

**IN THE UNITED STATES DISTRICT COURT
FOR THE 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.

**RECEIVER, RYAN K. STUMPHAUZER’S MOTION TO APPROVE PAYMENT
OF CERTAIN ELECTRONIC DISCOVERY COSTS IN THE ORDINARY
COURSE OF THE ADMINISTRATION AND OPERATION OF THE RECEIVERSHIP**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ by and through undersigned counsel, and pursuant to L.R. 7.1(d)(2), hereby files this

¹ The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“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; 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; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Fund 2 LP; MK Corporate Debt Investment Company LLC; Capital Source 2000, Inc.; Fast Advance Funding LLC; Beta Abigail, LLC; New Field Ventures, LLC; Heritage Business Consulting, Inc.; Eagle Six Consulting, Inc.; 20 N. 3rd St. Ltd.; 118 Olive PA LLC; 135-137 N. 3rd St. LLC; 205 B Arch St Management LLC; 242 S. 21st St. LLC; 300 Market St. LLC; 627-629 E. Girard LLC; 715 Sansom St. LLC; 803 S. 4th St. LLC; 861 N. 3rd St. LLC; 915-917 S. 11th LLC; 1250 N. 25th St. LLC; 1427 Melon St. LLC; 1530 Christian St. LLC; 1635 East Passyunk LLC; 1932 Spruce St. LLC; 4633 Walnut St. LLC; 1223 N. 25th St. LLC; Liberty Eighth Avenue LLC; and The LME 2017 Family Trust; and the receivership also includes the properties located at 568 Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; and 107 Quayside Dr., Jupiter FL 33477.

Motion to Approve Payment of Certain Electronic Discovery Costs in the Ordinary Course of the Administration and Operation of the Receivership and states as follows:

BACKGROUND

1. On Friday, June 24, 2020, the Securities and Exchange Commission (“SEC”) filed its Complaint for Injunctive and Other Relief [D.E. 1]. Based on multiple court orders [D.E. 36, 56, 141, 238, 436], Ryan K. Stumphauzer is now the Receiver over the Receivership Entities.

2. The Amended Order Appointing Receiver (the “Receivership Order”) [D.E. 141], which is the operative order setting forth the Receiver’s duties and responsibilities, authorizes the Receiver to “engage and employ persons in his discretion to assist him in carrying out his duties and responsibilities hereunder, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders or auctioneers.” Receivership Order at ¶ 7.

3. Consistent with the Court’s Order Granting Receiver’s Expedited Motion to Approve Retained Professionals [D.E. 274], the Receiver and his Counsel have retained the services of Michael Russo and Lawgical Insight, a digital evidence firm and certified e-discovery specialist consultant with over a decade of significant prior experience in managing e-discovery and financial support for major litigation matters, including financial cases [D.E. 270].

4. Lawgical Insight was retained to, among other things: (a) collect, image, preserve, and protect digital evidence and electronically stored information; (b) maintain electronic platforms for the ongoing operations of the Receivership Entities; (c) create a platform for the Receiver to efficiently review large volumes of e-discovery; and (d) provide various other digital evidence services [D.E. 270].

RELIEF REQUESTED

5. Given the large volume of data involved in this case, the Receiver has worked with Michael Russo and Lawgical Insight to process certain electronic data, including data contained in various email accounts, to facilitate the orderly management and review of that data.

6. The next phase of this process involves the processing of a significant volume of additional data connected to the email accounts of certain custodians of Par Funding and A Better Financial Plan (the “Targeted Email Accounts”). This data, which totals 2.1 terabytes (2,101 GB), includes the email accounts of, among others, many of the named individual Defendants in this litigation, along with several other key custodians. Several of these accounts contain a large amount of data. For example, certain accounts, when expanded in an electronic discovery database, are estimated to be the following sizes:

Custodian	Company	Size (GB)
Joseph LaForte	Par Funding	119
Lisa McElhone	Par Funding	42
Joe Cole Barletta	Par Funding	210
Perry Abbonizio	Par Funding	12.25
James Laforte	Par Funding	630
Jamie McElhone	Par Funding	280
Anthony Fazio	Par Funding	42
Anthony Zingarelli	Par Funding	113.75
Aida Lau	Par Funding	218.75
Anita Badalmenti	A Better Financial Plan	43.75
Dean Vagnozzi	A Better Financial Plan	50.75
Michelle Price	A Better Financial Plan	47.25

7. Based on the volume of data from the Targeted Email Accounts, and in order to meet the Receiver’s discovery obligations, Michael Russo has advised the Receiver to utilize a third-party vendor to process the data and host it on a review platform in order to manage and review it efficiently.

8. The Receiver has exercised reasonable diligence in evaluating various third-party vendors to host this data. In his best judgment, the Receiver believes IST Management Services, Inc. (“IST”), a business process outsourcing company that specializes in providing solutions for the management of e-discovery, is highly qualified in this field. Additionally, Lawgical Insight has an existing working relationship with IST, which will make the process of uploading and managing the data more efficient and less costly. The Receiver believes he would best be able to carry out the duties granted to him under the Receivership Order with the assistance of IST.

9. Specifically, the Receiver has requested the immediate assistance of IST to (a) host the data from accounts of the Receivership Entities, (b) provide a platform for the Receiver to review and analyze these documents, and (c) assist with searching and producing documents, and (d) provide other various e-discovery services.

10. Attached as Exhibit 1 is an overview of IST’s qualifications.

11. IST has quoted a price of approximately \$53,625 to upload the initial 2.1 terabytes of data from the Targeted Email Accounts, and approximately \$13,870 per month to host the data from the Targeted Email Accounts on a review platform. These estimates are based on the highest estimated expanded size of each file, meaning that it does not account for factors that may decrease the size and cost of uploading and hosting the data, such as removal of duplicate files. The Receiver is working closely with Michael Russo, Lawgical, and IST to take reasonable measures to reduce the size of this data and minimize these costs.

12. In the event the Receiver identifies additional data to be uploaded to this electronic discovery database in the future that is anticipated to result in a processing cost exceeding \$20,000.00, the Receiver would anticipate requesting further approval from the Court before incurring such charges.

13. IST has confirmed that no conflicts of interest exist in connection with providing these services.

14. Accordingly, the Receiver seeks this Court's approval for the Receiver to: (a) utilize IST for electronic discovery and data hosting services in connection with this matter; and (b) make payments and disburse funds to IST according to IST's normal 30-day payment terms, for the estimated costs set forth in this Motion, provided they fall within the thresholds described herein, in the ordinary course of the administration and operation of the receivership, as provided by Paragraph 56 of the Amended Receivership Order.

CONCLUSION

WHEREFORE, Ryan K. Stumphauzer, as Court-Appointed Receiver, by and through his undersigned counsel, respectfully requests this Honorable Court to approve the Receiver's utilization of IST for the services as set forth above, and approve the Receiver's payment of IST's costs according to IST's normal 30-day payment terms, for the estimated costs set forth in this Motion, provided they fall within the thresholds described herein, in the ordinary course of the administration and operation of the receivership, as provided by Paragraph 56 of the Amended Receivership Order. A proposed order for the Court's consideration is attached as Exhibit 2.

CERTIFICATION REGARDING PRE-FILING CONFERENCE

Pursuant to Local Rule 7.1(a)(3), undersigned counsel for the Receiver certifies that he has conferred with counsel for all parties to this litigation in a good faith effort to resolve the issues raised in this Motion. Counsel for Michael Furman has indicated that he takes no position with respect to the relief requested in the Motion. The Receiver has not received a response to his meet-and-confer request from any of the other parties.

Dated: January 15, 2021

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on January 15, 2021, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a notice of electronic filing to all counsel of record.

/s/ Timothy A. Kolaya
Timothy A. Kolaya

Exhibit “1”

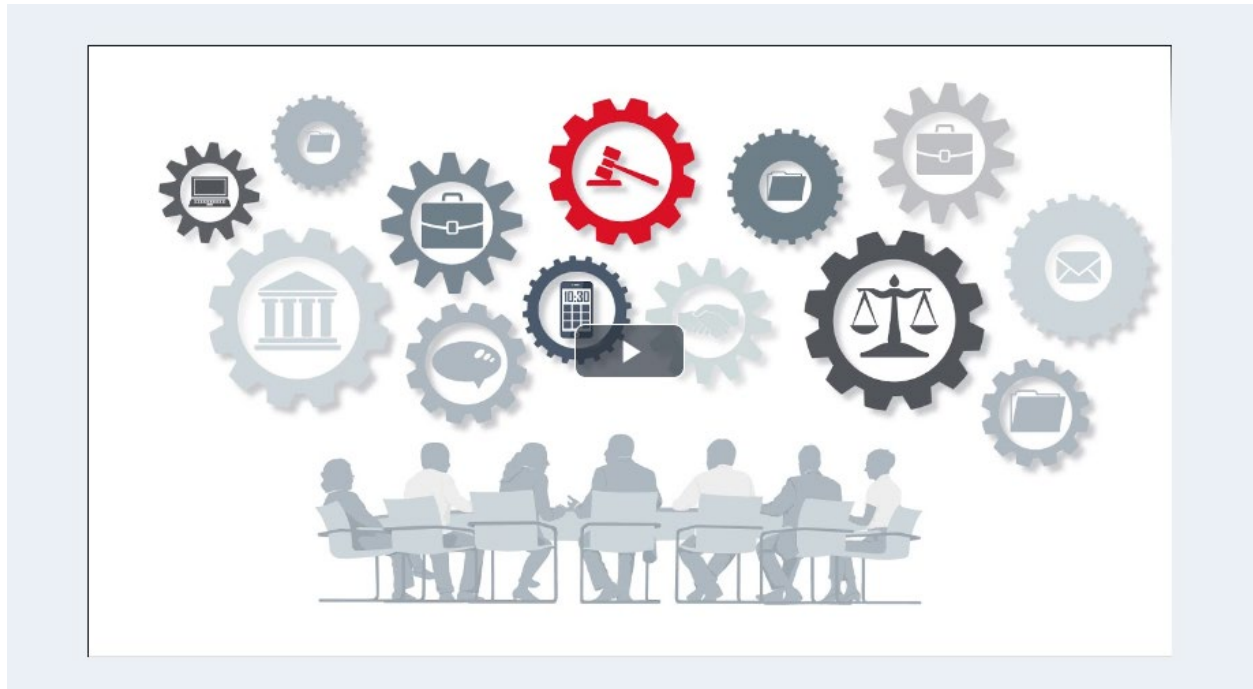


Discover how our solutions are improving business processes.



IST Discover-E Overview.

See what IST Discover-E can do for your firm.



Not every litigated case involves eDiscovery. Yet, in today's technological world, almost every litigation matter *potentially* does. Are you ready?

IST Discover-E consolidates your eDiscovery needs onto our fully-inclusive, cloud-based platform - the preferred mode of operation for savvy firms and corporations as it eliminates the costly infrastructure and maintenance demands of an on-premise system.

The IST Discover-E Solution Includes:

- Consulting
- Early Case Assessment, Litigation Readiness & Legal Hold
- Data Collection/ Digital Forensics
- Data Processing
- Hosted Review
- Analytics
- Technology-Assisted Review (TAR)
- Managed Lawyer Review
- Production
- Staffed Litigation Support
- SOC2 Type 2 Compliant Data Security

At IST, we embrace the principle of “*professionalism with a servant’s heart.*” We deliver at the highest level but never without ensuring our clients are 100% certain that our recommendation is a best-fit for the firm’s needs.

Efficient Systems Architecture

We apply a Single Tool Workflow solution keeping all work in Relativity eliminating fumbled data, extra fees for licensing or the need for additional specialists. With it, there is zero risk of unsecured, lost or damaged data – data is not copied from server to server. And the same Project Manager handles your data from start to finish allowing changing search/processing parameters to be enacted immediately.

Experienced Responsive Project Managers

We recruited The Project Management “Dream Team” from AM Law 100 firms. Our Project Managers have minimum 10 years of experience in eDiscovery, must remain easily accessible to our clients to provide practical, effective results. Our Project Managers will work with you specifically to solve problems and make changes quickly.




Transparency and Communication

We created The IST Discover-E Portal so you can check on the progress of your project in real-time including making and tracking change requests providing a single login through Relativity to secure case media tracking/chain of custody. The portal also facilitates client work order requests that immediately get emailed to the PM team along with real time Case Calendar and Case Documentation directories.

Simplified Pricing

We made our Pricing as Simple and Predictable as Possible so you always know what’s going to be on the next invoice and can easily identify and/or bill back charges incurred on a client’s or department’s behalf. Our pricing and reporting lets you forecast and track the time and cost of service with real-time insight into matter progress including suggestions to optimize a production ensuring it is completed on time and under budget.

IST Discover-E Features

 <p>Litigation Consulting</p>	 <p>Early Case Assessment</p>	 <p>Software</p>	 <p>Data Collections and Digital Forensics</p>
 <p>Data Processing</p>	 <p>Hosted Review</p>	 <p>Analytics</p>	 <p>Technology Assisted Review</p>
 <p>Managed Lawyer Review</p>	 <p>Production</p>	 <p>Staffed Litigation Support</p>	 <p>Security</p>

IST Discover-E Features: Software



kCura Relativity Software

When you partner with IST Discover-E, you are provided unique license to use Relativity software for your ediscovery processing and hosting. Relativity is the premier ediscovery tool available and is used by every AM Law top 100 firm, as well as, hundreds of global corporate organizations. **With IST Discover-E Managed Services, you will be able to level the playing field.**

- With full administrative access to Relativity, users are able to create new cases, utilize Early Case Assessment workflows and process an unlimited amount of data within the platform.
- The feature-rich, flexible interface streamlines the ediscovery process and transforms the largest and most complex data collection into a manageable database.
- Case teams can handle complex review projects and tailor their approach to each case. You will enjoy the benefits of advanced searching options and native imaging enhanced workflows to deliver results quickly and accurately.
- Processing is fully integrated within your workspace, allowing case teams to start reviewing sooner without ever leaving the system.
- Relativity will dramatically reduce time spent on file review. Thus providing you with a greater sense of predictability and ability to identify key issues in a case.
- IST Discover-E also provides a proprietary client portal that allows for secure transfer of data, work order ticketing, case management and document storage. Our development team also has the ability to implement custom scripts and applications within Relativity.

IST Discover-E Features: Data Processing

Utilize the most effective tool.

IST Discover-E tools extract full text and metadata from hundreds of file formats and help you narrow the universe of potentially relevant documents by delivering advanced keyword search capabilities, date restrictions, de-duplication, and file type restrictions; We can customize data filtering to match the needs of your case. By employing multiple processing platforms, we are able to utilize the most effective tool to process any given set of data, rather than being locked into a single platform which may not be optimal or cost effective for the project at hand.



Core processing attributes include:

- Central dashboard for monitoring progress
- Complete metadata and container extraction
- Password bank for processing encrypted files
- Extensive error reporting
- Real-time status and email notifications
- Native application imaging
- Full production support
- Scalable infrastructure, from single server to distributed processing units
- Extensive reports provide a complete processing history for each document
- File type analysis
- De-Nist (based on updated NIST database)
- File type filtering
- Standard and search-based processing
- Metadata extraction
- De-duplication (custodian or global)
- Near duplication (custodian or global)
- Email threading
- Predictive coding
- Foreign language identification with percentage classification and ranking

IST Discover-E Features: Hosted Review



kCura Relativity Hosted Review

IST Discover-E is a Relativity Premium Hosting Partner. A feature-rich, web-based platform, Relativity provides complete processing capabilities, computer-assisted review, image and native file review, powerful searching, diverse coding options, flexible workflow capabilities, integrated productions, unicode and foreign language support, and text analytics—all delivered in a highly scalable solution.

- Relativity analytics
- Relativity assisted review
- Data visualization
- Foreign language support
- Security
- Productions

eDiscovery under the microscope.

eDiscovery can be confusing, discover how IST Discover-E makes it easy to understand.

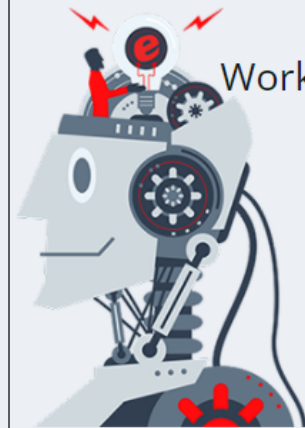
Single-Tool Workflow



IST Discover-E Index of Terms



How It Works



Thought leadership.

Discover our thought provoking white papers and webinars written and demonstrated by our experienced industry leaders.



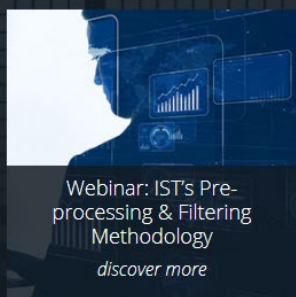
White Paper: What's the Difference?
[discover more](#)



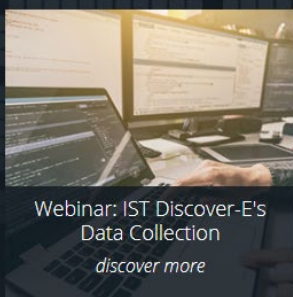
White Paper: The Balancing Act
[discover more](#)



White Paper: AI for eDiscovery
[discover more](#)



Webinar: IST's Pre-processing & Filtering Methodology
[discover more](#)



Webinar: IST Discover-E's Data Collection
[discover more](#)



Webinar: IST's Remote Video Deposition
[discover more](#)

Exhibit “2”

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA**

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.

_____ /

**ORDER GRANTING RECEIVER RYAN K. STUMPHAUZER'S
MOTION TO APPROVE PAYMENT OF CERTAIN ELECTRONIC
DISCOVERY COSTS IN THE ORDINARY COURSE OF THE
ADMINISTRATION AND OPERATION OF THE RECEIVERSHIP**

THIS CAUSE comes before the Court upon the Receiver's Motion to Approve Payment of Certain Electronic Discovery Costs in the Ordinary Course of the Administration and Operation of the Receivership [ECF No. ____] (the "Motion"), filed on January 15, 2021. In the Motion, the Receiver seeks the Court's approval of: (1) the Receiver's utilization of IST Management Services, Inc. ("IST") to process certain electronic data and host it on a review platform in order to manage and review it efficiently; and (2) the Receiver's payment of IST's costs according to IST's normal 30-day payment terms, for the estimated costs set forth in the Motion, provided they fall within the thresholds described herein, in the ordinary course of the administration and operation of the receivership, as provided by Paragraph 56 of the Amended Receivership Order.

The Court finds that the Receiver has made a sufficient and proper showing in support of the relief requested. Accordingly, it is hereby

ORDERED AND ADJUDGED that the Receiver's Motion to Approve Payment of Certain Electronic Discovery Costs in the Ordinary Course of the Administration and Operation of the Receivership [ECF No. ____] is **GRANTED** as follows:

1. The Receiver is authorized to utilize IST to process electronic data and host it on a review platform, as further described in the Motion; and

2. The Receiver is authorized to pay IST's costs according to IST's normal 30-day payment terms, for the estimated costs set forth in the Motion, provided they fall within the thresholds described in the Motion, in the ordinary course of the administration and operation of the receivership, as provided by Paragraph 56 of the Amended Order Appointing Receiver [D.E. 141].

DONE AND ORDERED Fort Lauderdale, Florida, this ____ day of _____, 2021.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record