

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
CASE NO.: 20-CV-81205-RAR-REINHART**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

**RECEIVER, RYAN K. STUMPHAUZER’S AND DEFENDANT
LISA MCELHONE’S JOINT STATUS REPORT REGARDING
DISCOVERY HEARING HELD ON MARCH 1, 2021**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ and Defendant Lisa McElhone (“McElhone”), by and through their respective

¹ The “Receivership Entities” are 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; 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; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment 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 Consultants, 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; The LME 2017 Family Trust; Blue Valley Holdings, LLC; LWP North LLC; and 500 Fairmount Avenue, LLC and the Receivership Estate 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.

undersigned counsel, hereby file this Status Report regarding the discovery hearing conducted by United States Magistrate Judge Bruce E. Reinhart on March 1, 2021 (ECF No. 499) (the “Discovery Hearing”), and state:

1. The discovery dispute at issue during the Discovery Hearing involves the Receiver’s production of emails for seven (7) custodians. At the conclusion of the Discovery Hearing, the Court advised that it would be scheduling a continued hearing and instructed the parties to meet and confer regarding a proposed date and estimation of how much time the parties would require for the continued hearing. *See* ECF No. 499. The Court also encouraged the parties to continue to meet and confer in an effort to resolve the underlying discovery dispute.

2. On March 2 and 3, 2021, counsel for the Receiver and counsel for McElhone and Joseph LaForte engaged in a series of meet-and-confer conferences to discuss a potential resolution of the discovery dispute. The parties have made substantial progress in that regard, are committed to continuing these discussions, and will immediately advise the Court in the event of a resolution.

3. In the event the parties cannot resolve this issue without the Court’s intervention, the parties agree that a hearing of two (2) hours would be adequate to address the various issues the Court identified during the Discovery Hearing.

4. The Receiver proposes that the hearing be scheduled for any time between March 15 and March 18, 2021 (*i.e.*, after the evidentiary hearing scheduled for March 11, 2021, on 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 (the “Contempt Hearing”). *See* ECF No. 496, Paperless Order Setting Evidentiary Hearing. Attorney Michael Bachner, who will be appearing in this case on behalf of McElhone, has advised that he is not available on March 16, 2021 through March 18, 2021, due to a hearing he is scheduled to attend in another case, and has requested that

the continued hearing not be scheduled on those days. The Receiver can also be available during the week of March 22, 2021, or thereafter (subject to various conflicts due to hearings and conferences in other matters).

5. Ms. McElhone proposes that the hearing be scheduled as soon as possible, given Defendants' need to obtain the emails for the purpose of preparing their defense in this case. Ms. McElhone disagrees that the continued hearing on this discovery dispute should be delayed until after the Contempt Hearing, as the issues Magistrate Judge Reinhart advised would be heard are unrelated to the Contempt Hearing. Moreover, the Contempt Hearing relates only to Defendants McElhone and Joseph Cole Barleta, and the need for the discovery at issue in the Discovery Hearing affect all the defendants, who joined in Ms. McElhone's and the Receiver's Joint Discovery Memorandum. *See* ECF No. 497, n. 1.

Dated: March 3, 2021

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on March 3, 2021, I electronically filed the foregoing document with the clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ Timothy A. Kolaya _____

TIMOTHY A. KOLAYA