

**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.

**RECEIVER RYAN K. STUMPHAUZER AND DEFENDANT LISA
MCELHONE'S JOINT MOTION FOR APPROVAL OF STIPULATION
REGARDING CONVERGE HUB PRODUCTION**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ and Defendant Lisa McElhone (“McElhone”), by and through their respective undersigned counsel, and PLSDATA, LLC (“PLS”), have entered into a Stipulation, which is

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; ABFP Income Fund 6 Parallel; ABFP MultiStrategy 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.

attached hereto as Exhibit 1, regarding the protocols for the production of electronically stored documents by non-party Converge Hub to Defendant Lisa McElhone. The electronically stored documents are in the possession of Converge Hub, but are owned by Par Funding, a Receivership Entity. The Receiver and McElhone respectfully move this Honorable Court to enter an Order approving the Stipulation, retaining jurisdiction to enforce the terms of the Stipulation, if necessary.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on April 16, 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/ Joel Hirschhorn
JOEL HIRSCHHORN

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Defendants.

**RECEIVER, RYAN K. STUMPHAUZER, DEFENDANT LISA MCELHONE, AND
PLSDATA, LLC'S STIPULATION REGARDING CONVERGE HUB PRODUCTION**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities,¹ and Defendant Lisa McElhone (“McElhone”), by and through their respective undersigned counsel, and PLSDATA, LLC (“PLS”), by and through its owner, Marc Hirschfeld,

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hereby stipulate and agree to the following process regarding the production of certain files, as further detailed below:

1. Defendant Lisa McElhone has requested documents via subpoena from Converge Hub, a nonparty entity with which Defendant Complete Business Solutions Group, Inc., d/b/a Par Funding (“Par Funding”) has an agreement to electronically store documents and data regarding Par Funding’s merchant clients.

2. Specifically, McElhone has requested that Converge Hub produce: (1) all data from the CRM system or client management software concerning or relating to merchants or clients of Par Funding for the period 2012 to July 30, 2020; (2) all reports, data, communications, emails, invoices and billing records by and between Converge Hub and Par Funding for the period 2012 to July 30, 2020; and (3) all reports, data, communications, emails, invoices and billing records by and between Converge Hub and the Individuals for the period 2012 to July 30, 2020 (“Requested Documents”).

3. In response to the subpoena, Converge Hub has agreed to provide the Defendants in this action access to Converge Hub’s portal, which would permit Defendants to review the Requested Documents in Converge Hub’s possession. The Receiver has raised concerns regarding a procedure that would permit access to native files involving Par Funding’s merchant accounts, some of which remain active, without proper controls. Therefore, the Receiver and Defendants have agreed to implement the following protocols regarding Defendants’ access to the Requested Documents in Converge Hub’s possession:

4. First, Converge Hub will create a second, static version of their Par Funding merchant account database to house the Requested Documents (“Static Par Funding Account”), separate and apart from the original Par Funding merchant account files in their database which are periodically

updated. The Static Par Funding Account will not include any documents or information generated, modified, entered, or uploaded after July 30, 2020. Because the Converge Hub software was not built with controls to prevent downloading and printing, Converge Hub will provide access to this Static Par Funding Account only to PLS. PLS will provide remote desktop access to the Static Par Funding Account for Defendants and their legal team (“Defense Team”), and will limit their internet access through this remote desktop to the Converge Hub IP address only. Because the Defense Team will only be able to access the Converge Hub database from a PLS remote location and will have no ability to access any other internet pages through PLS’s remote access, this remote desktop arrangement will prevent Converge Hub documents from being downloaded or printed without going through PLS. The Defense Team will identify documents to be used in its defense and PLS will process and produce these documents to both the Receiver and the Defendants by placing the data into the current Iconnect database with Bates numbered control numbers.

5. Mr. Hirschfeld, on behalf of himself and PLS, agrees that he will not permit the Defense Team access to the Converge Hub portal where the Par Funding merchant account files are being hosted except through the protocols described in paragraph 4. Mr. Hirschfeld, on behalf of himself and PLS, also agrees that he will not provide access to the Static Par Funding Account to anyone not bound by the terms of the Protective Order (ECF No. 437), and Marc Hirschfeld and PLS agrees to be bound to the terms and conditions of the Protective Order (ECF 437). Upon receiving a request from the Receiver, Marc Hirschfeld and PLS shall promptly provide the Receiver’s eDiscovery consultant, Michael Russo, with an audit log reflecting the details of all login access (*i.e.*, the login date and IP address) to the Static Par Funding Account on Converge Hub.

6. Additionally, McElhone and Mr. Hirschfeld agree that McElhone, Mr. Hirschfeld, and the members of the Defense Team who are provided access to the Static Par Funding Account will return or destroy the Requested Emails and any other “Protected Material” generated from the Requested Emails upon the final disposition of this action, pursuant to the requirements of Paragraph 14 of the Protective Order.

SO STIPULATED on this 16th day of April, 2021, by:

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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 AND DEFENDANT LISA
MCELHONE'S JOINT MOTION FOR APPROVAL OF STIPULATION
REGARDING CONVERGE HUB PRODUCTION**

THIS CAUSE comes before the Court upon Ryan K. Stumphauzer, Esq., Court-Appointed Receiver ("Receiver") of the Receivership Entities,¹ and Defendant Lisa McElhone's

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(“McElhone”) Joint Motion for Approval of Stipulation Regarding Converge Hub Production [ECF No. 536] (“Joint Motion”).

The Court, having reviewed the Joint Motion and the record in this matter, noting the Parties’ agreement to the entry of this Order, and being otherwise fully advised, it is hereby

ORDERED AND ADJUDGED that the Joint Motion is **GRANTED** as follows:

1. The Court acknowledges and approves the Receiver, McElhone, and PLSDATA, LLC’s Stipulation Regarding Email Production [ECF No. 536-1] (the “Stipulation”) and retains jurisdiction over these parties to enforce the terms of the Stipulation, if necessary.

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

BRUCE E. REINHART
UNITED STATES MAGISTRATE JUDGE

Copies to: Counsel of Record