, invoices, bills, insurance binders, cost or coverage quotations, weekly charges, and all other manner of communications between Par Funding and Euler Hermes North America, and/or Anthony Bernato.

**REQUEST FOR PRODUCTION NO. 22**

For the period January 1, 2015 to July 28, 2020, documents relating to any and all audits of Par Funding attempted, completed, or not completed, or conducted or endeavored to be conducted, by any accounting firm. Such request includes but is not limited to: all communications between Par Funding and such accounting firm; all documents exchanged between Par Funding and such accounting firm; all draft financial statements, memoranda and/or draft audit reports exchanged between Par Funding and such accounting firm.

**REQUEST FOR PRODUCTION NO. 23**

For the period January 1, 2015 to July 28, 2020, all documents prepared or created by the accounting firm Rod Ermel Associates located in Colorado Springs, Colorado for, or on behalf of, any Receivership entity, any non-Receivership entity, any Trust Entity, or any of the Individuals. This request includes, but is not limited to, all invoices, bills, tax returns, tax filings, schedules, QuickBooks files, and daily, weekly and or monthly reconciliations.

**REQUEST FOR PRODUCTION NO. 24**

For the period January 1, 2015 to July 28, 2020, all correspondence between the accounting firm Rod Ermel Associates located in Colorado Springs, Colorado, and any Receivership Entity, any non-Receivership Entity, any Trust Entity, and any Individual. Such correspondence includes, but is not limited to, emails and all documents attached to such emails.

Dated: New York, New York  
December 10, 2020

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant*  
*Lisa McElhone*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 10, 2020, I caused a copy of Defendant Lisa McElhone's Second Request for the Production of Documents to Par Funding c/o Ryan K. Stumphauzer, Court Appointed Receiver to be served by email upon Gaetan Alfano, Douglas Rosenblum, Timothy A. Kolaya, and Adam Foslid, who are counsel to Ryan K. Stumphauzer, Court Appointed Receiver, and all counsel appearing in this action.

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant  
Lisa McElhone*

# EXHIBIT C

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION**

**CASE NO.: 20-cv-81205-RAR**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

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

Defendants.

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**DEFENDANT LISA MCELHONE'S THIRD REQUEST  
FOR THE PRODUCTION OF DOCUMENTS TO PAR FUNDING  
C/O RYAN K. STUMPHAUZER, COURT APPOINTED RECEIVER**

Pursuant to Rules 26 and 34 of the Federal Rules of Civil Procedure, Defendant Lisa McElhone, by her attorneys the Law Offices of Alan S. Futerfas, requests that Par Funding c/o Ryan K. Stumphauzer, Court Appointed Receiver, produce each of the Documents and other things described below to 565 Fifth Avenue, 7th Floor, New York, New York 10017 within 30 days of the service hereof.

## **DEFINITIONS**

1. “Action” means the lawsuit captioned *SEC v. Complete Business Solutions Group, Inc. d/b/a Par Funding, et al.*, Case No. 20-CIV-81205, filed July 24, 2020, currently pending in the United States District Court for the Southern District of Florida.

2. “Communications” means any transmission, conveyance, or exchange of information whether by written, oral, electronic, or other means, including electronically stored information.

3. “Concerning” means constituting, referring to, relating to, pertaining to, involving, discussing, mentioning, or otherwise bearing any logical relation to the specified subject matter.

4. “Document(s)” means, without limitation, any written, printed, typed, photographed, recorded, or otherwise reproduced or stored communication or representation, whether comprised of letters, words, numbers, pictures, sounds or symbols, or any combination thereof. This definition includes drafts and originals and copies or duplicates contemporaneously or subsequently created which have any non-conforming notes or other markings and the backsides of any communication or representation which contains any of the above. This definition also includes any attachments or enclosures, and includes any document stored in any medium from which information can be obtained either directly or, if necessary, after translation by the responding party into a reasonably usable form.

5. “Exhibit 1” means the Declaration of Bradley D. Sharp dated December 13, 2020 (ECF 426-1), annexed as Exhibit 1 to the Receiver’s Report on Operations in Connection with Status Conference to Be Conducted on December 15, 2020 (ECF 426).

6. “Par Funding” includes Complete Business Solutions Group, Inc. (“CBSG”), Full Spectrum Processing (“FSP”), and all subsidiary and Affiliated Entities.



7. “Affiliated Entities” means any entity owned, controlled, or affiliated with Joseph LaForte, Lisa McElhone, and/or Joe Cole Barletta including but not limited to, Complete Business Solutions Group, Inc. d/b/a Par Funding, Full Spectrum Processing, Inc.

8. The “Trust Entity” means The LME 2017 Family Trust, and any entity owned by the LME 2017 Family Trust.

9. “Individuals” means any of Joseph LaForte, Lisa McElhone or Joseph Cole Barletta.

10. “Receivership Entities” and “Receivership Entity” includes: Complete Business Solutions Group, Inc. d/b/a Par Funding, Full Spectrum Processing, Inc., ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan, ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC, ABFP Income Fund, LLC, ABFP Income Fund 2, L.P., United Fidelis Group Corp., Fidelis Financial Planning LLC, Retirement Evolution Group, LLC, RE Income Fund LLC, RE Income Fund 2 LLC; and the following related entities: ABFP Income Fund 3, LLC, ABFP Income Fund 4, LLC, ABFP Income Fund 6, LLC, ABFP Income Fund Parallel LLC, ABFP Income Fund 2 Parallel, ABFP Income Fund 3 Parallel, ABFP Income Fund 4 Parallel, and ABFP Income Fund 6 Parallel.

11. “Non-Receivership Entity” means any of the Affiliated Entities, Trust Entities or Individuals that are not Receivership Entities.

12. “You” or “your” means Par Funding and any agent or affiliate thereof.

13. “Merchant” or “Merchant client” means retail or non-retail business establishments that communicated with and/or contracted with Par Funding about the receipt of cash advance funding.

### **GENERAL INSTRUCTIONS**

1. You are required to respond to these requests in accordance with the Federal Rules of Civil Procedure and the Southern District of Florida's Local Rules.

2. In complying with these requests, you are required to produce all documents and things specified herein in your possession or custody, under your control, or otherwise available to you. These requests are continuing in nature; you must make supplementary productions when and if you obtain additional documents or things or different versions of a document or thing.

3. If any documents or things requested herein have been but are no longer in your possession, custody, or control, state what disposition was made of them and when, and identify the person(s) or entity(ies) responsible for or otherwise involved in such disposition. If any documents or things requested herein have been lost or destroyed, describe in detail the circumstances of such loss or destruction and identify, to the extent possible, each lost or destroyed document or thing and all files that contained such documents or things.

4. If you cannot comply with any request in full, you shall comply with it to the extent possible and provide a complete explanation as to why full compliance is not possible.

5. Whenever a request is stated in the conjunctive, you shall also take it in the disjunctive, and vice versa. Whenever a request is stated in the singular, you shall also take it to mean the plural, and vice versa.

6. If you assert any claim of privilege or work product protection as to any requested document (or portion thereof), you shall provide, at the time of production, a privilege log separately and specifically identifying each such document (or portion thereof) by date, author, recipient, persons copied, and general description of the subject matter of the document, along with a statement of the specific privilege claimed and its basis. You shall update this privilege log as you supplement your production.

7. Unless otherwise stated in a specific request below, the operative time frame for your responses is from January 1, 2012 to the present.

**REQUESTS FOR THE PRODUCTION OF DOCUMENTS**

**REQUEST FOR PRODUCTION NO. 25**

From 2012 to the present, all documents including but limited to charts, spreadsheets, QuickBooks, bank statements, merchant information, merchant payment information, deposit logs, summaries, financial analysis, accounting information and tax returns which were reviewed, considered, studied, examined and/or relied upon in any manner to draft, build, craft, write, create and/or assemble Exhibit 1.

**REQUEST FOR PRODUCTION NO. 26**

From July 28, 2020 to the present, all correspondence, emails (and all attachments thereto), between DSI and any accounting firm, accountant, current Par Funding employee, former Par Funding employee and/or Par Funding merchant concerning, relating or referring to the financial condition of Par Funding at any point in its existence.

**REQUEST FOR PRODUCTION NO. 27**

From July 28, 2020 to the present, all correspondence, emails (and all attachments thereto), between DSI and any accounting firm, accountant, former Par Funding employee and/or Par Funding merchant concerning, relating or referring to, the assertions made in Exhibit 1.

**REQUEST FOR PRODUCTION NO. 28**

From July 28, 2020 to the present, all correspondence, emails (and all attachments thereto), between the Receiver and any accounting firm, accountant, former Par Funding employee and/or Par Funding merchant concerning, relating or referring to, the assertions made in Exhibit 1.

Dated: New York, New York  
December 15, 2020

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant*  
*Lisa McElhone*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 15, 2020, I caused a copy of Defendant Lisa McElhone's Third Request for the Production of Documents to Par Funding c/o Ryan K. Stumphauzer, Court Appointed Receiver to be served by email upon Gaetan Alfano, Douglas Rosenblum, Timothy A. Kolaya, and Adam Foslid, who are counsel to Ryan K. Stumphauzer, Court Appointed Receiver, and all counsel appearing in this action.

By: /s/ Alan S. Futerfas  
The Law Offices of Alan S. Futerfas  
565 Fifth Ave., 7th Floor  
New York, NY 10017  
(212) 684-8400  
*Attorney for Defendant*  
*Lisa McElhone*

# EXHIBIT D



December 30, 2020

**VIA ELECTRONIC MAIL to**  
tkolaya@sfsllaw.com

Timothy Kolaya  
Stumphauzer Foslid Sloman Ross & Kolaya, PLLC  
One Biscayne Tower  
2 S. Biscayne Blvd., Suite 1600  
Miami, Florida 33131  
*Counsel for Receiver*

**Re: *SEC v. Complete Business Solutions Group, Inc., et al.*, No. 20-CV-81205-RAR (S.D. Fla.)  
Outstanding Discovery Requests**

Dear Mr. Kolaya,

On behalf of Defendants Perry S. Abbonizio Joseph W. LaForte, and Dean J. Vagnozzi (“Defendants”), we are writing to inquire about the status of certain discovery requests to the Receiver that have been outstanding since September, and to request that the Receiver immediately produce the documents responsive to those requests that have been identified to date.

As you know, for the sake of efficiency and in order to streamline the discovery process and avoid duplicative requests, the Defendants have collaborated on discovery-related matters. This has not just been for their own benefit, but for the Receiver’s benefit, as well. To that end, on September 22, 2020, Defendant Lisa McElhone served upon the Receiver her first request for production of documents. In that first request, Ms. McElhone requested that the Receiver produce key categories of Par Funding’s financial and business records. More than three months later, however, and more than five months into the case, these documents still have not been produced, nor have the Defendants been provided electronic access to the documents in question.

Yet, it is our understanding that in correspondence with defense counsel over a month ago, you conveyed that categories of responsive documents already had been identified and were ready to be produced, subject to the entry of a protective order. Those categories included, for example, a static copy of the QuickBooks database for Par Funding and Full Spectrum as of July 28, 2020; bank statements for Par Funding and Full Spectrum from July 2015 through 2020; deposit logs and bank activity reports; client consolidation schedules; syndication agreements; investor agreements, investor log reports, and investor notes; and tax returns. You and your co-counsel made similar representations as to the Receiver’s readiness to produce documents at the most recent status conference on December 15, 2020.

Given the Court’s entry of a protective order the following day, on December 16, 2020, which will govern the production of documents in this case, the undersigned jointly request that the Receiver immediately produce the responsive documents that the Receiver already has identified to undersigned counsel. The electronic access dispute between the Receiver and two other defendants has no bearing on your discovery obligations to other uninvolved defendants. As any further delay will continue to prejudice the Defendants’ ability to defend themselves against the SEC’s allegations, in the event you are unable or

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MIAMI OFFICE

One Biscayne Tower  
2 South Biscayne Boulevard, Suite 1750, Miami 33131  
P • 305-400-4260 | F • 866-780-8355

FORT LAUDERDALE OFFICE

One Financial Plaza  
100 Southeast Third Avenue, Suite 805, Ft Lauderdale 33394  
P • 954-462-1200 | F • 866-780-8355



unwilling to produce these documents immediately, please advise by no later than today, **December 30, 2020, at 2:00 p.m.**, as to your availability for a hearing before Magistrate Judge Reinhart next week, at which we intend to raise our continued concerns.

Regards,



Jeffrey E. Marcus  
Jmarcus@mnrlawfirm.com  
*Counsel for Perry S. Abbonizio*

James R. Froccaro, Jr.  
Jfresq61@aol.com  
*Counsel for Joseph W. LaForte*

Brian Miller  
Brian.miller@akerman.com  
*Counsel for Dean J. Vagnozzi*

Copies to: Counsel of record