

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
CASE NO.: 9:20-cv-81205-RAR**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

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

**Defendants.**

---

**DEFENDANT LISA MCELHONE’S ANSWER AND  
AFFIRMATIVE DEFENSES TO AMENDED COMPLAINT**

Defendant Lisa McElhone (“Defendant” or “McElhone”), files this Answer and Affirmative Defenses to the Amended Complaint filed by Plaintiff Securities and Exchange Commission (“Plaintiff” or “SEC”), and states as follows:

**ANSWER**

Defendant denies all allegations contained in the headings and all unnumbered paragraphs in the Amended Complaint and denies any allegations not specifically denied. Defendant answers the remaining allegations of the Amended Complaint as follows:

1. Defendant denies the allegations contained in paragraph 1 of the Amended Complaint.
2. Defendant denies the allegations contained in the first sentence of paragraph 2 of the Amended Complaint. Defendant only admits that Par Funding offered and issued various promissory notes.
3. Defendant denies the allegations contained in paragraph 3 of the Amended Complaint. Additionally, Defendant is without sufficient knowledge to form a belief as to the

truth of the allegations contained in the second sentence of paragraph 3 of the Amended Complaint and therefore denies same.

4. Defendant is without sufficient knowledge to form a belief regarding what the Pennsylvania Securities Regulators knew regarding the creation of the Agent Funds and is without sufficient knowledge with respect to the Agent Funds' obligations to its noteholders. Defendant denies the allegations contained in the remainder of paragraph 4 of the Amended Complaint.

5. Defendant denies the allegations contained in paragraph 5 of the Amended Complaint.

6. Defendant is without sufficient knowledge to form a belief as to the truth of the Allegations in paragraph 6 not concerning Defendant and therefore denies same.

7. Defendant is without sufficient knowledge to form a belief as to the truth of the Allegations in paragraph 7 not concerning Defendant and therefore denies same.

8. Defendant denies the allegations contained in paragraph 8 of the Amended Complaint.

9. Defendant denies the allegations contained in paragraph 9 of the Amended Complaint.

10. Defendant denies the allegations contained in paragraph 10 of the Amended Complaint.

11. Defendant admits that she and her husband, Joseph Laforte, started Par Funding in or about 2011 and that CBSG had an office in Philadelphia, PA until approximately 2017, when CBSG relocated its office to Florida. Defendant admits that Complete Business Solutions Group (CBSG) has done business as Par Funding since about 2013. Defendant admits that The LME

2017 Family Trust (“The LME Trust”) was Par Funding’s sole owner and that Defendant was Par Funding’s sole employee. Defendant denies the remaining allegations contained in paragraph 11 of the Amended Complaint.

12. Defendant only admits that the Order referenced in paragraph 12 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 12 of the Amended Complaint and therefore denies same.

13. Defendant only admits that the Order referenced in paragraph 13 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 12 of the Amended Complaint and therefore denies same.

14. Defendant only admits that the Order referenced in paragraph 14 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 14 of the Amended Complaint and therefore denies same.

15. Defendant admits that FSP’s corporate filings speak for themselves and that Defendant was FSP’s sole owner. Defendant denies the remainder of the allegations contained in paragraph 15 of the Amended Complaint.

16. Defendant only admits that the Order referenced in paragraph 16 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant admits that Defendant was the sole owner of Par Funding and denies the remainder of the allegations contained in paragraph 16 of the Amended Complaint.

17. Defendant admits that LaForte is a resident of Philadelphia and that he worked on the idea for Par Funding with his wife, Lisa McElhone, but was never its owner. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 17 of the Amended Complaint and therefore denies same.

18. Defendant only admits that the convictions referenced in paragraph 18 of the Amended Complaint speaks for itself and denies any inconsistent and remaining allegations in paragraph 18 of the Amended Complaint.

19. Defendant only admits that Cole is a resident of Philadelphia and was employed by Par Funding as CFO until about 2017, when Par Funding employees were converted to Full Spectrum Processing (“FSP”) employees, and thereafter was employed by FSP as its CFO. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 19 of the Amended Complaint and therefore denies same.

20. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 20 of the Amended Complaint and therefore denies same.

21. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 21 of the Amended Complaint and therefore denies same. Defendant only admits that the Order referenced in paragraph 21 of the Amended Complaint speaks for itself and denies any inconsistent and remaining allegations in paragraph 21 of the Amended Complaint.

22. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 22 of the Amended Complaint and therefore denies same.

23. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 23 of the Amended Complaint and therefore denies same. Defendant only admits that the agreement referenced in paragraph 23 of the Amended Complaint speaks for itself and denies any inconsistent and remaining allegations in paragraph 23 of the Amended Complaint.

24. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 24 of the Amended Complaint and therefore denies same.

25. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 25 of the Amended Complaint and therefore denies same.

26. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 26 of the Amended Complaint and therefore denies same. Defendant only admits that the Order referenced in paragraph 26 of the Amended Complaint speaks for itself and denies any inconsistent and remaining allegations in paragraph 26 of the Amended Complaint.

27. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 27 of the Amended Complaint and therefore denies same.

28. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 28 of the Amended Complaint and therefore denies same.

29. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 29 of the Amended Complaint and therefore denies same.

30. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 30 of the Amended Complaint and therefore denies same.

31. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 31 of the Amended Complaint and therefore denies same.

32. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 32 of the Amended Complaint and therefore denies same.

33. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 33 of the Amended Complaint and therefore denies same.

34. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 34 of the Amended Complaint and therefore denies same.

35. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 35 of the Amended Complaint and therefore denies same.

36. Defendant admits that the LME Trust is Par Funding's owner and that she is its Grantor. Defendant only admits that the Certification of Trust referenced in paragraph 36 of the

Amended Complaint speaks for itself and denies the remaining allegations contained in paragraph 36 of the Amended Complaint.

37. Defendant admits that Par Funding has an office in Florida and is registered to do business in Florida, and that she is the owner of FSP. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations contained in paragraph 37 of the Amended Complaint and therefore denies same.

38. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 38 of the Amended Complaint and therefore denies same.

39. Defendant denies the allegations in paragraph 39 of the Amended Complaint.

40. Defendant denies the allegations in paragraph 40 of the Amended Complaint.

41. Defendant denies the allegations in paragraph 41 of the Amended Complaint.

42. Defendant denies the allegations in paragraph 42 of the Amended Complaint and only admits that Par Funding's corporate filings speak for themselves. Defendant is without sufficient knowledge as to the remaining allegations contained in paragraph 42 and therefore denies them.

43. Defendant denies the allegations in paragraph 43 of the Amended Complaint.

44. Defendant denies the allegations in paragraph 44 of the Amended Complaint.

45. Defendant denies the allegations in paragraph 45 of the Amended Complaint.

46. Defendant denies the allegations in paragraph 46 of the Amended Complaint.

47. Defendant denies the allegations in paragraph 47 of the Amended Complaint.

48. Defendant denies the allegations in paragraph 48 of the Amended Complaint.

49. Defendant denies the allegations in paragraph 49 of the Amended Complaint.

50. Defendant denies the allegations in paragraph 50 of the Amended Complaint and only admits that the promissory notes referenced in this paragraph speak for themselves.

51. Defendant denies the allegations in paragraph 51 of the Amended Complaint and only admits that the promissory notes referenced in this paragraph speak for themselves.

52. Defendant admits that she and Cole signed promissory notes issued by Par Funding, and denies the remainder of the allegations contained in paragraph 52 of the Amended Complaint.

53. Defendant denies the allegations in paragraph 53 of the Amended Complaint and only admits that the promissory notes referenced in this paragraph speak for themselves.

54. Defendant denies the allegations in paragraph 54 of the Amended Complaint and only admits that the agreement referenced in this paragraph speak for itself.

55. Defendant denies the allegations in paragraph 55 of the Amended Complaint and only admits that any agreement referenced in this paragraph speak for itself.

56. Defendant only admits that Defendant Vagnozzi had a Finders Agreement with Par Funding at one point in time but denies the remainder of the allegations contained in paragraph 56 of the Amended Complaint.

57. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 57 of the Amended Complaint and therefore denies same.

58. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 58 of the Amended Complaint and therefore denies same.



59. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 59 of the Amended Complaint and therefore denies same.

60. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 60 of the Amended Complaint and therefore denies same.

61. Defendant admits that Par Funding raised money through the sale of promissory notes, but denies the remaining allegations contained in paragraph 61 of the Amended Complaint.

62. Defendant only admits that any subpoena issued by state regulators speaks for itself and denies the allegations in paragraph 62 of the Amended Complaint.

63. Defendant denies the allegations in paragraph 63 of the Amended Complaint.

64. Defendant only admits that Par Funding sold promissory notes to Agent Funds beginning in 2018 but denies the allegations in paragraph 64 of the Amended Complaint.

65. Defendant denies the allegations in paragraph 65 of the Amended Complaint.

66. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 66 of the Amended Complaint and therefore denies same.

67. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 67 of the Amended Complaint and therefore denies same.

68. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 68 of the Amended Complaint and therefore denies same.

69. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 69 of the Amended Complaint and therefore denies same.

70. Defendant denies the allegations in paragraph 70 of the Amended Complaint.

71. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 71 of the Amended Complaint and therefore denies same.

72. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 72 of the Amended Complaint and therefore denies same.

73. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 73 of the Amended Complaint and therefore denies same.

74. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 74 of the Amended Complaint and therefore denies same.

75. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 75 of the Amended Complaint and therefore denies same.

Defendant only admits that the Agent Guide referenced in this paragraph speaks for itself.

76. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 76 of the Amended Complaint and therefore denies same.

Defendant only admits that the Agent Guide referenced in this paragraph speaks for itself.

77. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations contained in paragraph 77 of the Amended Complaint and therefore denies same.

78. Defendant denies the allegations in paragraph 78 of the Amended Complaint.

79. Defendant denies the allegations in paragraph 79 of the Amended Complaint.

80. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 80 of the Amended Complaint and therefore denies same. Defendant denies the remaining allegations in paragraph 80 of the Amended Complaint.

81. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations in paragraph 81 of the Amended Complaint and therefore denies same.

82. Defendant denies the allegations in paragraph 82 of the Amended Complaint.

83. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 83 of the Amended Complaint and therefore denies same. Defendant denies the remaining allegations in paragraph 83 of the Amended Complaint.

84. Defendant denies the allegations in paragraph 84 of the Amended Complaint.

85. Defendant only admits that any agreement between Par and ABFP Management speaks for itself and denies the remaining allegations in paragraph 85 of the Amended Complaint.

86. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 86 of the Amended Complaint and therefore denies same.

87. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 87 of the Amended Complaint and therefore denies same.

88. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 88 of the Amended Complaint and therefore denies same. Defendant only admits that the PPM referenced in this paragraph speaks for itself.

89. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 89 of the Amended Complaint and

therefore denies same. Defendant only admits that the PPM referenced in this paragraph speaks for itself.

90. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 90 of the Amended Complaint and therefore denies same. Defendant only admits that the PPM referenced in this paragraph speaks for itself.

91. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 91 of the Amended Complaint and therefore denies same.

92. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 92 of the Amended Complaint and therefore denies same.

93. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 93 of the Amended Complaint and therefore denies same.

94. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 94 of the Amended Complaint and therefore denies same.

95. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 95 of the Amended Complaint and therefore denies same.

96. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 96 of the Amended Complaint and

therefore denies same. Defendant only admits that any document referenced in this paragraph speaks for itself.

97. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 97 of the Amended Complaint and therefore denies same.

98. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 98 of the Amended Complaint and therefore denies same.

99. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 99 of the Amended Complaint and therefore denies same.

100. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 100 of the Amended Complaint and therefore denies same.

101. Defendant only admits that the transcript of the referenced statement speaks for itself. Additionally, Defendant denies the remainder of the allegations contained in paragraph 101 of the Amended Complaint.

102. Defendant only admits that the transcript of the referenced statement speaks for itself. Additionally, Defendant denies the remainder of the allegations contained in paragraph 102 of the Amended Complaint.

103. Defendant only admits that the transcript of the referenced statement speaks for itself. Additionally, Defendant denies the remainder of the allegations contained in paragraph 103 of the Amended Complaint.

104. Defendant only admits that the transcript of the referenced statement speaks for itself. Additionally, Defendant denies the remainder of the allegations contained in paragraph 104 of the Amended Complaint.

105. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 105 of the Amended Complaint and therefore denies same.

106. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 106 of the Amended Complaint and therefore denies same.

107. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 107 of the Amended Complaint and therefore denies same.

108. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 108 of the Amended Complaint and therefore denies same.

109. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 109 of the Amended Complaint and therefore denies same.

110. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 110 of the Amended Complaint and therefore denies same.

111. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 111 of the Amended Complaint and therefore denies same.

112. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 112 of the Amended Complaint and therefore denies same.

113. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 113 of the Amended Complaint and therefore denies same.

114. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 114 of the Amended Complaint and therefore denies same. Defendant only admits that any filings made by Furman and Fidelis Planning speak for themselves.

115. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 115 of the Amended Complaint and therefore denies same.

116. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 116 of the Amended Complaint and therefore denies same.

117. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 117 of the Amended Complaint and therefore denies same.

118. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 118 of the Amended Complaint and therefore denies same.

119. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 119 of the Amended Complaint and therefore denies same.

120. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 120 of the Amended Complaint and therefore denies same.

121. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 121 of the Amended Complaint and therefore denies same.

122. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 122 of the Amended Complaint and therefore denies same.

123. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 123 of the Amended Complaint and therefore denies same.

124. Defendant only admits that the message referenced in paragraph 124 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 124 of the Amended Complaint and therefore denies same.



125. Defendant only admits that the message referenced in paragraph 125 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 125 of the Amended Complaint and therefore denies same.

126. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 126 of the Amended Complaint and therefore denies same.

127. Defendant denies the allegations contained in paragraph 127 of the Amended Complaint.

128. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 128 of the Amended Complaint and therefore denies same.

129. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 129 of the Amended Complaint and therefore denies same.

130. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 130 of the Amended Complaint and therefore denies same.

131. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 131 of the Amended Complaint and therefore denies same.

132. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 132 of the Amended Complaint and therefore denies same.

133. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 133 of the Amended Complaint and therefore denies same.

134. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 134 of the Amended Complaint and therefore denies same.

135. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 135 of the Amended Complaint and therefore denies same.

136. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 136 of the Amended Complaint and therefore denies same.

137. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 137 of the Amended Complaint and therefore denies same.

138. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 138 of the Amended Complaint and therefore denies same.

139. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 139 of the Amended Complaint and therefore denies same.

140. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 140 of the Amended Complaint and therefore denies same.

141. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 141 of the Amended Complaint and therefore denies same.

142. Defendant denies the allegations contained in paragraph 142 of the Amended Complaint.

143. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 143 of the Amended Complaint and therefore denies same.

144. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 144 of the Amended Complaint and therefore denies same.

145. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 145 of the Amended Complaint and therefore denies same.

146. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 146 of the Amended Complaint and therefore denies same.

147. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 147 of the Amended Complaint and therefore denies same.

148. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 148 of the Amended Complaint and therefore denies same.

149. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 149 of the Amended Complaint and therefore denies same.

150. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 150 of the Amended Complaint and therefore denies same.

151. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 151 of the Amended Complaint and therefore denies same.

152. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 152 of the Amended Complaint and therefore denies same.

153. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 153 of the Amended Complaint and therefore denies same.

154. Defendant denies the allegations contained in paragraph 154 of the Amended Complaint.

155. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 155 of the Amended Complaint and therefore denies same.

156. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 156 of the Amended Complaint and therefore denies same.

157. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 157 of the Amended Complaint and therefore denies same.

158. Defendant only admits that the brochure referenced in paragraph 158 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 158 of the Amended Complaint and therefore denies same.

159. Defendant only admits that the brochure referenced in paragraph 159 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 159 of the Amended Complaint and therefore denies same.

160. Defendant only admits that the brochure referenced in paragraph 160 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 160 of the Amended Complaint and therefore denies same.

161. Defendant only admits that the brochure referenced in paragraph 161 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is

without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 161 of the Amended Complaint and therefore denies same.

162. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 162 of the Amended Complaint and therefore denies same.

163. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 163 of the Amended Complaint and therefore denies same.

164. Defendants are without knowledge regarding the allegations in paragraph 164, and therefore denied.

165. Defendant denies the allegations contained in paragraph 165 of the Amended Complaint.

166. Defendant denies the allegations contained in paragraph 166 of the Amended Complaint.

167. Defendant denies the allegations contained in paragraph 167 of the Amended Complaint.

168. Defendant denies the allegations contained in paragraph 168 of the Amended Complaint.

169. Defendant denies the allegations contained in paragraph 169 of the Amended Complaint.

170. Defendant denies the allegations contained in paragraph 170 of the Amended Complaint.

171. Defendant denies the allegations contained in paragraph 171 of the Amended Complaint.

172. Defendant denies the allegations contained in paragraph 172 of the Amended Complaint.

173. Defendant denies the allegations contained in paragraph 173 of the Amended Complaint.

174. Defendant denies the allegations contained in paragraph 174 of the Amended Complaint.

175. Defendant denies the allegations contained in paragraph 175 of the Amended Complaint.

176. Defendant denies the allegations contained in paragraph 176 of the Amended Complaint.

177. Defendant denies the allegations contained in paragraph 177 of the Amended Complaint.

178. Defendant denies the allegations contained in paragraph 178 of the Amended Complaint.

179. Defendant denies the allegations contained in paragraph 179 of the Amended Complaint.

180. Defendant denies the allegations contained in paragraph 180 of the Amended Complaint.

181. Defendant denies the allegations contained in paragraph 181 of the Amended Complaint.

182. Defendant denies the allegations contained in paragraph 182 of the Amended Complaint.

183. Defendant denies the allegations contained in paragraph 183 of the Amended Complaint.

184. Defendant denies the allegations contained in paragraph 184 of the Amended Complaint.

185. Defendant denies the allegations contained in paragraph 185 of the Amended Complaint.

186. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 186 of the Amended Complaint and therefore denies same.

187. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 187 of the Amended Complaint and therefore denies same.

188. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 188 of the Amended Complaint and therefore denies same.

189. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 189 of the Amended Complaint and therefore denies same.

190. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 190 of the Amended Complaint and therefore denies same.



191. Defendant only admits that the website referenced in paragraph 191 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 191 of the Amended Complaint and therefore denies same.

192. Defendant denies the allegations contained in paragraph 192 of the Amended Complaint.

193. Defendant denies the allegations contained in paragraph 193 of the Amended Complaint.

194. Defendant denies the allegations contained in paragraph 194 of the Amended Complaint.

195. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 195 of the Amended Complaint and therefore denies same.

196. Defendant denies the allegations contained in paragraph 196 of the Amended Complaint.

197. Defendant denies the allegations contained in paragraph 197 of the Amended Complaint.

198. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 198 of the Amended Complaint and therefore denies same.

199. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 199 of the Amended Complaint and therefore denies same.

200. Defendant denies the allegations contained in paragraph 200 of the Amended Complaint.

201. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 201 of the Amended Complaint and therefore denies same.

202. Defendant denies the allegations contained in paragraph 202 of the Amended Complaint.

203. Defendant denies the allegations contained in paragraph 203 of the Amended Complaint.

204. Defendant denies the allegations contained in paragraph 204 of the Amended Complaint.

205. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 205 of the Amended Complaint and therefore denies same.

206. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 206 of the Amended Complaint and therefore denies same.

207. Defendant denies the allegations contained in paragraph 207 of the Amended Complaint.

208. Defendant denies the allegations contained in paragraph 208 of the Amended

209. Defendant denies the allegations contained in paragraph 209 of the Amended Complaint.

210. Defendant denies the allegations contained in paragraph 210 of the Amended Complaint.

211. Defendant denies the allegations contained in paragraph 211 of the Amended Complaint.

212. Defendant denies the allegations contained in paragraph 212 of the Amended Complaint.

213. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 213 of the Amended Complaint and therefore denies same.

214. Defendant denies the allegations contained in paragraph 214 of the Amended Complaint.

215. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 215 of the Amended Complaint and therefore denies same.

216. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 216 of the Amended Complaint and therefore denies same.

217. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 217 of the Amended Complaint and therefore denies same.

218. Defendant denies the allegations contained in paragraph 218 of the Amended Complaint.

219. Defendant denies the allegations contained in paragraph 219 of the Amended Complaint.

220. Defendant only admits that the transcript of the referenced statement speaks for itself. Additionally, Defendant denies the remainder of the allegations contained in paragraph 220 of the Amended Complaint.

221. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 221 of the Amended Complaint and therefore denies same.

222. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 222 of the Amended Complaint and therefore denies same.

223. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 223 of the Amended Complaint and therefore denies same.

224. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 224 of the Amended Complaint and therefore denies same.

225. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 225 of the Amended Complaint and therefore denies same.

226. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 226 of the Amended Complaint and therefore denies same.

227. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 227 of the Amended Complaint and therefore denies same.

228. Defendant only admits that the Order referenced in paragraph 228 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 12 of the Amended Complaint and therefore denies same.

229. Defendant only admits that the Order referenced in paragraph 229 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 229 of the Amended Complaint and therefore denies same.

230. Defendant denies the allegations contained in paragraph 230 of the Amended Complaint.

231. Defendant only admits that the Order referenced in paragraph 231 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 231 of the Amended Complaint and therefore denies same.

232. Defendant denies the allegations contained in paragraph 232 of the Amended Complaint.

233. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 233 of the Amended Complaint and therefore denies same.

234. Defendant denies the allegations contained in paragraph 234 of the Amended Complaint.

235. Defendant denies the allegations contained in paragraph 235 of the Amended Complaint.

236. Defendant only admits that the Order referenced in paragraph 236 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 236 of the Amended Complaint and therefore denies same.

237. Defendant only admits that the Order referenced in paragraph 237 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 237 of the Amended Complaint and therefore denies same.

238. Defendant only admits that the Order referenced in paragraph 238 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 238 of the Amended Complaint and therefore denies same.

239. Defendant denies the allegations contained in paragraph 239 of the Amended Complaint.

240. Defendant denies the allegations contained in paragraph 240 of the Amended Complaint.

241. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 241 of the Amended Complaint and therefore denies same.

242. Defendant only admits that the document referenced in paragraph 242 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 242 of the Amended Complaint and therefore denies same.

243. Defendant denies the allegations contained in paragraph 243 of the Amended Complaint.

244. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 244 of the Amended Complaint and therefore denies same.

245. Defendant denies the allegations contained in paragraph 245 of the Amended Complaint.

246. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 246 of the Amended Complaint and therefore denies same.

247. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 247 of the Amended Complaint and therefore denies same.

248. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 248 of the Amended Complaint and therefore denies same.

249. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 249 of the Amended Complaint and therefore denies same.

250. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 250 of the Amended Complaint and therefore denies same.

251. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 251 of the Amended Complaint and therefore denies same.

252. Defendant only admits that the article referenced in paragraph 252 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 238 of the Amended Complaint and therefore denies same.

253. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 253 of the Amended Complaint and therefore denies same.

254. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 254 of the Amended Complaint and therefore denies same.

255. Defendant only admits that the article referenced in paragraph 255 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 238 of the Amended Complaint and therefore denies same.

256. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 256 of the Amended Complaint and therefore denies same.



257. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 257 of the Amended Complaint and therefore denies same.

258. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 258 of the Amended Complaint and therefore denies same.

259. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 259 of the Amended Complaint and therefore denies same.

260. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 260 of the Amended Complaint and therefore denies same.

261. Defendant only admits that the documents referenced in paragraph 261 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 261 of the Amended Complaint and therefore denies same.

262. Defendant only admits that the Order referenced in paragraph 262 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 262 of the Amended Complaint and therefore denies same.

263. Defendant is without sufficient knowledge to form a belief as to the truth of the allegations not concerning the Defendant in paragraph 263 of the Amended Complaint and therefore denies same.

264. Defendant only admits that the website referenced in paragraph 264 of the Amended Complaint speaks for itself and denies any inconsistent allegations. Defendant is without sufficient knowledge to form a belief as to the truth of the remaining allegations in paragraph 264 of the Amended Complaint and therefore denies same.

265. Defendant denies the allegations contained in paragraph 265 of the Amended Complaint.

266. Defendant denies the allegations contained in paragraph 266 of the Amended Complaint.

267. Defendant denies the allegations contained in paragraph 267 of the Amended Complaint.

#### **COUNT I**

268. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

269. Defendant denies the allegations contained in paragraph 269 of the Amended Complaint.

270. Defendant denies the allegations contained in paragraph 270 of the Amended Complaint.

#### **COUNT II**

271. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

272. Defendant denies the allegations contained in paragraph 272 of the Amended Complaint.

273. Defendant denies the allegations contained in paragraph 273 of the Amended

Complaint.

**COUNT III**

274. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

275. Defendant denies the allegations contained in paragraph 275 of the Amended Complaint.

276. Defendant denies the allegations contained in paragraph 276 of the Amended Complaint.

**COUNT IV**

277. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

278. Defendant denies the allegations contained in paragraph 278 of the Amended Complaint.

279. Defendant denies the allegations contained in paragraph 279 of the Amended Complaint.

**COUNT V**

280. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

281. Defendant denies the allegations contained in paragraph 281 of the Amended Complaint.

282. Defendant denies the allegations contained in paragraph 282 of the Amended Complaint.

**COUNT VI**

283. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

284. Defendant denies the allegations contained in paragraph 284 of the Amended Complaint.

285. Defendant denies the allegations contained in paragraph 285 of the Amended Complaint.

**COUNT VII**

286. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

287. Defendant denies the allegations contained in paragraph 287 of the Amended Complaint.

288. Defendant denies the allegations contained in paragraph 288 of the Amended Complaint.

289. Defendant denies the allegations contained in paragraph 289 of the Amended Complaint.

**COUNT VIII**

290. Defendant repeats and re-alleges paragraphs 1 through 267, inclusive, as if fully set forth herein.

291. Defendant denies the allegations contained in paragraph 291 of the Amended Complaint.

292. Defendant denies the allegations contained in paragraph 292 of the Amended Complaint.

293. Defendant denies the allegations contained in paragraph 293 of the Amended Complaint.

294. Defendant denies the allegations contained in paragraph 294 of the Amended Complaint.

**RELIEF REQUESTED**

Defendant denies that she committed the violations alleged and that the Commission is entitled to any relief set forth in this section.

**GENERAL DENIAL**

Defendant generally denies all allegations of the Amended Complaint except for such allegations as are explicitly and specifically admitted above.

**AFFIRMATIVE DEFENSES**

Defendant asserts the following affirmative defense and reserves the right to amend her answer and affirmative defenses based upon information obtained in the course of litigation.

**FIRST AFFIRMATIVE DEFENSE**  
**(Advice of Counsel)**

Defendant hereby provides notice that she intends to rely on a defense that she relied upon advice of counsel. Defendant did not act with the requisite mental state that Plaintiff must prove, and the Court should decline to issue the equitable relief sought by Plaintiff, because Defendant's reliance on the advice of her counsel is inconsistent with the Plaintiff's allegations of violations of the federal securities laws and the relief sought. Defendant made a full and complete good faith report of all material facts to counsel that she considered competent, received the attorneys' advice as to the specific course of conduct that was followed, and reasonably relied on that advice in good faith.

**SECOND AFFIRMATIVE DEFENSE**  
**(Reliance on Other Professionals and Experts)**

In executing or authorizing the execution and/or publication of any document containing the statements complained of in the Amended Complaint, Defendant was entitled to, and did, reasonably and in good faith, rely upon the work and conclusions of other professionals and experts, including Certified Public Accountants, Accountants, Auditors, & Tax Advisors.

**THIRD AFFIRMATIVE DEFENSE**  
**(Good Faith)**

Plaintiff's claims are barred in whole or in part because Defendant acted at all times in good faith and/or did not know, and in the exercise of reasonable case could have known, or had any reasonable grounds to believe, that any misstatements or omissions of material fact existed in any statements, reports, and/or filings allegedly issued or uttered by Defendant. Defendant also relied upon competent personnel to assist her in making reasonable and informed decisions.

**FOURTH AFFIRMATIVE DEFENSE**  
**(Laches)**

Plaintiff's claims are barred, in whole or in part, by the doctrine of laches.

**FIFTH AFFIRMATIVE DEFENSE**  
**(Estoppel)**

Plaintiff's claims are barred by the doctrine of estoppel.

**SIXTH AFFIRMATIVE DEFENSE**  
**(Waiver)**

Plaintiff's claims are barred by the doctrine of waiver.

**SEVENTH AFFIRMATIVE DEFENSE**  
**(Notes Are Not Securities)**

Plaintiff's claims are barred because the notes at issue are not securities because they fall

squarely within the list of non-securities enumerated in *Reves v. Ernst & Young*, 494 U.S. 56, 63 (1990). The notes are also exempt as securities under the express language of the Exchange Act (15 U.S.C. § 78c(a)(10)) and from the registration requirement under the Securities Act (15 U.S.C. § 77b(a)(1)).

**JURY DEMAND**

Defendant hereby requests a trial by jury on all claims and defenses in this action.

Dated: June 1, 2021

Law Offices of Alan S. Futerfas  
*Attorneys for Lisa McElhone*  
565 Fifth Avenue, 7th Floor  
New York, New York 10017  
(212) 684-8400  
asfuterfas@futerfaslaw.com

By: /s/ Alan S. Futerfas  
ALAN S. FUTERFAS  
Admitted Pro Hac Vice

GRAYROBINSON, P.A.  
*Local Counsel for L. McElhone*  
333 S.E. 2d Avenue, Suite 3200  
Miami, Florida 33131  
Telephone: (305) 416-6880  
Facsimile: (305) 416-6887  
joel.hirschhorn@gray-robinson.com

By: /s/ Joel Hirschhorn  
JOEL HIRSCHHORN  
Florida Bar No. 104573

**CERTIFICATE OF SERVICE**

I hereby certify that on the 1<sup>st</sup> day of June, 2021, a true and correct copy of the foregoing Answer and Affirmative Defenses was served via the Court's CM/ECF System upon all counsel of record.

/s/ Alan Futerfas  
Alan Futerfas