

**UNITED STATES DISTRICT COURT  
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,**

---

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S  
EXPEDITED MOTION TO PRECLUDE TRIAL TESTIMONY  
OF DEFENDANT LAFORTE AND MEMORANDUM IN SUPPORT**

Pursuant to Local Rule 7.1(d)(2), Plaintiff Securities and Exchange Commission submits this Expedited Motion seeking an order precluding Defendant Joseph LaForte from testifying at trial. The SEC seeks expedited relief - specifically, a ruling on the motion by November 22, 2021 because a) trial is scheduled to commence in this matter on December 6, 2021; b) two days ago, at the eleventh hour in this litigation and well after discovery closed, LaForte for the first time informed the SEC that he has decided to testify at trial, despite having spent the past sixteen months refusing, on the basis of his Fifth Amendment privilege, to provide discovery pursuant to the Federal Rules of Civil Procedure and the rules of this Court; and, c) LaForte's stated intent to testify would create upheaval not only for the case against him, but given that he worked in concert with all of the other Defendants in this matter, allowing him to testify would result in turmoil as to the cases against all those other Defendants as well. As discussed below, this latest salvo in a pattern of attempted trial by ambush by LaForte should not be countenanced and an order precluding his testimony should issue.

The Commission makes this Expedited Motion because trial is less than four weeks away and proposes that the Court require any opposition to the motion to be filed no later than Tuesday, November, 16, and that any reply by the SEC be filed no later than Thursday, November 18.

## **I. BACKGROUND**

On the night of November 10, 2021, counsel for Defendant LaForte sent an email to counsel for the SEC that stated, in pertinent part, "I don't want this to wait any longer — Joe LaForte has decided he wants to testify." That purported notice to the SEC came after the close of discovery, less than four weeks before trial will commence, and after LaForte has refused - and continues to refuse - over the course of sixteen months of litigation to produce documents, answer interrogatories, prepare an accounting ordered by the Court, or answer questions posed at his deposition, all because of the assertion of a Fifth Amendment privilege that he now has "decided" to shed. His transparent gamesmanship should be rejected and he should be precluded from testifying.

During discovery, the SEC propounded interrogatories and two sets of requests for production to LaForte (Exhibits A-C). LaForte asserted a Fifth Amendment privilege and refused to respond to a single interrogatory or produce a single document. The SEC also deposed LaForte. He asserted the privilege in response to every question other than whether he is married and to whom (Exhibit D).

## **II. DISCUSSION**

LaForte's repeated invocation of his Fifth Amendment privilege against self-incrimination during discovery precludes him from "deciding" to testify on the eve of trial. Withdrawal of the invocation of the Fifth Amendment privilege against self-incrimination is not permitted "if the litigant is trying to 'abuse, manipulate or gain an unfair strategic advantage over opposing parties.'" *SEC v. BIH Corp.*, No. 10- CV- 577-FTM-29, 2013 WL 6571472, at \*3 (M.D. Fla. Dec. 13, 2013) (*quoting Davis-Lynch, Inc. v. Moreno*, 667 F.3d 539, 547 (5th Cir. 2012)). For that reason, a defendant is not permitted to withdraw his invocation of the Fifth Amendment privilege during a civil trial: The federal rules contemplate that there be "full and equal mutual discovery in advance of trial" so as to prevent surprise, prejudice and perjury. "It is an effective means of detecting and exposing false, fraudulent, and sham claims and defenses." 4 Moore, Federal Practice ¶ 26.02[2] at 1034-35. The court would not tolerate nor indulge a practice whereby a defendant by asserting the privilege against self-incrimination during pre-trial examination and then voluntarily waiving the privilege at the main trial surprised or prejudiced the opposing party. *Gutierrez-Rodriguez v. Cartagena*, 882 F.2d 553, 576 (1st Cir. 1989) (citing authorities). LaForte has had ample opportunity during discovery and the pretrial period to withdraw his assertion of

the Fifth Amendment privilege, but he chose not to do so. The SEC therefore respectfully requests entry of an order prohibiting LaForte from testifying at trial.

The order sought by the SEC is recognized as an appropriate response to an eleventh hour, highly prejudicial, attempted withdrawal of a Fifth Amendment invocation. For example, in the Second Circuit:

Recognizing that assertion of the Fifth Amendment privilege is an effective way to obstruct discovery, the Second Circuit has instructed district courts to "pay particular attention to how and when the privilege was originally invoked" before allowing a defendant to withdraw his claim of privilege. *United States v. Certain Real Property and Premises Known As 4003-4005 5th Ave., Brooklyn, N.Y.*, 55 F.3d 78, 84 (2d Cir. 1995). Courts must be especially alert to the danger that litigants might invoke the privilege primarily to manipulate discovery or gain an unfair strategic advantage. *Id.* Courts may, in appropriate cases, bar litigants from testifying later about matters previously hidden from discovery through improper invocation of the Fifth Amendment. *Id.* at 87.

*SEC v. Softpoint, Inc.*, 958 F. Supp. 846, 855 (S.D.N.Y. 1997).

"Withdrawal is dependent on the particular facts and circumstances of each case." *SEC v. Smart*, 678 F.3d 850, 855 (10th Cir. 2012). Courts will examine the prejudice to the opposing party and the extent to which the withdrawal shows that the litigant is trying to "abuse, manipulate or gain an unfair strategic advantage over opposing parties." *Smart*, 678 F.3d at 855; *Davis-Lynch*, 667 F.3d at 547; *see also SEC v. Graystone Nash, Inc.*, 25 F.3d 187, 191 (3d Cir. 1994) (eve-of-trial waiver would place "the adverse party—having conducted discovery and prepared the case without the benefit of knowing the content of the privileged matter— . . . at a disadvantage. The opportunity to combat the newly available testimony might no longer exist, a new investigation could be required, and orderly trial preparation could be disrupted.")<sup>1</sup>

Here, as discussed below, a) the prejudice to the SEC is enormous, and b) the attempted eleventh-hour withdrawal fits into a pattern of late and inadequate by disclosures by LaForte (and his co-defendants) clearly designed to gain an improper advantage in the litigation through a trial by ambush.

---

<sup>1</sup> While *Graystone* reversed the trial court's order barring the defense from offering *any* evidence at the summary judgment stage, this is not the situation here. Moreover, *Graystone* relied heavily on the defendants' pro se status, noting that the "[t]he decision to invoke or waive the Fifth Amendment is not always self-evident, and it requires serious consideration of the consequences. Counselling by a lawyer familiar with the ramifications of a particular case and the intricacies of the law in this area is highly desirable . . . ." 25 F.3d at 192-93. This exact counselling was available to Mr. LaForte from the outset of this litigation.

The Commission fully understands that assertion of the Fifth Amendment privilege is valid during civil litigation, and that a court may not punish a party for invoking the privilege during a deposition. *SEC v. Merrill Scott & Assoc.*, 505 F. Supp. 2d 1193, 1208 (D. Utah 2007). But by the same token:

This does not mean that withdrawal of the claim of privilege should be permitted carelessly. Courts need to pay particular attention to how and when the privilege was originally invoked. Since an assertion of the Fifth Amendment is an effective way to hinder discovery and provides a convenient method for obstructing a proceeding, trial courts must be especially alert to the danger that the litigant might have invoked the privilege primarily to abuse, manipulate, or gain an unfair strategic advantage over opposing parties.

*4003-4005 5<sup>th</sup> Avenue*, 55 F.3d at 84 (trial court did not abuse discretion by denying defendant's motion to withdraw privilege and testify on the eve of trial).

Here, the timing of the withdrawal, and the prejudice it carries, speaks for itself. Again, it comes well after the close of discovery and after 16 months of LaForte consistently asserting the Fifth Amendment privilege in response to all written discovery requests and deposition questions (other than acknowledging he is married and to whom). It comes 16 months after he asserted the Fifth Amendment in response to the July 2020 Court Order directing him to produce a sworn accounting identifying all funds received from the alleged conduct. And it comes less than four weeks before a lengthy trial will commence, and without any time for the SEC to begin to remedy the disruption and prejudice it would create.<sup>2</sup>

As a result, the risk of prejudice and unfairness is glaring here, exacerbated by the fact that LaForte's testimony would not just involve his own conduct; he is one of multiple co-defendants. LaForte's testimony would not, and really could not, be limited to matters about himself. That means that, on the eve of trial the SEC - having conducted discovery in good faith and prepared the case without the benefit of knowing the content of the privileged matter - would be placed at a

---

<sup>2</sup> LaForte has suggested that he simply agree to sit for a deposition now. The suggestion is wholly impractical and would not even approach addressing the prejudice the SEC has and will continue to suffer by his attempted withdrawal. Further, because LaForte asserted the Fifth Amendment privilege in response to all written discovery, his offer to sit for a deposition is essentially an offer for the SEC to conduct a deposition without the benefit of LaForte's written discovery responses and responsive documents. Even if a deposition were to occur and even if LaForte responded to the written discovery and produced documents in advance of the deposition, there would likely be additional discovery the SEC would want to conduct after hearing LaForte's testimony – as it would have been entitled to do during the discovery period rather than on the eve of trial.

disadvantage not only as to LaForte, but to every other Defendant in the case as well.

In addition to the timing of the waiver, the overall context of the litigation should be considered:

[I]f the litigant’s request to waive comes only at the ‘eleventh hour’ and appears to be part of a manipulative, ‘cat-and-mouse’ approach to the litigation, a trial court may be fully entitled . . . to bar a litigant from testifying later about matters previously hidden from discovery through an invocation of the privilege.”); *Guitierrez-Rodriguez v. Cartagena*, 882 F.2d 553, 577 (1st Cir. 1989) (“A defendant may not use the fifth amendment to shield herself from the opposition’s inquiries during discovery only to impale her accusers with surprise testimony at trial.”)

*4003-4005 5<sup>th</sup> Avenue*, 55 F.3d at 85-86. The Court need look no further than the SEC's Omnibus Motion *In Limine* in this matter (Dkt. No. 929) in which, among other things, the SEC points to repeated efforts by the defendants, LaForte included, to gain unfair advantage at trial by refusing to play by the rules. For example, as discussed on page 2 of the Omnibus Motion *In Limine*:

Defendants’ witness list includes 47 witnesses on its “Will Call” list and 72 possible witnesses on its “May Call” list. Defendant Furman filed a supplemental witness list adding 11 other possible witnesses. Many of these witnesses (approximately 34) were not disclosed in Defendants’ Rule 26(a)(1) disclosures or in other discovery. Similarly, in their exhibit lists and motions for summary judgment, Defendants attempt to introduce documents, video, and declarations not previously produced, some from witnesses not previously disclosed.

As further set forth in the Omnibus Motion *in Limine*, LaForte did not give his expert witness the SEC’s subpoena for documents until 2 months after it was served, the expert witness failed to produce all responsive documents and admitted to this during his deposition, and LaForte refused to permit the SEC to continue the expert’s deposition after receipt of his responsive documents.

LaForte's attempt to withdraw invocation of his Fifth Amendment privilege fits neatly into this pattern of late and inadequate disclosures and should not be allowed.<sup>3</sup>

---

<sup>3</sup> See *Smart*, 678 F.3d at 855 (striking defendant’s sworn declaration opposing summary judgment because defendant had asserted the Fifth Amendment during testimony and deposition and waited until after discovery to waive the privilege, showing “he was using the privilege to manipulate the litigation process”); *Davis-Lynch*, 667 F.3d at 548-59 (district court erred in denying defendant’s attempt to withdraw more than a month *before* the discovery deadline but properly denied withdrawal by co-defendant after adverse party had moved for summary judgment—the latter “appears more likely to be an attempt to abuse the system or gain an unfair advantage”); *4003-4005 Fifth Avenue*, 55 F.3d at 84-86 (trial court properly precluded defendant from using evidence in opposition to summary judgment after he had asserted Fifth Amendment for at least 18 months;

### **III. CONCLUSION**

For all of the foregoing reasons, the SEC asks the Court to grant this motion to preclude LaForte from testifying at trial in light of his repeated invocations of his Fifth Amendment privilege throughout discovery.

November 12, 2021

Respectfully submitted

**s/Amie Riggle Berlin**

Amie Riggle Berlin, Esq.  
Senior Trial Counsel  
Florida Bar No. 630020  
Direct Dial: (305) 982-6322  
Email: [berlina@sec.gov](mailto:berlina@sec.gov)

Alise Johnson, Esq.  
Senior Trial Counsel  
Fla. Bar No. 0003270  
Telephone: (305) 982-6385  
Facsimile: (305) 536-4154  
E-mail: [johnsonali@sec.gov](mailto:johnsonali@sec.gov)

---

defendant's use of the privilege was "improper" and an "abus[e] of the discovery process"); *SEC v. Hirshberg*, 173 F.3d 846 (table), 1999 WL 163992 at \*2 (2d Cir. Mar. 18, 1999) (trial court properly struck testimony in response to summary judgment motion after defendants invoked Fifth Amendment during discovery; disapproving of "cat and mouse" litigation tactics and "eleventh hour" waiver); *Gutierrez-Rodriguez*, 882 F.2d at 576-77 (district court properly precluded defendant from testifying at trial after he invoked Fifth Amendment during deposition); *In re Edmond*, 934 F.2d 1304, 1308-09 (4th Cir. 1991) (trial court properly struck debtor's affidavit in support of his summary judgment motion after he asserted Fifth Amendment during discovery deposition); *SEC v. Merrill Scott & Assoc.*, 505 F. Supp. 2d 1193, 1208-12 (D. Utah 2007) (striking defendant's sworn discovery responses opposing summary judgment after defendant invoked Fifth Amendment privilege during testimony three years earlier; calling defendant's attempt to waive privilege so late "troubling"); *SEC v. Zimmerman*, 854 F. Supp. 896, 899 (N.D. Ga. 1993) (precluding defendant from using evidence after discovery when he invoked the Fifth Amendment during discovery); *SEC v. Benson*, 657 F. Supp. 1122, 1129-30 (S.D.N.Y. 1987) (precluding defendant from offering evidence in opposition to summary judgment on topics where he had asserted the Fifth Amendment); *SEC v. Cymaticolor Corp.*, 106 F.R.D. 545, 549-50 (S.D.N.Y. 1985) (precluding defendant from testifying at trial if he continued to assert his Fifth Amendment privilege during discovery).

**ATTORNEYS FOR PLAINTIFF  
SECURITIES AND EXCHANGE  
COMMISSION**  
801 Brickell Avenue, Suite 1950  
Miami, Florida 33131  
Telephone: (305) 982-6300

**CERTIFICATE OF CONFERRAL**

Undersigned counsel hereby certifies that she conferred with counsel for Joseph LaForte. Undersigned spoke with LaForte's counsel about the issue generally, notified Mr. LaForte of the SEC's position and that we will seek the relief sought herein via email on November 11, and emailed LaForte's counsel again today.

s/Amie Riggle Berlin  
Amie Riggle Berlin

UNITED STATES DISTRICT COURT  
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.

---

**DEFENDANT JOSEPH LAFORTE’S OBJECTIONS AND RESPONSES TO  
THE SECURITIES AND EXCHANGE COMMISSION’S  
FIRST SET OF INTERROGATORIES TO DEFENDANT JOSEPH  
LAFORTE**

Defendant Joseph LaForte pursuant to Fed. R. Civ. P. 33, submits the following objections and responses to the Securities and Exchange Commission’s (“SEC”) First Set of Interrogatories to Defendant Joseph LaForte.

**PRELIMINARY STATEMENT**

LIMITED OBJECTIONS: The Defendant has not completed his investigation of the facts relating to this case, has not completed discovery, and has not completed his preparation for trial. Therefore, these responses are based only on the information and documents presently available to and specifically known to the Defendant. Further discovery, independent investigation, legal research, and analysis may lead to the discovery of additional non-privileged responsive information which may lead to additions to, changes in, and variations from the information, responses and/or objections set forth below.



These responses are given without prejudice to the Defendant's right to produce evidence of any subsequently discovered facts, including the right to supplement these responses if he obtains further evidence. The Defendant reserves the right to produce at trial and make reference to any evidence, facts, documents or information not discovered at this time, omitted through good faith error, mistake or oversight, or the relevance of which has not presently been identified by the Defendant and to further modify these responses as a result of subsequently discovered information.

In an abundance of caution and so as not to waive his rights, Mr. LaForte provides notice of his intention to invoke his Fifth Amendment Privilege Against Self-Incrimination.

Notwithstanding any of the responses and objections set forth herein, the Defendant agrees to meet and confer in writing, pursuant to Federal Rule of Civil Procedure 37(a)(1), to the extent that the SEC takes issue with these Limited Objections or any specific response and objection below.

### **RESPONSES TO INTERROGATORIES**

1. In connection with Your reliance on advice of counsel Affirmative Defense, state: the name, contact information, and date You retained any and all attorney whose advice You claim You relied upon.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

2. For each attorney identified in Your answer to Interrogatory Number 1, state, making clear which attorney You are referencing:

(a) what advice, if any, You sought from the attorney,

- (b) when You sought the advice,
- (c) what facts You shared with the attorney when You sought the advice,
- (d) what advice the attorney gave You,
- (e) when the attorney gave You the advice,
- (f) whether the attorney's advice to You was in writing, and
- (g) whether the attorney's advice to You was verbal and, if so, the identity of any other person present when the attorney gave You the advice.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

3. In connection with Your reliance on professionals and experts Affirmative Defense, state the name and contact information of each professional and expert whose advice You claim You relied upon.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

4. For each professional and/or expert identified in Your answer to Interrogatory Number 3, state, making clear which professional or expert You are referring to:

- (h) what advice, if any, You sought from the attorney,
- (i) when You sought the advice,
- (j) what facts You shared with the attorney when You sought the advice,
- (k) what advice the attorney gave You,
- (l) when the attorney gave You the advice,

(m) whether the attorney's advice to You was in writing, and

(n) whether the attorney's advice to You was verbal and, if so, the identity of any other person present when the attorney gave You the advice.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

5. State the facts and evidence supporting Your "Estoppel" Affirmative Defense, including:

(a) The identity or identities of any and all Securities and Exchange Commission staff who made the representations at issue in Your Estoppel defense; and

(b) For each SEC staff member identified in response to answer 5(a), state (i) what representation(s) that SEC staff member made, (ii) to whom, (iii) when, (iv) by what communication method the representation was made, (v) whether and to what extent You relied on the representation; (vi) whether and, if so why, the SEC staff representation was material; and (vii) whether and if so, how, You changed Your position to Your detriment based on the SEC staff member representation.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

6. State the facts and evidence supporting Your "Good Faith" Affirmative Defense.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

7. State (a) each of Your current source(s) of income; and (b) the source(s) of income You are using to pay Your attorneys in this case.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

8. State how much money You received – both directly and indirectly and including through companies and entities You own, control, and/or benefit from - from the offer and sale of promissory notes offered and sold in connection with Par Funding and the Agent Funds.

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

9. State all facts and identify all evidence supporting Your Affirmative Defense that “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).”

**RESPONSE: The interrogatory would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such response under the Fifth Amendment of the Constitution of the United States.**

Dated: August 5, 2021

Respectfully Submitted,

Alejandro Soto, Esq.  
*Attorney for Joseph LaForte*  
Fridman Fels & Soto, PLLC  
2525 Ponce de Leon Blvd., Suite 750  
Coral Gables, FL 33134  
(305) 569-7701  
asoto@ffslawfirm.com

/s/ Alejandro O. Soto  
ALEJANDRO O. SOTO  
Florida Bar No. 172847

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing document was served on all counsel of record via electronic mail this 5<sup>th</sup> day of August, 2021.

/s/ Alejandro O. Soto  
ALEJANDRO O. SOTO  
Florida Bar No. 172847

UNITED STATES DISTRICT COURT  
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.

---

**DEFENDANT JOSEPH LAFORTE’S OBJECTIONS AND RESPONSES TO  
THE SECURITIES AND EXCHANGE COMMISSION’S  
REQUEST FOR PRODUCTION TO DEFENDANT JOSEPH LAFORTE**

Defendant Joseph LaForte pursuant to Fed. R. Civ. P. 34, submits the following objections and responses to the Securities and Exchange Commission’s (“SEC”) Request for Production to Defendant Joseph LaForte.

**PRELIMINARY STATEMENT**

LIMITED OBJECTIONS to each and every Request: The Defendant has not completed his investigation of the facts relating to this case, has not completed discovery, and has not completed his preparation for trial. Therefore, these responses are based only on the information and documents presently available to and specifically known to the Defendant. Further discovery, independent investigation, legal research, and analysis may lead to the discovery of additional non-privileged responsive information which may lead to additions to, changes in, and variations from the information, responses and/or objections set forth below.

These responses are given without prejudice to the Defendant's right to produce evidence of any subsequently discovered facts, including the right to supplement these responses if he obtains further evidence. The Defendant reserves the right to produce at trial and make reference to any evidence, facts, documents or information not discovered at this time, omitted through good faith error, mistake or oversight, or the relevance of which has not presently been identified by the Defendant and to further modify these responses as a result of subsequently discovered information. The Defendant further reserves the right to withhold any information protected by the attorney-client and work product privileges.

GENERAL OBJECTION to each and every Request: Defendant objects to the Requests as they are unduly burdensome, call for the production of materials seized by and in the possession of the Court Appointed Receiver, call for the production of materials otherwise obtained by and in the possession of the Court Appointed Receiver, call for the production of materials that are not in the possession, custody or control of Defendant, call for the production of materials not remotely relevant to any issue in the case, call for the production of materials seized by the SEC, call for the production of materials in the possession of the SEC, and call for the production of materials already provided by the Defense to the SEC.

In an abundance of caution and so as not to waive his rights, and in addition to the LIMITED OBJECTIONS and GENERAL OBJECTION above (collectively "the OBJECTIONS"), Mr. LaForte provides notice of his intention to invoke his Fifth Amendment Privilege Against Self-Incrimination.

Notwithstanding the OBJECTIONS or any specific response set forth herein, the Defendant agrees to meet and confer in writing, pursuant to Federal Rule of Civil Procedure 37(a)(1).

## **RESPONSES TO REQUESTS FOR PRODUCTION**<sup>1</sup>

**1. Produce all documents, whether electronic or otherwise, supporting Your First Affirmative Defense (“Advice of Counsel”) [D.E. 607] including any and all documents indicating or demonstrating: (1) that You asked for legal advice; (2) the legal advice, if any, You sought and from whom; (3) the facts and evidence You disclosed to Your attorney(s) in connection with seeking or obtaining the legal advice; (4) the legal advice Your attorney(s) gave You; (5) the identity of the lawyer(s) You relied on; and (6) that You relied on Your attorney’s legal advice in good faith.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**2. Produce all documents, whether electronic or otherwise, supporting Your Second Affirmative Defense (“Reliance on Other Professionals and Experts”) [D.E. 607] including any and all documents indicating or demonstrating that: (1) You retained professionals and/or experts; (2) the identities of all professionals and experts You relied on; (2) the work and/or advice you asked the professionals and/or experts to do; (3) the facts you disclosed to the professionals and experts in connection with seeking or obtaining the professionals and experts’ work and conclusions; (4) the work and conclusions of the professionals and experts; and (5) that You relied on the professionals and experts’ work and conclusions in good faith.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**3. Produce all documents, whether electronic or otherwise, supporting Your Third Affirmative Defense (“Good Faith”) [D.E. 607], including any and all documents indicating or demonstrating that “[You] 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 [You].”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

---

<sup>1</sup> Each and every Response herein incorporates in their entirety the OBJECTIONS.



**4. Produce all documents, whether electronic or otherwise, supporting Your Third Affirmative Defense (“Good Faith”) [D.E. 607], including any and all documents indicating or demonstrating that You “relied upon competent personnel to assist her in making reasonable and informed decisions.”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**5. Produce all documents supporting Your Fourth Affirmative Defense (“Laches”) [DE 607], including any and all documents indicating or demonstrating that “Plaintiff’s claims are barred, in whole or in part, by the doctrine of laches.”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**6. Produce all documents supporting Your Fifth Affirmative Defense (“Estoppel”) [DE 607], including any and all documents indicating or demonstrating that “Plaintiff’s claims are barred by the doctrine of estoppel.”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**7. Produce all documents supporting Your Sixth Affirmative Defense (“Waiver”) [DE 609], including any and all documents indicating or demonstrating that “Plaintiff’s claims are barred by the doctrine of waiver.”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**8. Produce all documents supporting the first portion of Your Seventh Affirmative Defense – namely, that “the notes at issue... fall squarely within the list of non-securities enumerated in *Reves v. Ernst & Young*, 494 U.S. 56, 63 (1990)” – including any and all documents indicating or demonstrating that “the notes at issue... fall squarely within the list of non-securities enumerated in *Reves v. Ernst & Young*, 494 U.S. 56, 63 (1990),”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**9. Produce all documents supporting the second portion of Your Seventh Affirmative Defense – namely, that “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))” – including any and all documents indicating or demonstrating that “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).”**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**10. Produce any and all notes of witness interviews that were conducted in connection with this case.**

Defendant objects to Request for Production 10 because these communications reflect thoughts, mental impressions and analysis, which are protected from discovery under the attorney client and deliberative process privileges and work product doctrine. It is unduly burdensome and expensive for the defense to assemble, process, and then individually log each document, note and/or communication. If needed, Defendant reserves the right to supplement, revise, or amend this log as appropriate.

**11. Produce Your personal telephone and cellphone records for the period of July 27, 2015 through July 27, 2020.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**12. Produce all bank records, including but not limited to statements, for all bank and other financial accounts on which You were a signatory, for the period July 27, 2015 through present.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**13. Produce all bank records, including but not limited to statements, for all bank and other financial accounts that You controlled, directly or indirectly, for the period July 27, 2015 through present.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**14. Produce all correspondence between You and Aida Lau from July 2015 through present, unless such correspondence was sent from your parfunding.com email address.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**15. Produce all correspondence between Your attorney(s) and Aida Lau from July 23, 2020 through present.**

There are no documents responsive to this request.

**16. Produce all correspondence between Your attorney(s) and any individual or entity (either directly or through that individual or entities' counsel) identified in Your Rule 26 Disclosures in this case, from July 23, 2020 through present.**

Defendant objects to Request for Production 16 as unnecessarily duplicative and unduly burdensome because it calls for the production of materials already seized by and in the possession of the SEC and the Court Appointed Receiver. Defendant further objects that this request calls for the production of materials already provided by the Defense to the SEC.

Defendant further objects because these communications reflect thoughts, mental impressions and analysis, which are protected from discovery under the attorney client and deliberative process privileges and work product doctrine. It is unduly burdensome and expensive for the defense to assemble, process, and then individually log each document, note and/or communication. If needed, Defendant reserves the right to supplement, revise, or amend this log as appropriate.

**17. Produce documents reflecting all of Your source(s) of income, compensation, and financial support from July 27, 2020 through present.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**18. Produce all correspondence regarding Complete Business Solutions Group, a/k/a Par Funding between you and any individual and/or entity that was a purchaser or potential purchaser of a promissory note. This Request seeks documents for the period of July 27, 2015 through present.**

The request would require the Defendant to provide information which may incriminate him, and the Defendant has a right not to produce such information under the Fifth Amendment of the Constitution of the United States.

**19. Copies of all subpoenas You and/or Your attorney have issued in connection with this case.**

Defendant objects to Request for Production 19 as unnecessarily duplicative and unduly burdensome because it calls for the production of materials already provided by the Defense to the SEC.

**20. Copies of all documents and other materials You and/or Your attorney have received in connection with this case, (a) in response to any subpoena, (b) in response to any informal request, or (c) produced or provided on a voluntary basis by any individual or entity. This Request does not include documents produced by the Securities and Exchange Commission in this case.**

Defendant objects to Request for Production 20 as unnecessarily duplicative and unduly burdensome because it calls for the production of materials already provided by the Defense to the SEC.

**21. Copies of all documents and other materials You and/or Your attorney have received from or through ConvergeHub, whether received from ConvergeHub, the Receiver, or anyone else, including but not limited to documents and materials You obtained because they were downloaded from ConvergeHub.**

Defendant objects to Request for Production 21 because these documents and materials reflect thoughts, mental impressions and analysis, which are protected from discovery under the attorney client and deliberative process privileges and work product doctrine. It is unduly burdensome and expensive for the defense to assemble, process, and then individually log each document, note and/or communication. If needed, Defendant reserves the right to supplement, revise, or amend this log as appropriate.

Dated: July 30, 2021

Respectfully Submitted,

Alejandro Soto, Esq.  
*Attorney for Joseph LaForte*  
Fridman Fels & Soto, PLLC  
2525 Ponce de Leon Blvd., Suite 750  
Coral Gables, FL 33134  
(305) 569-7701  
asoto@ffslawfirm.com

/s/ Alejandro O. Soto  
ALEJANDRO O. SOTO  
Florida Bar No. 172847

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing document was served on all counsel of record via electronic mail this 30<sup>th</sup> day of July, 2021.

/s/ Alejandro O. Soto  
ALEJANDRO O. SOTO  
Florida Bar No. 172847

**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.,**

---

**SECURITIES AND EXCHANGE COMMISSION'S  
FIRST REQUEST FOR PRODUCTION TO DEFENDANT JOSEPH LAFORTE**

Pursuant to Rule 33 of the Federal Rules of Civil Procedure and the Court's Order granting expedited discovery, Plaintiff Securities and Exchange Commission requests the following

1. All Bank Records from July 1, 2015 through the present for any bank account you have owned, controlled, and/or been a signatory for.

July 31, 2020

Respectfully submitted,

By: s/ Amie Riggle Berlin  
Amie Riggle Berlin  
Senior Trial Counsel  
Florida Bar No. 630020  
Direct Dial: (305) 982-6322  
Email: [berlina@sec.gov](mailto:berlina@sec.gov)  
Attorney for Plaintiff

**SECURITIES AND EXCHANGE  
COMMISSION**  
801 Brickell Avenue, Suite 1800  
Miami, Florida 33131  
Telephone: (305) 982-6300  
Facsimile: (305) 536-4154

**EXHIBIT**

**C**

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on July 31, 2020, the foregoing document is being served this day on all parties, witnesses, and counsel of records by email pursuant to the Court's July 27, 2020 Order.

s/Amie Riggle Berlin  
Amie Riggle Berlin

**Robert F. Elgidely**

[RElgidely@foxrothschild.com](mailto:RElgidely@foxrothschild.com)

**Joseph A. DeMaria**

[jdemaria@foxrothschild.com](mailto:jdemaria@foxrothschild.com)

**Alex L. Braunstein**

[abraunstein@foxrothschild.com](mailto:abraunstein@foxrothschild.com)

*Counsel for Defendants Par*

*Funding, McElhone, LaForte, and*

*Cole, and*

*Relief Defendant LME 2017 Family Trust*

**Douglas K. Rosenblum**

[DKR@Pietragallo.com](mailto:DKR@Pietragallo.com)

*Counsel for the Receiver*

**Jeffrey L. Cox**

**Viviana Rodriguez**

[jlc@sallahlaw.com](mailto:jlc@sallahlaw.com)

[vv@sallahlaw.com](mailto:vv@sallahlaw.com)

*Counsel for Defendant Furman*

**Dan Small**

**Allison Kernisky**

**Christopher Iquinito**

[dan.small@hklaw.com](mailto:dan.small@hklaw.com)

[Allison.Kernisky@hklaw.com](mailto:Allison.Kernisky@hklaw.com)

[Christopher.Iaquinto@hklaw.com](mailto:Christopher.Iaquinto@hklaw.com)

*Counsel for Defendant Gissas*

**Brian Miller**

**Alejandro Paz**

[brian.miller@akerma.com](mailto:brian.miller@akerma.com)

[alejandro.paz@akerman.com](mailto:alejandro.paz@akerman.com)

*Counsel for Defendant Vagnozzi*



**Dan Rashbaum**

**Jeffrey Marcus**

drashbaum@mnrlawfirm.com

jmarcus@mnrlawfirm.com

*Counsel for Defendant Abbonizio*



1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF FLORIDA  
3  
4 SECURITIES AND EXCHANGE )  
5 COMMISSION, )  
6 Plaintiff, )  
7 ) Case No.  
8 v. ) 20-CV-81205-RAR  
9 )  
10 COMPLETE BUSINESS SOLUTIONS )  
11 GROUP, INC. d/b/a PAR )  
12 FUNDING, et al., )  
13 Defendants, and )  
14 )  
15 L.M.E. 2017 FAMILY TRUST, )  
16 Relief Defendant. )  
17 \_\_\_\_\_ )  
18  
19 REMOTE VIDEOTAPED DEPOSITION OF JOSEPH W. LAFORTE,  
20 called by the Plaintiffs for examination, taken  
21 by and before Ann Medis, Registered Professional  
22 Reporter and Notary Public in and for the  
23 Commonwealth of Pennsylvania, via Webex  
24 videoconference, on Tuesday, May 4, 2021,  
25 commencing at 10:09 a.m.

JOB NO. 210504AME

1

1 A P P E A R A N C E S  
2 (Participants appeared via Webex videoconference)  
3 On behalf of Plaintiff:  
4 UNITED STATES SECURITIES AND EXCHANGE  
5 COMMISSION  
6 BY: AMIE RIGGLE BERLIN, ESQUIRE  
7 801 Brickell Avenue, Suite 1800  
8 Miami, Florida 33131  
9 305.982.6300  
10 berlina@sec.gov  
11  
12 On behalf of Defendant Joseph W. LaForte:  
13 FRIDMAN FELS & SOTO  
14 BY: ALEJANDRO O. SOTO, ESQUIRE  
15 CHERLY LUCIEN, ESQUIRE  
16 2525 Ponce de Leon Boulevard, Suite 750  
17 Coral Gables, Florida 33134  
18 305.569.7701  
19 asoto@ffslawfirm.com  
20 clucien@ffslawfirm.com  
21  
22 On behalf of Defendant Perry S. Abbonizio:  
23 MARCUS NEIMAN RASHBAUM & PINEIRO  
24 BY: JEFFREY D. MARCUS, ESQUIRE  
25 JASON MAYS, ESQUIRE  
One Biscayne Tower  
2 South Biscayne Boulevard, Suite 2530  
Miami, Florida 33131  
305.434.4941  
jmarcus@mnrllawfirm.com  
jmays@mnrllawfirm.com  
26  
27 On behalf of Defendant Dean J. Vagnozzi:  
28 AKERMAN LLP  
29 BY: BRIAN P. MILLER, ESQUIRE  
30 Three Brickell City Centre  
31 98 Southeast Seventh Street  
32 Miami, Florida 33131  
33 305.374.5600  
34 brian.miller@akerman.com

2

1 A P P E A R A N C E S (Continued)  
2 On behalf of Defendant Joseph Cole Barleta:  
3 LAW OFFICES OF BETTINA SCHEIN  
4 BY: BETTINA SCHEIN, ESQUIRE  
5 565 Fifth Avenue, 7th Floor  
6 New York, New York 10017  
7 212.880.9417  
8 bschein@bettinascheinlaw.com  
9  
10 On behalf of the Receiver Ryan K. Stumphauzer:  
11 STUMPHAUZER FOSLID SLOMAN ROSS &  
12 KOLAYA, PLLC  
13 BY: TIMOTHY ANDREW KOLAYA, ESQUIRE  
14 2 South Biscayne Boulevard, Suite 2550  
15 Miami, Florida 33131  
16 305.371.9686  
17 tkolaya@sfsllaw.com  
18 PIETRAGALLO GORDON ALFANO BOSICK &  
19 RASPANTI, LLP  
20 BY: GAETAN J. ALFANO, ESQUIRE  
21 1818 Market Street, Suite 3402  
22 Philadelphia, Pennsylvania 19103  
23 215.320.6200  
24 gja@pietragallo.com  
25  
26 Also present  
27 Michael C. Furman  
28 Richard Brueckner  
29 Doug Rosenblum  
30 Tim Hunter, videographer

3

1 \* I N D E X \*  
2 JOSEPH W. LAFORTE PAGE  
3 EXAMINATION BY MS. BERLIN 6  
4  
5 \* I N D E X O F E X H I B I T S \*  
6 NO. DESCRIPTION PAGE  
7 Exhibit 40 Defendant Joseph LaForte's Response 40  
8 to the Receiver's Motion to Lift  
9 the Litigation Stay to Allow  
10 Commencement of Proceedings Against  
11 D19 Liquor Inc., Fawzi Simon and  
12 Related Entities  
13 Exhibit 41 Defendants' Joint Response to 50  
14 Receiver's Status Report of  
15 September 8, 2020 (DE 240)  
16 Exhibit 42 Defendants' Joint Response to 58  
17 Receiver's Interim Status Report  
18 dated February 1, 2021 (DE 482)  
19 Exhibit 43 Defendants' Joint Response to 62  
20 Receiver's Quarterly Status Reports  
21 dated December 13, 2020 and  
22 February 1, 2021  
23 Exhibit 44 USA v LaForte, Memorandum in Support 68  
24 of Motion for Pretrial Release and  
25 Revocation of Detention Order  
-----

4



1                    P R O C E E D I N G S  
2                    - - - -  
3                    THE VIDEOGRAPHER: Here begins the  
4 videotape deposition of Joseph LaForte in the matter  
5 of SEC versus Complete Business Solutions Group,  
6 Inc. This case is being heard in the United States  
7 District Court, Southern District of Florida,  
8 Case No. 20-cv-81205  
9                    This deposition is being held via Webex.  
10 Today's date is May 4, 2021, and the time on the  
11 record is 10:09 a.m. My name is Timothy Hunter.  
12 I'm your legal videographer. Our court reporter  
13 today is Ann Medis.  
14                    Counsel, please introduce yourselves,  
15 state whom you represent for the record starting  
16 with noticing counsel. And the witness will be  
17 sworn.  
18                    MS. BERLIN: Good morning. This is Amie  
19 Riggle Berlin, senior trial counsel with the  
20 Securities and Exchange Commission.  
21                    MR. SOTO: Good morning. Alex Soto  
22 representing the deponent, Joseph LaForte.  
23                    MR. KOLAYA: Good morning, Timothy Kolaya  
24 here on behalf of the Receiver, Ryan Stumphauzer.  
25                    MR. ALFANO: Gaetan Alfano on behalf of

5

1 States Constitution.  
2                    Q. Since 2015, what work telephone numbers  
3 have you used?  
4                    A. On the advice of counsel I must respect  
5 fully decline to answer that question pursuant to my  
6 rights under the Fifth Amendment of the Constitution  
7 of the United States.  
8                    Q. Are you married to Lisa McElhone?  
9                    A. I am.  
10                    Q. When did you get married, what year?  
11                    A. I better remember this one. 2005.  
12                    Q. Do you know what complete Business  
13 Solutions Group is?  
14                    A. On the advice of counsel, I respectfully  
15 must decline to answer that question pursuant to my  
16 rights under the Fifth Amendment of the Constitution  
17 of the United States.  
18                    Q. From no later than August of 2013 through  
19 present, has Complete Business Solutions Group done  
20 business using the fictitious name Par Funding?  
21                    A. On the advice of counsel, I respectfully  
22 decline to answer that question as provided by my  
23 Fifth Amendment rights under the U.S. Constitution.  
24                    Q. From 2013 until at least July of 2020, did  
25 Par Funding provide short-term loans to small

7

1 the Receiver, Ryan Stumphauzer.  
2                    MS. LUCIEN: Good morning. Cherly Lucien,  
3 associate at Fridman Fels & Soto, on behalf of  
4 Joseph LaForte.  
5                    MR. MARCUS: Good morning. Jeff Marcus  
6 and Jason Mays on behalf of Perry Abbonizio.  
7                    MR. MILLER: Brian Miller from Akerman, on  
8 behalf of defendant Dean Vagnozzi, who is also  
9 attending.  
10                    JOSEPH LAFORTE,  
11 having been first duly sworn, was examined  
12 and testified as follows:  
13                    EXAMINATION  
14 BY MS. BERLIN:  
15                    Q. Good morning, Mr. LaForte. My name is  
16 Amie Riggle Berlin. I'm senior trial counsel with  
17 the Securities and Exchange Commission. If you need  
18 to take a break at any time today, just let me know.  
19 And also if you would like me to repeat any question  
20 or rephrase it, just let me know that as well.  
21                    Since 2015, what cell phone numbers have  
22 you used?  
23                    A. On the advice of counsel, I respectfully  
24 must decline to answer that question pursuant to my  
25 rights under the Fifth Amendment of the United

6

1 business?  
2                    A. On the advice of counsel, I respectfully  
3 decline to answer that question as provided by my  
4 Fifth Amendment rights under the Constitution.  
5                    Q. Did you and Lisa McElhone form Par Funding  
6 together in 2011?  
7                    A. On the advice of counsel, I respectfully  
8 must decline to answer that question pursuant to my  
9 rights under the Fifth Amendment of the Constitution  
10 of the United States.  
11                    Q. From no later than 2015 until at least  
12 July 2020, were you an owner of Par Funding?  
13                    A. On the advice of counsel, I respectfully  
14 must decline to answer that question pursuant to my  
15 rights under the Fifth Amendment of the Constitution  
16 of the United States.  
17                    Q. From 2011 until July 2020, did you and  
18 Lisa McElhone control Par Funding together?  
19                    A. On the advice of counsel, I respectfully  
20 must decline to answer that question pursuant to my  
21 rights under the Fifth Amendment of the Constitution  
22 of the United States.  
23                    Q. From the inception of Full Spectrum until  
24 July 2020, did you and Lisa McElhone control Full  
25 Spectrum together?

8

1 **A.** On the advice of counsel, I respectfully  
 2 decline to answer the question as provided by the  
 3 Fifth Amendment of the U.S. Constitution.  
 4 **Q.** From no later than 2015 until at least  
 5 July 2020, did you run the day-to-day operations at  
 6 Par Funding?  
 7 **A.** On the advice of counsel, I respectfully  
 8 decline to answer the question as provided by the  
 9 Fifth Amendment of the U.S. Constitution.  
 10 **Q.** From no later than 2015 until at least  
 11 July 2020, did you act as the de facto CEO of Par  
 12 Funding?  
 13 **A.** On the advice of counsel, I respectfully  
 14 decline to answer the question as provided by my  
 15 Fifth Amendment rights under the U.S. Constitution.  
 16 **Q.** Was one of the email addresses that you  
 17 utilized at Par Funding called  
 18 management@parfunding.com?  
 19 **A.** On the advice of counsel, I respectfully  
 20 decline to answer the question as provided by the  
 21 Fifth Amendment of the U.S. Constitution.  
 22 **Q.** From no later than 2018 until July 2020,  
 23 if messages were sent to the email address  
 24 management@parfunding.com, then would those messages  
 25 be forwarded to you?

9

1 **MR. SOTO:** Objection to the form.  
 2 **THE WITNESS:** On the advice of counsel, I  
 3 respectfully decline to answer the question as  
 4 provided by the Fifth Amendment of the U.S.  
 5 Constitution.  
 6 **BY MS. BERLIN:**  
 7 **Q.** From no later than 2015 until at least  
 8 July 2020, did you have hiring and firing authority  
 9 at Par Funding?  
 10 **A.** On advice of counsel, I respectfully  
 11 decline to answer the question as provided by the  
 12 Fifth Amendment to the U.S. Constitution.  
 13 **Q.** From the inception of the company Full  
 14 Spectrum until at least July 2020, did you have  
 15 firing and hiring authority at Full Spectrum?  
 16 **MR. SOTO:** Objection. Form.  
 17 **THE WITNESS:** On the advice of counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by the Fifth Amendment of the U.S.  
 20 Constitution.  
 21 **BY MS. BERLIN:**  
 22 **Q.** From no later than 2015 until at least  
 23 July 2020, did you supervise the Par Funding  
 24 employees?  
 25 **MR. SOTO:** Objection to the form.

10

1 **THE WITNESS:** On advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment of the U.S.  
 4 Constitution.  
 5 **BY MS. BERLIN:**  
 6 **Q.** From no later than 2017 until about  
 7 July 2020, did you supervise the employees at Full  
 8 Spectrum?  
 9 **A.** On advice of counsel, I respectfully  
 10 decline to answer the question as provided by the  
 11 Fifth Amendment of the U.S. Constitution.  
 12 **Q.** From no later than 2015 until about July  
 13 of 2020, did you decide which merchant cash advance  
 14 loans Par Funding would fund?  
 15 **A.** On the advice of counsel, I respectfully  
 16 decline to answer the question as provided by the  
 17 Fifth Amendment of the U.S. Constitution.  
 18 **Q.** From no later than 2015 until about  
 19 July 2020, did you decide which merchant cash  
 20 advance loans Par Funding would approve for funding?  
 21 **A.** On the advice of counsel, I respectfully  
 22 decline to answer the question as provided by the  
 23 Fifth Amendment of the U.S. Constitution.  
 24 **Q.** From no later than 2015 until about  
 25 July 2020, did you sign contracts on behalf of Par

11

1 Funding?  
 2 **A.** On advice of counsel, I respectfully  
 3 decline to answer the question as provided by the  
 4 Fifth Amendment of the U.S. Constitution.  
 5 **Q.** From no later than 2015 until about  
 6 July 2020, did you negotiate the terms of the  
 7 merchant cash advance loans with Par Funding's  
 8 borrowers?  
 9 **MR. SOTO:** Objection to the form.  
 10 **THE WITNESS:** I'm sorry. Can you repeat  
 11 the question?  
 12 **BY MS. BERLIN:**  
 13 **Q.** Sure. From no later than 2015 until about  
 14 July 2020, did you negotiate the terms of Par  
 15 Funding's merchant cash advance loans?  
 16 **MR. SOTO:** Objection to the form.  
 17 **THE WITNESS:** Thank you. On advice of  
 18 counsel, I respectfully decline to answer the  
 19 question as provided by the Fifth Amendment of the  
 20 U.S. Constitution.  
 21 **BY MS. BERLIN:**  
 22 **Q.** From no later than 2015 until about  
 23 July 2020, did you approve Par Funding's  
 24 expenditures?  
 25 **A.** On advice of counsel, I respectfully

12

1 decline to answer the question as provided by the  
 2 Fifth Amendment of the U.S. Constitution.  
 3 **Q.** From no later than 2015 until about  
 4 July 2020, did you approve Par Funding's wire  
 5 transfers?  
 6 **A.** On advice of counsel, I respectfully  
 7 decline to answer the question as provided by the  
 8 Fifth Amendment of the U.S. Constitution.  
 9 **Q.** From no later than 2015 until about  
 10 July 2020, did you act as the de facto CEO of Full  
 11 Spectrum?  
 12 **MR. SOTO:** Objection to the form.  
 13 **THE WITNESS:** On advice of counsel, I  
 14 respectfully decline to answer the question as  
 15 provided by the Fifth Amendment of the U.S.  
 16 Constitution.  
 17 **BY MS. BERLIN:**  
 18 **Q.** In about 2017 did you and Lisa McElhone  
 19 decide together to convert all of the Par Funding  
 20 employees to employees of Full Spectrum?  
 21 **A.** On the advice of counsel, I respectfully  
 22 decline to answer the question as provided by my  
 23 Fifth Amendment of the U.S. Constitution.  
 24 **Q.** From about 2017 until about July 2020, did  
 25 Full Spectrum operate Par Funding?

13

1 **MR. SOTO:** Objection to the form.  
 2 **THE WITNESS:** On advice of counsel, I  
 3 respectfully decline to answer the question as  
 4 provided by the Fifth Amendment of the U.S.  
 5 Constitution.  
 6 **BY MS. BERLIN:**  
 7 **Q.** From no later than 2017 until about  
 8 July 2020, was Lisa McElhone Par Funding's sole  
 9 employee?  
 10 **A.** On advice of counsel, I respectfully  
 11 decline to answer the question as provided by the  
 12 Fifth Amendment of the U.S. Constitution.  
 13 **Q.** From no later than 2015 until about  
 14 July 2020, did you conduct work for Par Funding  
 15 primarily from Full Spectrum's office space in  
 16 Philadelphia, Pennsylvania?  
 17 **A.** On advice of counsel, I respectfully  
 18 decline to answer the question as provided by the  
 19 Fifth Amendment of the U.S. Constitution.  
 20 **Q.** Did you and Lisa McElhone decide together  
 21 to conceal from Par Funding's investors that you  
 22 were managing Par Funding?  
 23 **MR. SOTO:** Objection to the form.  
 24 **THE WITNESS:** On advice of counsel, I  
 25 respectfully decline to answer the question as

14

1 provided by the Fifth Amendment of the U.S.  
 2 Constitution.  
 3 **BY MS. BERLIN:**  
 4 **Q.** And, Mr. LaForte, for purposes of today's  
 5 deposition, if I use the word "you," I'm referring  
 6 to you personally as Joseph LaForte, not an entity  
 7 just so you understand.  
 8 **A.** Thank you so much. I understand. Thank  
 9 you.  
 10 **Q.** Of course. And just let me know if  
 11 anything is confusing or you need me rephrase it.  
 12 **A.** Okay. Thanks.  
 13 **Q.** Sure. Did you and Lisa McElhone decide  
 14 together to conceal from Par Funding's merchant  
 15 borrowers that you, Joseph LaForte, were managing  
 16 Par Funding?  
 17 **MR. SOTO:** Objection to the form.  
 18 **THE WITNESS:** On advice of counsel, I  
 19 respectfully decline to answer the question as  
 20 provided by the Fifth Amendment of the U.S.  
 21 Constitution.  
 22 **BY MS. BERLIN:**  
 23 **Q.** Did you and Lisa McElhone decide together  
 24 that in order to conceal your management role at Par  
 25 Funding, you would claim Lisa McElhone alone managed

15

1 Par Funding and she, Lisa McElhone, would claim that  
 2 you alone managed Par Funding?  
 3 **MR. SOTO:** Objection to the form.  
 4 **THE WITNESS:** Sorry. Can you repeat the  
 5 question again?  
 6 **BY MS. BERLIN:**  
 7 **Q.** Sure.  
 8 **A.** Thank you.  
 9 **Q.** Did you and Lisa McElhone decide together  
 10 that in order to conceal your management role at Par  
 11 Funding, you would claim Lisa McElhone alone managed  
 12 Par Funding while she would claim that you alone  
 13 managed Par Funding?  
 14 **MR. SOTO:** Objection to the form.  
 15 **THE WITNESS:** On advice of counsel, I  
 16 respectfully decline to answer the question as  
 17 provided by the Fifth Amendment of the U.S.  
 18 Constitution.  
 19 **BY MS. BERLIN:**  
 20 **Q.** Since 2011 have you used any names other  
 21 than Joseph LaForte?  
 22 **A.** On advice of counsel, I respectfully  
 23 decline to answer the question as provided by the  
 24 Fifth Amendment of the U.S. Constitution.  
 25 **Q.** Since no later than 2015, have you used

16

1 the alias Joe Mack?  
 2 MR. SOTO: Objection to form.  
 3 THE WITNESS: On advice of counsel, I  
 4 respectfully decline to answer the question as  
 5 provided by the Fifth Amendment of the U.S.  
 6 Constitution.  
 7 BY MS. BERLIN:  
 8 Q. Since no later than 2015, have you used  
 9 the name Joe Mackie?  
 10 A. On advice of counsel, I respectfully  
 11 decline to answer the question as provided by the  
 12 Fifth Amendment of the U.S. Constitution.  
 13 Q. Since no later than 2015, have you used  
 14 the alias Joe McElhone?  
 15 MR. SOTO: Objection to form.  
 16 THE WITNESS: On advice of counsel, I  
 17 respectfully decline to answer the question as  
 18 provided by my Fifth Amendment rights to the U.S.  
 19 Constitution.  
 20 BY MS. BERLIN:  
 21 Q. Did you use an alias at Par Funding so  
 22 that potential investors would not know that Par  
 23 Funding was managed by a convicted felon?  
 24 MR. SOTO: Objection to the form.  
 25 THE WITNESS: On the advice of counsel, I

17

1 respectfully decline to answer the question as  
 2 provided by the Fifth Amendment of the U.S.  
 3 Constitution.  
 4 BY MS. BERLIN:  
 5 Q. Did you use an alias at Par Funding in  
 6 order to conceal from potential investors that Par  
 7 Funding was owned by a convicted felon?  
 8 MR. SOTO: Objection to the form.  
 9 THE WITNESS: On advice of counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment of the U.S.  
 12 Constitution.  
 13 BY MS. BERLIN:  
 14 Q. Did you and Lisa McElhone decide together  
 15 to conceal your true identity from Par Funding's  
 16 merchants?  
 17 MR. SOTO: Objection to the --  
 18 BY MS. BERLIN:  
 19 Q. Let me rephrase that question.  
 20 Did you and Lisa McElhone decide together  
 21 to conceal your true identity from Par Funding's  
 22 merchants borrowers?  
 23 MR. SOTO: Objection to the form.  
 24 THE WITNESS: On advice of counsel, I  
 25 respectfully decline to answer the question as

18

1 provided by the Fifth Amendment to the U.S.  
 2 Constitution.  
 3 BY MS. BERLIN:  
 4 Q. Did you and Lisa McElhone decide together  
 5 to conceal your true identity from Par Funding's  
 6 investors?  
 7 MR. SOTO: Objection to the form.  
 8 THE WITNESS: On advice of counsel, I  
 9 respectfully decline to answer the question as  
 10 provided by the Fifth Amendment to the U.S.  
 11 Constitution.  
 12 BY MS. BERLIN:  
 13 Q. Did you and Joseph Cole Barleta work  
 14 together to conceal your true identity from Par  
 15 Funding's investors?  
 16 MR. SOTO: Objection to the form.  
 17 THE WITNESS: On the advice of counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by the Fifth Amendment of the U.S.  
 20 Constitution.  
 21 BY MS. BERLIN:  
 22 Q. Did you and Joseph Cole Barleta work  
 23 together to conceal your true identity as Joseph  
 24 LaForte from Par Funding's merchant borrowers?  
 25 MR. SOTO: Objection to the form.

19

1 THE WITNESS: On the advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment of the U.S.  
 4 Constitution.  
 5 BY MS. BERLIN:  
 6 Q. Did you and Joseph Cole Barleta decide  
 7 together that you would only be referred to using  
 8 one of your aliases in discussions with Par  
 9 Funding's investors?  
 10 MR. SOTO: Objection to the form.  
 11 THE WITNESS: On advice of counsel, I  
 12 respectfully decline to answer the question as  
 13 provided by the Fifth Amendment of the U.S.  
 14 Constitution.  
 15 BY MS. BERLIN:  
 16 Q. Did you and Perry Abbonizio work together  
 17 to conceal your true identity as Joseph LaForte from  
 18 Par Funding's investors?  
 19 MR. SOTO: Objection to the form.  
 20 THE WITNESS: On the advice of counsel, I  
 21 respectfully decline to answer the question as  
 22 provided by the Fifth Amendment of the U.S.  
 23 Constitution.  
 24 BY MS. BERLIN:  
 25 Q. Did you and Joseph Cole Barleta work

20

1 together to conceal your criminal history from Par  
2 Funding's investors?  
3 MR. SOTO: Objection to the form.  
4 THE WITNESS: On the advice of counsel, I  
5 respectfully decline to answer the question as  
6 provided by the Fifth Amendment of the U.S.  
7 Constitution.  
8 BY MS. BERLIN:  
9 Q. Did you and Perry Abbonizio work together  
10 to conceal your criminal history from Par Funding's  
11 investors?  
12 MR. SOTO: Objection to the form.  
13 THE WITNESS: Can you repeat that one more  
14 time, please?  
15 BY MS. BERLIN:  
16 Q. Sure. Did you and Perry Abbonizio work  
17 together to conceal your criminal history from Par  
18 Funding?  
19 MR. SOTO: Objection to the form.  
20 THE WITNESS: On advice of counsel, I  
21 respectfully decline to answer the question as  
22 provided by the Fifth Amendment of the U.S.  
23 Constitution.  
24 BY MS. BERLIN:  
25 Q. Did you and Perry Abbonizio decide

21

1 together that you would only be referred to as using  
2 one of your aliases in all discussions with Par  
3 Funding investors?  
4 MR. SOTO: Objection to the form.  
5 THE WITNESS: On advice of counsel, I  
6 respectfully decline to answer the question as  
7 provided by the Fifth Amendment of the U.S.  
8 Constitution.  
9 BY MS. BERLIN:  
10 Q. Did you and Joseph Cole Barleta work  
11 together to conceal your management role at Par  
12 Funding from Par Funding's investors?  
13 MR. SOTO: Objection to the form.  
14 THE WITNESS: On advice of counsel, I  
15 respectfully decline to answer the question as  
16 provided by the Fifth Amendment of the U.S.  
17 Constitution.  
18 BY MS. BERLIN:  
19 Q. Did you and Perry Abbonizio work together  
20 to conceal from Par Funding's investors your  
21 management role at Par Funding?  
22 MR. SOTO: Objection to the form.  
23 THE WITNESS: On advice of counsel, I  
24 respectfully decline to answer the question as  
25 provided by the Fifth Amendment of the U.S.

22

1 Constitution.  
2 BY MS. BERLIN:  
3 Q. Did you and Dean Vagnozzi work together to  
4 conceal your true identity as Joseph LaForte?  
5 MR. SOTO: Objection to the form.  
6 THE WITNESS: On the advice of counsel, I  
7 respectfully must decline to answer that question  
8 pursuant to my rights under the Fifth Amendment of  
9 the Constitution of the United States.  
10 BY MS. BERLIN:  
11 Q. Did you and Dean Vagnozzi work together to  
12 conceal your criminal history from Par Funding's  
13 investors?  
14 MR. SOTO: Objection to the form.  
15 THE WITNESS: On advice of counsel, I  
16 respectfully decline to answer the question as  
17 provided by the Fifth Amendment of the U.S.  
18 Constitution.  
19 BY MS. BERLIN:  
20 Q. Did you and Dean Vagnozzi work together to  
21 conceal your management role at Par Funding from  
22 investors in Mr. Vagnozzi's investment fund?  
23 MR. SOTO: Objection to the form.  
24 THE WITNESS: On advice of counsel, I  
25 respectfully decline to answer the question as

23

1 provided by the Fifth Amendment to the U.S.  
2 Constitution.  
3 BY MS. BERLIN:  
4 Q. Did you and Mr. Vagnozzi work together to  
5 conceal your real name from investors of Par  
6 Funding?  
7 MR. SOTO: Objection to the form.  
8 THE WITNESS: On advice of counsel, I  
9 respectfully decline to answer the question as  
10 provided by the Fifth Amendment to the U.S.  
11 Constitution.  
12 BY MS. BERLIN:  
13 Q. Did you and Dean Vagnozzi decide together  
14 that you would only be referred to using one of your  
15 aliases in any and all discussions with any  
16 potential investor?  
17 MR. SOTO: Objection to the form.  
18 THE WITNESS: Can you repeat that one more  
19 time? I'm sorry.  
20 BY MS. BERLIN:  
21 Q. Sure. Did you and Dean Vagnozzi decide  
22 together that you would only be referred to by one  
23 of your aliases in discussions with potential  
24 investors of Mr. Vagnozzi's investment funds?  
25 MR. SOTO: Objection to the form.

24



1 THE WITNESS: On advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment of the U.S.  
 4 Constitution.  
 5 BY MS. BERLIN:  
 6 Q. Did you conceal your management role  
 7 from -- did you conceal from investors your  
 8 management role at Par Funding because you knew that  
 9 a reasonable person would not want to invest their  
 10 money in a business operated by a convicted felon?  
 11 MR. SOTO: Objection to the form.  
 12 THE WITNESS: On advice of counsel, I  
 13 respectfully decline to answer the question as  
 14 provided by the Fifth Amendment of the U.S.  
 15 Constitution.  
 16 BY MS. BERLIN:  
 17 Q. Did you conceal from Par Funding's  
 18 investors your true identity as a convicted felon  
 19 because you knew that a reasonable person would not  
 20 want to invest in any business that was owned or  
 21 operated by a convicted felon?  
 22 MR. SOTO: Objection to the form.  
 23 THE WITNESS: Sorry. Could you repeat  
 24 that one more time?  
 25

25

1 BY MS. BERLIN:  
 2 Q. Sure. Did you conceal your true identity  
 3 from investors at Par Funding because you knew that  
 4 a reasonable person would not want to invest in a  
 5 business operated or owned by a convicted felon?  
 6 MR. SOTO: Objection to the form.  
 7 THE WITNESS: On advice of counsel, I  
 8 respectfully decline to answer the question as  
 9 provided by the Fifth Amendment of the U.S.  
 10 Constitution.  
 11 BY MS. BERLIN:  
 12 Q. Did you and Lisa McElhone decide together  
 13 to hire Joseph Cole Barleta to work at Par Funding?  
 14 A. On the advice of counsel, I respectfully  
 15 decline to answer the question as provided by the  
 16 Fifth Amendment of the U.S. Constitution.  
 17 Q. By no later than 2016, did you and Lisa  
 18 McElhone decide together to pay Joseph Cole Barleta  
 19 through this consulting firms rather than pay him  
 20 directly?  
 21 A. On advice of counsel, I respectfully  
 22 decline to answer the question as provided by the  
 23 Fifth Amendment of the U.S. Constitution.  
 24 Q. Did you and Lisa McElhone decide together  
 25 to pay Joseph Cole Barleta through this consulting

26

1 firms in order to conceal from Par Funding's  
 2 investors the amount of money that Par Funding was  
 3 paying Mr. Barleta personally?  
 4 MR. SOTO: Objection to the form.  
 5 THE WITNESS: On the advice of counsel, I  
 6 respectfully decline to answer the question as  
 7 provided by the Fifth Amendment of the U.S.  
 8 Constitution.  
 9 BY MS. BERLIN:  
 10 Q. Did you and Lisa McElhone decide together  
 11 to retain Perry Abbonizio at Par Funding?  
 12 A. On advice of counsel, I respectfully  
 13 decline to answer the question as provided by the  
 14 Fifth Amendment to the U.S. Constitution.  
 15 Q. Did you and Lisa McElhone decide together  
 16 to enter into a contract with Perry Abbonizio for  
 17 him to provide services to Par Funding?  
 18 MR. SOTO: Objection to the form.  
 19 THE WITNESS: On the advice of counsel, I  
 20 respectfully decline to answer the question as  
 21 provided by the Fifth Amendment to the U.S.  
 22 Constitution.  
 23 BY MS. BERLIN:  
 24 Q. By no later than February 2017, did you  
 25 and Lisa McElhone decide together to pay Perry

27

1 Abbonizio through his consulting firms rather than  
 2 pay him personally?  
 3 A. On the advice of counsel, I respectfully  
 4 decline to answer the question as provided by the  
 5 Fifth Amendment to the U.S. Constitution.  
 6 Q. Did you and Lisa McElhone decide to pay  
 7 Perry Abbonizio through this consulting firms in  
 8 order to conceal the amount of money that Par  
 9 Funding was paying Mr. Abbonizio?  
 10 MR. SOTO: Objection to the form of the  
 11 question.  
 12 THE WITNESS: Could you repeat that  
 13 question, please?  
 14 BY MS. BERLIN:  
 15 Q. Sure. Did you and Lisa McElhone decide  
 16 together to pay Perry Abbonizio through this  
 17 consulting firms rather than pay him directly in  
 18 order to conceal the amount of money Par Funding was  
 19 paying Perry Abbonizio?  
 20 MR. SOTO: Objection to the form.  
 21 THE WITNESS: On the advice of counsel, I  
 22 respectfully decline to answer the question as  
 23 provided by the Fifth Amendment to the U.S.  
 24 Constitution.  
 25

28

1 BY MS. BERLIN:  
 2 Q. From 2015 until about July 2020, did some  
 3 of Par Funding's merchant cash advance loans carry  
 4 interest rates of more than 400 percent?  
 5 A. On the advice of counsel, I respectfully  
 6 decline to answer the question as provided by the  
 7 Fifth Amendment to the U.S. Constitution.  
 8 Q. From 2015 until about July 2020, did Par  
 9 Funding have a net profit of less than \$7 million?  
 10 MR. SOTO: Objection to the form of the  
 11 question.  
 12 THE WITNESS: I'm sorry. Ask you repeat  
 13 the question again, please?  
 14 BY MS. BERLIN:  
 15 Q. Sure. From 2015 until July 2020, did Par  
 16 Funding have a net profit of less than \$7 million?  
 17 A. On the advice of counsel, I respectfully  
 18 decline to answer the question as provided by the  
 19 Fifth Amendment to the U.S. Constitution.  
 20 Q. In 2015 would Par Funding have gone out of  
 21 business without new investor money being raised?  
 22 MR. SOTO: Objection to the form of the  
 23 question.  
 24 THE WITNESS: On the advice of counsel, I  
 25 respectfully decline to answer the question as

29

1 provided by the Fifth Amendment to the U.S.  
 2 Constitution.  
 3 BY MS. BERLIN:  
 4 Q. In 2016 would Par Funding been insolvent  
 5 without new investor money being raised from  
 6 investors?  
 7 MR. SOTO: Objection to the form of the  
 8 question.  
 9 THE WITNESS: On the advice of counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 BY MS. BERLIN:  
 14 Q. In 2017 would Par Funding have been  
 15 insolvent without new investor money being raised?  
 16 A. On the advice of counsel, I respectfully  
 17 decline to answer the question as provided by the  
 18 Fifth Amendment to the U.S. Constitution.  
 19 MR. SOTO: For the record -- excuse me.  
 20 For the record, Mr. LaForte answered before I was  
 21 able to object. I'm objecting to the form of the  
 22 last question.  
 23 BY MS. BERLIN:  
 24 Q. In 2018 would Par Funding have been  
 25 insolvent without new investor money being raised?

30

1 MR. SOTO: Objection to the form of the  
 2 question.  
 3 THE WITNESS: On the advice of counsel, I  
 4 respectfully decline to answer the question as  
 5 provided by the Fifth Amendment to the U.S.  
 6 Constitution.  
 7 BY MS. BERLIN:  
 8 Q. In 2019 would Par Funding have to be  
 9 insolvent without new investor money being raised?  
 10 MR. SOTO: Objection to the form of the  
 11 question.  
 12 THE WITNESS: Can you repeat that, please?  
 13 BY MS. BERLIN:  
 14 Q. Sure. In 2019 would Par Funding have been  
 15 insolvent without new investor money being raised?  
 16 MR. SOTO: Objection to the form.  
 17 THE WITNESS: On the advice of counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by the Fifth Amendment to the U.S.  
 20 Constitution.  
 21 BY MS. BERLIN:  
 22 Q. In 2015 was Par Funding operating as a  
 23 Ponzi scheme?  
 24 MR. SOTO: Objection to the form of the  
 25 question.

31

1 THE WITNESS: On the advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment to the U.S.  
 4 Constitution.  
 5 BY MS. BERLIN:  
 6 Q. In 2016 was Par Funding operating as a  
 7 Ponzi scheme?  
 8 MR. SOTO: Objection to the form.  
 9 THE WITNESS: On advice of counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 BY MS. BERLIN:  
 14 Q. In 2015 did Par Funding pay investors  
 15 their purported returns under promissory notes Par  
 16 Funding issued by using other investors' money to  
 17 make those payments?  
 18 MR. SOTO: Objection to the form.  
 19 THE WITNESS: On the advice of counsel, I  
 20 respectfully must decline to answer that question  
 21 pursuant to my rights under the Fifth Amendment of  
 22 the Constitution of the United States.  
 23 BY MS. BERLIN:  
 24 Q. In 2016 did Par Funding pay investors  
 25 their purported -- I'm sorry. Let me ask it again.

32

1 In 2016 did Par Funding pay investors  
 2 their returns under promissory notes Par Funding  
 3 issued by paying those investors with other  
 4 investors' monies?  
 5 MR. SOTO: Objection to the form.  
 6 THE WITNESS: I'm sorry. Can you repeat  
 7 the question?  
 8 BY MS. BERLIN:  
 9 Q. Um-hum. In 2016 did Par Funding pay  
 10 investors their returns under Par Funding's  
 11 promissory notes by using other investors' money?  
 12 MR. SOTO: Objection to the form.  
 13 THE WITNESS: On the advice of counsel, I  
 14 respectfully decline to answer the question as  
 15 provided by the Fifth Amendment to the U.S.  
 16 Constitution.  
 17 BY MS. BERLIN:  
 18 Q. In 2017 did Par Funding use investor money  
 19 to pay other investors their returns under  
 20 promissory notes that Par Funding had issued?  
 21 MR. SOTO: Objection to the form.  
 22 THE WITNESS: On the advice of counsel, I  
 23 respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

33

1 BY MS. BERLIN:  
 2 Q. In 2018 did Par Funding use investor money  
 3 to pay investors their returns under promissory  
 4 notes that Par Funding had issued to the investors?  
 5 MR. SOTO: Objection to the form.  
 6 THE WITNESS: On the advice of counsel, I  
 7 respectfully decline to answer the question as  
 8 provided by the Fifth Amendment to the U.S.  
 9 Constitution.  
 10 BY MS. BERLIN:  
 11 Q. In 2019 did Par Funding use investor money  
 12 to pay other investors their returns under  
 13 promissory notes Par Funding issued?  
 14 MR. SOTO: Objection to the form.  
 15 THE WITNESS: On the advice of counsel, I  
 16 respectfully decline to answer the question as  
 17 provided by the Fifth Amendment to the U.S.  
 18 Constitution.  
 19 BY MS. BERLIN:  
 20 Q. Did you and Lisa McElhone decide to use --  
 21 decide together to use investor money to pay other  
 22 investors for purported returns under promissory  
 23 notes Par Funding issued?  
 24 MR. SOTO: Objection to the form.  
 25 THE WITNESS: On the advice of counsel, I

34

1 respectfully decline to answer the question as  
 2 provided by the Fifth Amendment to the U.S.  
 3 Constitution.  
 4 BY MS. BERLIN:  
 5 Q. Did you and Joseph Cole Barleta also  
 6 decide to utilize investor funds to pay other  
 7 investors their returns under Par Funding's  
 8 promissory notes?  
 9 MR. SOTO: Objection to the form.  
 10 THE WITNESS: On the advice of counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 BY MS. BERLIN:  
 15 Q. From no later than 2015 until 2020, did  
 16 you work together with Lisa McElhone to oversee Par  
 17 Funding's offer and sale of promissory notes to  
 18 investors?  
 19 A. Repeat that, please.  
 20 Q. Sure. From 2015 until or from no later  
 21 than 2015 until 2020, did you and Lisa McElhone  
 22 together oversee Par Funding's offer and sale of  
 23 promissory notes to investors?  
 24 A. On the advice of counsel, I respectfully  
 25 decline to answer the question as provided by the

35

1 Fifth Amendment to the U.S. Constitution.  
 2 Q. In 2015 was Par Funding operating at a net  
 3 loss?  
 4 MR. SOTO: Objection to the form.  
 5 THE WITNESS: Please repeat that.  
 6 BY MS. BERLIN:  
 7 Q. In 2015 was Par Funding operating at a net  
 8 loss?  
 9 MR. SOTO: Objection to the form.  
 10 THE WITNESS: On the advice of counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 BY MS. BERLIN:  
 15 Q. In 2016 was Par Funding operating at a  
 16 loss?  
 17 MR. SOTO: Objection to the form.  
 18 THE WITNESS: On the advice of counsel, I  
 19 respectfully decline to answer the question as  
 20 provided by the Fifth Amendment to the U.S.  
 21 Constitution.  
 22 BY MS. BERLIN:  
 23 Q. In 2017 was Par Funding operating at a  
 24 loss?  
 25 MR. SOTO: Objection to the form.

36

1 THE WITNESS: On the advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment to the U.S.  
 4 Constitution.  
 5 BY MS. BERLIN:  
 6 Q. In 2018 was Par Funding operating at a  
 7 loss?  
 8 MR. SOTO: Objection to the form.  
 9 THE WITNESS: On the advice of counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 BY MS. BERLIN:  
 14 Q. In 2019 was Par Funding operating at a  
 15 loss?  
 16 MR. SOTO: Objection to the form.  
 17 THE WITNESS: On the advice of counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by my Fifth Amendment rights under the U.S.  
 20 Constitution.  
 21 BY MS. BERLIN:  
 22 Q. Did you implement procedures at Par  
 23 Funding where a merchant borrower could make any  
 24 payment on their loan and, therefore, be deemed not  
 25 in default of their loan?

37

1 MR. SOTO: Objection to the form.  
 2 THE WITNESS: Can you repeat that, please.  
 3 BY MS. BERLIN:  
 4 Q. Sure. Did you implement a procedure at  
 5 Par Funding whereby a merchant cash borrower could  
 6 make a nominal payment on a loan and would thereby  
 7 not be deemed in default?  
 8 MR. SOTO: Objection to the form.  
 9 THE WITNESS: On the advice of counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 MS. BERLIN: Can you hold on just one  
 14 moment, please.  
 15 MR. SOTO: Amie, we can't hear you.  
 16 MS. BERLIN: I wonder if we can take a  
 17 15-minute break. And I request that letting you  
 18 know that I think we should be finished by lunch. I  
 19 don't think this will be more than maybe an hour  
 20 longer.  
 21 But I wonder if we could just take a  
 22 15-minute break right now, and then we'll plow  
 23 through and we'll finish. I think my goal is to be  
 24 finished like 12:00 or 12:30. Is that okay?  
 25 MR. SOTO: That would be fine.

38

1 MS. BERLIN: Okay. Thank you. So I'm  
 2 going to log off, and we'll go off the record for  
 3 about 15 minutes. Why don't we come back on --  
 4 almost 10:50. So why don't we come on at, say,  
 5 11:05.  
 6 MR. SOTO: Perfect. Thank you.  
 7 THE VIDEOGRAPHER: We're going off the  
 8 record at 10:48 a.m.  
 9 (Recess from 10:48 a.m. to 11:06 a.m.)  
 10 THE VIDEOGRAPHER: And we're back on the  
 11 record at 11:06 a.m.  
 12 MS. BERLIN: Thank you.  
 13 BY MS. BERLIN:  
 14 Q. Mr. LaForte, did you pay yourself in cash  
 15 from Par Funding in order to conceal that you were  
 16 taking investor funds?  
 17 MR. SOTO: Objection to the form.  
 18 THE WITNESS: On the advice of counsel, I  
 19 respectfully must decline to answer that question  
 20 pursuant to my rights under the Fifth Amendment of  
 21 the Constitution of the United States.  
 22 BY MS. BERLIN:  
 23 Q. Did you direct Par Funding's outside  
 24 accountants to prepare a financial statement -- I'm  
 25 sorry. Let me ask that again.

39

1 Mr. LaForte, did you direct Par Funding's  
 2 outside accountants to revise their financial  
 3 analysis and audit of Par Funding in order to  
 4 conceal Par Funding's true financial position?  
 5 MR. SOTO: Objection to the form.  
 6 THE WITNESS: On the advice of counsel, I  
 7 respectfully decline to answer the question as  
 8 provided by the Fifth Amendment to the U.S.  
 9 Constitution.  
 10 BY MS. BERLIN:  
 11 Q. Did you direct Par Funding's outside  
 12 accountant to change Par Funding's financial reports  
 13 and audit statements?  
 14 A. On the advice of counsel, I respectfully  
 15 decline to answer the question as provided by the  
 16 Fifth Amendment to the U.S. Constitution.  
 17 MS. BERLIN: I wonder if we could please  
 18 show the witness on the screen what we premarked as  
 19 Exhibit 40.  
 20 THE VIDEOGRAPHER: Okay. One second.  
 21 BY MS. BERLIN:  
 22 Q. Mr. LaForte, is Exhibit 40 a copy of your  
 23 court filing in this case from April 30, 2021?  
 24 A. Please repeat your question.  
 25 Q. Sure. Is Exhibit 40 your April 30, 2021

40

1 filing in this case?  
2 **A.** On the advice of counsel, I respectfully  
3 decline to answer the question as provided by the  
4 Fifth Amendment to the U.S. Constitution.  
5 **Q.** Are your representations to the court in  
6 Exhibit 40 true?  
7 **A.** On the advice of counsel, I respectfully  
8 decline to answer the question provided by the Fifth  
9 Amendment to the U.S. Constitution.  
10 **MS. BERLIN:** I wonder if we could please  
11 turn to page 4 of Exhibit 40. If we could please  
12 zoom in on the last full paragraph on the page. It  
13 begins "On April 7..."  
14 **BY MS. BERLIN:**  
15 **Q.** Mr. LaForte, do you see on page 4 of  
16 Exhibit 40 where you state, "On April 7, 2020, the  
17 D19 entities and Par Funding entered into a new  
18 merchant cash advance agreement under which the  
19 previously outstanding total (RTR) of \$5,437,515.91  
20 owed under the prior entity agreement was  
21 consolidated into a single new agreement requiring  
22 daily \$25,000 payments with a payoff date of  
23 November 24, 2020."  
24 Do you see that language in the last full  
25 paragraph on page 4 of Exhibit 40?

41

1 **A.** Yes, I do now. Yes, I do see it. Thank  
2 you.  
3 **Q.** And with respect to the new merchant cash  
4 advance agreement referenced in the sentence that I  
5 just read from your filing, did you negotiate that  
6 agreement on behalf of Par Funding?  
7 **A.** On the advice of counsel, I respectfully  
8 decline to answer the question as provided by the  
9 Fifth Amendment to the U.S. Constitution.  
10 **Q.** Did you decide the terms of the April 7,  
11 2020 agreement with the D19 entities that's  
12 referenced on page 4 of Exhibit 40?  
13 **A.** Sorry. Could you repeat that?  
14 **Q.** Sure. Did you negotiate the April 7, 2020  
15 agreement between Par Funding and the D19 entities  
16 that is referenced on page 4 of Exhibit 40?  
17 **A.** On the advice of counsel, I respectfully  
18 decline to answer the question as provided by the  
19 Fifth Amendment to the U.S. Constitution.  
20 **Q.** Do you see the second sentence in the last  
21 full paragraph on page 4 of Exhibit 40 where it  
22 reads, "No new money was advanced under the terms of  
23 the April 7 agreement"?  
24 Do you see that sentence?  
25 **A.** Yes.

42

1 **Q.** And so how -- what is the basis for your  
2 representation to the court in Exhibit 40 that no  
3 new money was advanced under the terms of the  
4 April 7 agreement?  
5 **A.** On the advice of counsel --  
6 **MR. SOTO:** One second, Mr. LaForte. Amie,  
7 I think you're crossing into attorney/client  
8 privilege here. If you're asking him for the basis  
9 of a statement made in a filing by his lawyers, he  
10 would have had conversations with his lawyers about  
11 that filing.  
12 **MS. BERLIN:** So are you making a privilege  
13 assertion and directing your client not to answer?  
14 **MR. SOTO:** I'm making a privilege  
15 assertion with respect to your question.  
16 **BY MS. BERLIN:**  
17 **Q.** If we could please turn to page 5. Do you  
18 see page 5 of Exhibit 40 on your screen,  
19 Mr. LaForte?  
20 **A.** Make it a little bigger, sir.  
21 **Q.** Can you see page 5 of Exhibit 40?  
22 **A.** I see it now. Thank you, Ms. Berlin.  
23 Yes.  
24 **Q.** Are you the representations that you made  
25 to the court on page 5 of Exhibit 40 true?

43

1 **MR. SOTO:** Hold on one second,  
2 Mr. LaForte. I'm going to make the same objection  
3 based on privilege, Amie, with respect to this page  
4 and the basis for the statement made on this page.  
5 **MS. BERLIN:** So are you directing your  
6 client not to answer?  
7 **MR. SOTO:** I'm objecting on the basis of  
8 privilege with respect to your last question.  
9 Attorney/client privilege.  
10 **MS. BERLIN:** So is the witness going to  
11 answer now?  
12 **MR. SOTO:** I'm directing him not to answer  
13 this question.  
14 **BY MS. BERLIN:**  
15 **Q.** Mr. LaForte, did you read Exhibit 40  
16 before your attorneys filed it on your behalf?  
17 **A.** On the advice of counsel, I respectfully  
18 decline to answer the question as provided by the  
19 Fifth Amendment to the U.S. Constitution.  
20 **Q.** Was Par Funding profitable in its  
21 transactions with the D19 entities?  
22 **A.** On the advice of counsel, I respectfully  
23 decline to answer the question as provided by the  
24 Fifth Amendment to the U.S. Constitution.  
25

44

1 Q. Do you see Footnote 1 on page 5 of  
 2 Exhibit 40 where it reads, "As explained in the  
 3 previously submitted declaration of Joel D. Glick,  
 4 since Par Funding measured its profitability using  
 5 the GAAP recognized accrual method, Par Funding was  
 6 profitable in its transactions with the D19 entities  
 7 in the amount of \$7,068,770.68."  
 8 Do you see that language in Footnote 1 of  
 9 Exhibit 40?  
 10 A. Yes, I do.  
 11 Q. Is the statement made in Footnote 1 of  
 12 Exhibit 40 true?  
 13 MR. SOTO: Objection to form.  
 14 Mr. LaForte, give me one second.  
 15 Amie, same objection on the basis of  
 16 privilege with respect to the Footnote 1 on page 5.  
 17 I'm instructing him not to answer.  
 18 BY MS. BERLIN:  
 19 Q. Mr. LaForte, from 2015 until 2020, did Par  
 20 Funding ever measure its profitability using the  
 21 GAAP recognized accrual method?  
 22 MR. SOTO: Objection to the form.  
 23 THE WITNESS: On the advice of counsel, I  
 24 respectfully decline to answer the question as  
 25 provided by the Fifth Amendment to the U.S.

45

1 Constitution.  
 2 MS. BERLIN: I wonder if we could please  
 3 turn to page 6 of Exhibit 40. Thank you.  
 4 BY MS. BERLIN:  
 5 Q. Mr. LaForte, do you see page 6 of  
 6 Exhibit 40 on your screen?  
 7 A. I do.  
 8 Q. Are the representations that you made to  
 9 the court on page 6 of Exhibit 40 true and correct?  
 10 MR. SOTO: Mr. LaForte, give me one  
 11 another second. You're referring just to page 6,  
 12 Amie?  
 13 MS. BERLIN: Yes.  
 14 MR. SOTO: I'm objecting on the same  
 15 basis. Attorney/client privileged, work product.  
 16 Instructing him not to answer.  
 17 BY MS. BERLIN:  
 18 Q. Mr. LaForte, do you see on page 6 in the  
 19 last paragraph? It's under the heading B. Par  
 20 Funding's Underwriting of the D19 Entities.  
 21 A. Yes, I do.  
 22 Q. Do you see that section?  
 23 A. Yes.  
 24 Q. In Exhibit 40 you made certain  
 25 representations to the court about Par Funding's

46

1 underwriting methods; correct?  
 2 A. On the advice of counsel, I respectfully  
 3 decline to answer the question as provided by the  
 4 Fifth Amendment to the U.S. Constitution.  
 5 Q. Did Par Funding conduct robust  
 6 underwriting of the D19 entities?  
 7 A. On the advice of counsel, I respectfully  
 8 decline to answer the question as provided by the  
 9 Fifth Amendment to the U.S. Constitution.  
 10 Q. From 2015 until about July 2020, you  
 11 oversaw the underwriting for Par Funding's merchant  
 12 cash advance loans; correct?  
 13 A. Can you repeat that, please?  
 14 Q. Sure. From 2015 until about July 2020,  
 15 did you oversee the underwriting for Par Funding's  
 16 merchant cash advance loans?  
 17 A. On the advice of counsel, I respectfully  
 18 decline to answer that question as provided by the  
 19 Fifth Amendment to the U.S. Constitution.  
 20 MS. BERLIN: I wonder if we could please  
 21 turn to page 7 of Exhibit 40.  
 22 BY MS. BERLIN:  
 23 Q. Mr. LaForte, do you see page 7 of  
 24 Exhibit 40 on your screen?  
 25 A. Yes.

47

1 Q. And are the representations about the D19  
 2 entities on page 7 of Exhibit 40 true and correct?  
 3 MR. SOTO: Same objection, Amie, on the  
 4 basis of privilege.  
 5 MS. BERLIN: So are you instructing the  
 6 witness not to answer?  
 7 MR. SOTO: Yes, I am.  
 8 BY MS. BERLIN:  
 9 Q. Mr. LaForte, did the D19 entities average  
 10 \$4,851,720 per month in income?  
 11 MR. SOTO: Objection to the form.  
 12 THE WITNESS: On the advice of counsel, I  
 13 respectfully decline to answer that question as  
 14 provided by the Fifth Amendment to the U.S.  
 15 Constitution.  
 16 BY MS. BERLIN:  
 17 Q. Did the D19 entities make total monthly  
 18 payments of \$500,000 per month to Par Funding?  
 19 MR. SOTO: Objection to the form.  
 20 THE WITNESS: On the advice of counsel, I  
 21 respectfully decline to answer that question as  
 22 provided by the Fifth Amendment to the U.S.  
 23 Constitution.  
 24 MS. BERLIN: Can we please turn to page 8  
 25 of Exhibit 40.

48

1 BY MS. BERLIN:  
 2 Q. Do you see page of Exhibit 40 on your  
 3 screen, Mr. LaForte?  
 4 A. I do.  
 5 Q. Did Par Funding thoroughly analyze the  
 6 underwriting data from a personal standpoint,  
 7 business and even social media standpoint when it  
 8 comes to the D19 entities?  
 9 A. On the advice of counsel, I respectfully  
 10 decline to answer the question as provided by the  
 11 Fifth Amendment to the U.S. Constitution.  
 12 Q. Was it Par Funding's practice for -- let  
 13 me rephrase that. I apologize.  
 14 Was it the practice of Par Funding's  
 15 executives to meet with the merchant cash advance  
 16 borrowers of Par Funding?  
 17 A. On the advice of counsel, I respectfully  
 18 decline to answer the question as provided by the  
 19 Fifth Amendment to the U.S. Constitution.  
 20 MS. BERLIN: Can we please turn to page 9  
 21 of Exhibit 40.  
 22 BY MS. BERLIN:  
 23 Q. Mr. LaForte, did Par Funding conduct  
 24 underwriting concerning the D19 entities that  
 25 included reviewing bank statements, lease

49

1 agreements, landlord verifications, a Clear Report,  
 2 an on-site inspection, a franchise agreement and  
 3 Mr. Fawzi's personal credit report?  
 4 A. On the advice of counsel, I respectfully  
 5 decline to answer that question as provided by the  
 6 Fifth Amendment to the U.S. Constitution.  
 7 Q. Mr. LaForte, did Par Funding complete all  
 8 of its review of documents during the underwriting  
 9 process for the D19 entities after approving the D19  
 10 entities for their merchant cash advance loans?  
 11 MR. SOTO: Objection to the form.  
 12 THE WITNESS: Repeat that question,  
 13 please.  
 14 BY MS. BERLIN:  
 15 Q. Sure. Did Par Funding conclude its  
 16 underwriting process for the D19 entities after it  
 17 had already approved the D19 entities for merchant  
 18 cash advance loans?  
 19 MR. SOTO: Objection to the form.  
 20 THE WITNESS: On the advice of counsel, I  
 21 respectfully decline to answer the question as  
 22 provided by the Fifth Amendment to the U.S.  
 23 Constitution.  
 24 MS. BERLIN: I wonder if we could please  
 25 show Exhibit 41.

50

1 BY MS. BERLIN:  
 2 Q. Mr. LaForte, do you see on your screen a  
 3 document that's stamped Deposition Exhibit 41 and it  
 4 has as a caption that says Defendants' Joint  
 5 Response to Receiver's Status Report of September 8,  
 6 2020?  
 7 A. Yes.  
 8 Q. And this is your filing together with Lisa  
 9 McElhone and Joseph Cole Barleta in the SEC's case  
 10 against you?  
 11 A. Can you repeat the question?  
 12 Q. Sure. Is Exhibit 41 your filing with the  
 13 court in the SEC's case against you?  
 14 A. On the advice of counsel, I respectfully  
 15 decline to answer that question as provided by the  
 16 Fifth Amendment to the U.S. Constitution.  
 17 Q. Did you review Deposition Exhibit 41  
 18 before it was filed with the court on your behalf?  
 19 A. On the advice of counsel, I respectfully  
 20 decline to answer the question as provided by the  
 21 Fifth Amendment to the U.S. Constitution.  
 22 Q. Does Deposition Exhibit 41 contain false  
 23 representations to the court?  
 24 MR. SOTO: Mr. LaForte, one second. Go  
 25 ahead and answer.

51

1 THE WITNESS: On the advice of counsel, I  
 2 respectfully must decline to answer the question  
 3 pursuant to my rights under the Fifth Amendment of  
 4 the Constitution of the United States.  
 5 BY MS. BERLIN:  
 6 Q. Prior to the court entering the temporary  
 7 restraining order in this case in July 2020, was Par  
 8 Funding on unstable financial grounds?  
 9 MR. SOTO: Objection to the form.  
 10 THE WITNESS: On the advice of counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 MS. BERLIN: Can we please turn to page 2  
 15 of Exhibit 41.  
 16 MR. SOTO: Amie, if you wouldn't mind,  
 17 could you note for the record the docket entry for  
 18 this exhibit. Something is blocking it, its view.  
 19 MS. BERLIN: Sure. Exhibit 41 is Docket  
 20 Entry 249.  
 21 MR. SOTO: Thank you.  
 22 MS. BERLIN: Sure.  
 23 MR. SOTO: Amie, is there a question  
 24 pending?  
 25

52

1 BY MS. BERLIN:  
2 Q. Mr. LaForte, I just want to make sure  
3 you're seeing the same thing on your screen that I  
4 am on mine.  
5 A. Yes, I am. Thank you.  
6 Q. Do you see page 2 of Exhibit 41 on your  
7 screen?  
8 A. I do. Thank you.  
9 Q. Sure. On page 2, do you see where you  
10 reference the law firm Fox Rothschild?  
11 A. Yes.  
12 Q. Was Fox Rothschild the attorney for Par  
13 Funding in 2019 and 2020?  
14 A. On the advice of counsel, I respectfully  
15 decline to answer that question as provided by the  
16 Fifth Amendment to the U.S. Constitution.  
17 Q. Are you the person at Par Funding who made  
18 the decision to retain Fox Rothschild on behalf of  
19 Par Funding?  
20 A. Repeat that, please.  
21 Q. Yeah. Are you the person at Par Funding  
22 who decided that Par Funding would retain Fox  
23 Rothschild as its attorney?  
24 A. On the advice of counsel, I respectfully  
25 decline to answer the question as provided by the

53

1 Fifth Amendment to the U.S. Constitution.  
2 Q. Has anyone at the law firm Fox Rothschild  
3 ever represented you as counsel?  
4 A. On the advice of counsel --  
5 MR. SOTO: Objection to the form.  
6 THE WITNESS: On the advice of counsel, I  
7 respectfully decline to answer the question as  
8 provided by the Fifth Amendment to the U.S.  
9 Constitution.  
10 MS. BERLIN: I wonder if we could please  
11 turn to page 3 of Exhibit 41.  
12 BY MS. BERLIN:  
13 Q. Mr. LaForte, do you see on page 3 of  
14 Exhibit 41 where you represent to the court -- it's  
15 the first full paragraph on the page.  
16 Do you see where you represent to the  
17 court, "Par Funding holds a whopping 421 million in  
18 current accounts receivable"?  
19 Do you see that?  
20 A. Yes, I do.  
21 Q. Is that statement true?  
22 MR. SOTO: Objection to the form. And on  
23 the basis of your question, I am asserting a  
24 privilege with respect to that particular question,  
25 the way you phrased it, and instructing him not to

54

1 answer.  
2 BY MS. BERLIN:  
3 Q. Mr. LaForte, in September 2020, did Par  
4 Funding have 421 million in current accounts  
5 receivable?  
6 MR. SOTO: Objection to the form.  
7 THE WITNESS: On the advice of counsel, I  
8 respectfully decline to answer the question as  
9 provided by the Fifth Amendment to the U.S.  
10 Constitution.  
11 BY MS. BERLIN:  
12 Q. In July of 2020, did Par Funding hold  
13 \$421 million in current accounts receivable?  
14 MR. SOTO: Objection to the form.  
15 THE WITNESS: On the advice of counsel, I  
16 respectfully decline to answer the question as  
17 provided by the Fifth Amendment to the U.S.  
18 Constitution.  
19 MS. BERLIN: I wonder if we could please  
20 turn to page 4 of Exhibit 41.  
21 BY MS. BERLIN:  
22 Q. Mr. LaForte, on your screen, do you see  
23 page 4 of Exhibit 41? It has a heading that says  
24 No. 2 Receiver's Counsel's Supplement to the Report  
25 During the Conference Mischaracterizes the Meaning

55

1 and the Context of the Largest Ten Merchants.  
2 Do you see that on your screen as well?  
3 A. Yes.  
4 Q. Are the representations that you made to  
5 the court under heading number two starting on page  
6 4 of Exhibit 41, are those representations to the  
7 court true?  
8 MR. SOTO: Objecting to your question  
9 asking him to opine with respect to this particular  
10 document on the basis of privilege. Instructing him  
11 not to answer.  
12 BY MS. BERLIN:  
13 Q. Mr. LaForte, were many of the debt of Par  
14 Funding's ten largest merchants significantly  
15 collateralized beyond Par Funding's standard  
16 factoring agreement protections?  
17 MR. SOTO: Objection to the form.  
18 THE WITNESS: On the advice of counsel, I  
19 respectfully decline to answer the question as  
20 provided by the Fifth Amendment of the U.S.  
21 Constitution.  
22 BY MS. BERLIN:  
23 Q. Mr. LaForte, was there any effort to  
24 obtain any photos of any merchant site that was  
25 seeking a loan from Par Funding in an amount less

56



1 than \$30,000?  
2 MR. SOTO: Objection to the form.  
3 THE WITNESS: I'm sorry, Ms. Berlin. Can  
4 you repeat that, please?  
5 BY MS. BERLIN:  
6 Q. Sure. If a merchant cash advance borrower  
7 wanted to borrow less than \$30,000 from Par Funding,  
8 did Par Funding's underwriting process include an  
9 on-site inspection?  
10 A. On the advice of counsel, I respectfully  
11 decline to answer the question as provided by the  
12 Fifth Amendment to the U.S. Constitution.  
13 Q. If a merchant cash advance borrower wanted  
14 to borrow less than \$30,000 from Par Funding, did  
15 Par Funding seek photos of the merchant cash  
16 borrower's site?  
17 A. On the advice of counsel, I respectfully  
18 decline to answer the question as provided by the  
19 Fifth Amendment to the U.S. Constitution.  
20 Q. Mr. LaForte, isn't it true that you knew  
21 that entities retained to engage in inspections of  
22 merchant cash borrowers during the underwriting  
23 process were often unable to complete or conduct any  
24 on-site inspection whatsoever?  
25 A. On the advice of counsel, I respectfully

57

1 decline to answer the question as provided by the  
2 Fifth Amendment of the U.S. Constitution.  
3 MS. BERLIN: I wonder if we could please  
4 show Exhibit 42. Thank you.  
5 BY MS. BERLIN:  
6 Q. Mr. LaForte, do you see on your screen a  
7 document? It says Deposition Exhibit 42, and at the  
8 top it says Docket Entry 493 in blue at the very  
9 top. And then the title is Defendants' Joint  
10 Response to Receiver's Interim Status Report Dated  
11 February 1, 2021. Do you see that on your screen?  
12 A. Yes. Yes, I do.  
13 Q. Did you review Deposition Exhibit 42  
14 before counsel filed Exhibit 42 with the court on  
15 your behalf?  
16 A. On the advice of counsel, I respectfully  
17 decline to answer the question as provided by the  
18 Fifth Amendment to the U.S. Constitution.  
19 MS. BERLIN: I wonder if we could please  
20 turn to page 4 of Exhibit 42.  
21 BY MS. BERLIN:  
22 Q. Mr. LaForte, are the representations that  
23 you make on page 4 of Exhibit 42, are these  
24 representations to the court false?  
25 MR. SOTO: One second, Mr. LaForte. Let

58

1 me review this page.  
2 Amie, I'm asserting attorney/client  
3 privilege with respect to the question, the way you  
4 phrased it, and instructing him not to answer.  
5 BY MS. BERLIN:  
6 Q. Mr. LaForte, did you and Lisa McElhone  
7 decide to transfer property located at 4309 Old  
8 Decatur Road in Fort Worth, Texas?  
9 MR. SOTO: Objection.  
10 THE WITNESS: On the advice of counsel --  
11 BY MS. BERLIN:  
12 Q. I'm sorry?  
13 A. On the advice of counsel, I respectfully  
14 decline to answer the question as provided by the  
15 Fifth Amendment of the U.S. Constitution --  
16 Q. Mr. LaForte, you told the court in this  
17 case that you had not transferred any of the  
18 property for your benefit, including this Fort  
19 Worth, Texas property. But when you made that  
20 representation to the court, you had, in fact,  
21 already secretly transferred this property; isn't  
22 that right?  
23 MR. SOTO: Objection to the form.  
24 THE WITNESS: On the advice of counsel, I  
25 respectfully decline to answer the question as

59

1 provided by the Fifth Amendment to the U.S.  
2 Constitution.  
3 BY MS. BERLIN:  
4 Q. Did you lie to the court in this case  
5 about maintaining the status quo of the Fort Worth,  
6 Texas property in order to obstruct the receiver's  
7 efforts to secure all of the assets in this case?  
8 MR. SOTO: Objection to the form.  
9 THE WITNESS: On the advice of counsel, I  
10 respectfully decline to answer the question as  
11 provided by the Fifth Amendment to the U.S.  
12 Constitution.  
13 BY MS. BERLIN:  
14 Q. And, in fact, the timing of the transfer  
15 of the Fort Worth, Texas property was something that  
16 you and Lisa McElhone decided on together; isn't  
17 that right?  
18 MR. SOTO: Objection to the form.  
19 THE WITNESS: On the advice of counsel, I  
20 respectfully decline to answer the question as  
21 provided by the Fifth Amendment to the U.S.  
22 Constitution.  
23 BY MS. BERLIN:  
24 Q. Specifically you and Ms. McElhone decided  
25 to transfer the Fort Worth, Texas property only

60

1 after the court had entered the temporary  
 2 restraining order against you and Par Funding and  
 3 Ms. McElhone in this case; isn't that true?  
 4 **A.** On the advice of counsel, I respectfully  
 5 decline to answer the question as provided by the  
 6 Fifth Amendment to the U.S. Constitution.  
 7 **Q.** You could have transferred this property  
 8 at any time beginning in 2019; isn't that true?  
 9 **MR. SOTO:** Objection to the form.  
 10 **BY MS. BERLIN:**  
 11 **Q.** Mr. LaForte, to be clear, when I say "this  
 12 property," I'm talking about the property I've been  
 13 asking you about, which is the Fort Worth, Texas  
 14 property located at 4309 Old Decatur Road. Do you  
 15 understand that?  
 16 **A.** Yes, I do. Thank you.  
 17 **Q.** I might refer to it as "this property" in  
 18 the next few questions. Do you understand I'm  
 19 talking about the 4309 Old Decatur Road property?  
 20 **A.** Yes, I do.  
 21 **Q.** Okay. Thank you. So the Fort Worth,  
 22 Texas property could have been transferred in 2019,  
 23 but you and Ms. McElhone chose not to do so; isn't  
 24 that correct?  
 25 **MR. SOTO:** Objection to the form.

61

1 **THE WITNESS:** On the advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment to the U.S.  
 4 Constitution.  
 5 **BY MS. BERLIN:**  
 6 **Q.** In fact, you and Ms. McElhone together  
 7 decided to transfer -- you only decided to actually  
 8 effectuate the transfer of that property after this  
 9 case was filed and in order to conceal assets and  
 10 obstruct the SEC's case; isn't that right?  
 11 **MR. SOTO:** Mr. LaForte, one second.  
 12 Objection to the form. This also implicates  
 13 attorney/client privilege, and I'm instructing him  
 14 not to answer on that basis based on the wording of  
 15 your question.  
 16 **MS. BERLIN:** I wonder if we could please  
 17 turn to the next exhibit, Exhibit 43.  
 18 **BY MS. BERLIN:**  
 19 **Q.** Mr. LaForte, do you see on your screen a  
 20 document that's stamped Deposition Exhibit 43 and at  
 21 the top in blue it says Document 535? Do you see  
 22 that on your screen?  
 23 **A.** Yes.  
 24 **Q.** Okay. Thank you. And it should have as  
 25 the caption Defendants' Joint Response to the

62

1 Receiver's Quarterly Status Reports dated  
 2 December 13, 2020 and February 1, 2021. Do you see  
 3 that?  
 4 **A.** Yes.  
 5 **Q.** Mr. LaForte, do you file responses to the  
 6 receiver's status reports in order to burden the  
 7 receiver's efforts of harnessing assets for the  
 8 benefit of the investors in this case?  
 9 **MR. SOTO:** Objection to the form.  
 10 Instructing him not to answer on the basis of  
 11 privilege in light of your question regarding the  
 12 basis of this filing.  
 13 **BY MS. BERLIN:**  
 14 **Q.** Mr. LaForte, do you choose to file  
 15 responses to the receiver's status reports in an  
 16 effort to cause the receivership to spend further  
 17 investor funds addressing the issues that you raise  
 18 in your responses?  
 19 **MR. SOTO:** Objection to the form. Also  
 20 objecting on the basis of privilege with respect to  
 21 your question asking him for the basis of this  
 22 filing.  
 23 **BY MS. BERLIN:**  
 24 **Q.** Mr. LaForte, to be clear, Exhibit 43 is  
 25 your response to the receiver's quarterly status

63

1 reports of December 13, 2020 and February 1, 2021;  
 2 correct?  
 3 **A.** On the advice of counsel, I respectfully  
 4 decline to answer the question as provided by the  
 5 Fifth Amendment to the U.S. Constitution.  
 6 **Q.** Did you review Exhibit 43 before attorneys  
 7 filed it with the court on your behalf?  
 8 **A.** On the advice of counsel, I respectfully  
 9 decline to answer the question as provided by the  
 10 Fifth Amendment to the U.S. Constitution.  
 11 **Q.** In Exhibit 43, do you make representations  
 12 to the court about Par Funding's merchant cash  
 13 advance business under your management?  
 14 **MR. SOTO:** Objection to the form.  
 15 **THE WITNESS:** Can you repeat that, please?  
 16 **BY MS. BERLIN:**  
 17 **Q.** Sure. In Exhibit 43, do you make  
 18 misrepresentations to the court about Par Funding's  
 19 merchant cash advance business?  
 20 **MR. SOTO:** Objection to the form.  
 21 **THE WITNESS:** On the advice of counsel, I  
 22 respectfully decline to answer the question as  
 23 provided by the Fifth Amendment to the U.S.  
 24 Constitution.  
 25

64

1 MS. BERLIN: Please turn to page 2 of  
 2 Exhibit 43.  
 3 BY MS. BERLIN:  
 4 Q. Mr. LaForte, on page 2 of Exhibit 43 --  
 5 I'm sorry. I'm going to withdraw that question.  
 6 MS. BERLIN: We'll go to page 3, please.  
 7 BY MS. BERLIN:  
 8 Q. Mr. LaForte, did you retain an individual  
 9 named Joel Glick?  
 10 A. On the advice of counsel, I respectfully  
 11 decline to answer the question as provided by the  
 12 Fifth Amendment to the U.S. Constitution.  
 13 Q. Mr. LaForte, did you file the -- did you  
 14 retain Mr. Glick in order to conduct a forensic  
 15 analysis for you of Par Funding?  
 16 MR. SOTO: Objection on the basis of  
 17 privilege. Instructing him not to answer.  
 18 MS. BERLIN: Can we move to page 4,  
 19 please. I wonder if we could advance the exhibit to  
 20 page 4, please. Thank you.  
 21 BY MS. BERLIN:  
 22 Q. Mr. LaForte, did Par Funding utilize U.S.  
 23 general accepted accounting principles at any time  
 24 between 2012 and 2019?  
 25 MR. SOTO: Objection to the form.

65

1 THE WITNESS: On the advice of counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment to the U.S.  
 4 Constitution.  
 5 BY MS. BERLIN:  
 6 Q. Mr. LaForte, is it true that Par Funding  
 7 did not maintain its records or conduct analyses of  
 8 its financials under GAAP between 2012 and 2018?  
 9 MR. SOTO: Objection to the form.  
 10 THE WITNESS: On the advice of counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 BY MS. BERLIN:  
 15 Q. Mr. LaForte, what are your current sources  
 16 of income?  
 17 A. On the advice of counsel, I respectfully  
 18 decline to answer the question as provided by the  
 19 Fifth Amendment to the U.S. Constitution.  
 20 Q. Are you spending investor proceeds from  
 21 Par Funding on legal counsel in this case?  
 22 A. Repeat that question, please.  
 23 Q. Yeah. Are you using Par Funding's  
 24 investor funds to pay your legal counsel in this  
 25 case?

66

1 A. On the advice of counsel, I respectfully  
 2 decline to answer the question as provided by the  
 3 Fifth Amendment to the U.S. Constitution.  
 4 Q. What is the source of money that you are  
 5 using to pay your attorneys on this case?  
 6 A. On the advice of counsel, I respectfully  
 7 decline to answer that question as provided by the  
 8 Fifth Amendment to the U.S. Constitution.  
 9 Q. Are you using investor money that you  
 10 concealed in order to pay your attorneys?  
 11 MR. SOTO: Objection to the form.  
 12 THE WITNESS: On the advice of counsel, I  
 13 respectfully decline to answer the question as  
 14 provided by the Fifth Amendment to the U.S.  
 15 Constitution.  
 16 MS. BERLIN: Can we please turn to page 5.  
 17 Thank you.  
 18 BY MS. BERLIN:  
 19 Q. Do you see page 5 of your Filing Docket  
 20 Entry 535, Exhibit 43 in this case on your screen,  
 21 Mr. LaForte?  
 22 A. I do, Ms. Berlin. Thank you.  
 23 Q. Okay. Great. So, Mr. LaForte, isn't it  
 24 true that without new investor money coming in, Par  
 25 Funding would have collapsed by no later than 2017?

67

1 MR. SOTO: Objection to the form.  
 2 THE WITNESS: On the advice of counsel, I  
 3 respectfully decline to answer the question as  
 4 provided by the Fifth Amendment to the U.S.  
 5 Constitution.  
 6 MS. BERLIN: Let's turn to our next  
 7 exhibit. It is Exhibit 44.  
 8 THE VIDEOGRAPHER: One second.  
 9 MS. BERLIN: Thank you.  
 10 THE VIDEOGRAPHER: I currently have 40  
 11 through 43.  
 12 MS. BERLIN: I wonder if we could go off  
 13 the record for a moment.  
 14 THE VIDEOGRAPHER: And we're going off the  
 15 record at 11:55 a.m.  
 16 (Recess from 11:55 a.m. to 11:57 a.m.)  
 17 THE VIDEOGRAPHER: And we're back on the  
 18 record at 11:57 a.m.  
 19 MS. BERLIN: Thank you. Show Exhibit 44,  
 20 please. Thank you. I wonder if we could show  
 21 Exhibit 44.  
 22 THE VIDEOGRAPHER: One second. Okay.  
 23 MS. BERLIN: Thank you.  
 24 BY MS. BERLIN:  
 25 Q. Mr. LaForte, Exhibit 44, at the top you

68

1 should see Docket 21, and this is in the case United  
 2 States of America versus Joseph LaForte. It's a  
 3 criminal action, Case No. 20-231.  
 4 Do you see that on your screen?  
 5 **A.** Yes.  
 6 **Q.** Thank you.  
 7 **MS. BERLIN:** Can we turn to PDF page 3,  
 8 please. Thank you.  
 9 **BY MS. BERLIN:**  
 10 **Q.** Mr. LaForte, what you see on your screen,  
 11 do you see a document that says Memorandum in  
 12 Support of Motion for Pretrial Release and  
 13 Revocation of Detention Order? Is that on you  
 14 screen?  
 15 **A.** Yes. I see it.  
 16 **Q.** So is this Memorandum that's included in  
 17 Exhibit 44, is this the Memorandum filed on your  
 18 behalf on August 25, 2020 in the criminal case  
 19 pending against you in the Eastern District of  
 20 Pennsylvania?  
 21 **A.** I don't understand your question. Can you  
 22 repeat that, please?  
 23 **Q.** Sure. Is the Memorandum in Support of  
 24 Motion for Pretrial Release and Revocation of  
 25 Detention Order that appears on your screen and it

69

1 is within Exhibit 44, is this Memorandum a document  
 2 that was filed on your behalf in the criminal case  
 3 against you currently pending in the Eastern  
 4 District of Pennsylvania?  
 5 **MR. SOTO:** Amie, I'm going to object to  
 6 this question and this line of questioning as  
 7 completely outside the scope of your case. I don't  
 8 typically object on the basis of relevance, but I  
 9 see absolutely no connection between the questions  
 10 you're asking and the basis of your claims or any of  
 11 the defenses that have been raised.  
 12 **BY MS. BERLIN:**  
 13 **Q.** Mr. LaForte, there's a question pending.  
 14 **A.** On the advice of counsel, I respectfully  
 15 decline to answer the question as provided by the  
 16 Fifth Amendment to the U.S. Constitution.  
 17 **Q.** Mr. LaForte, are you currently out on  
 18 house arrest?  
 19 **MR. SOTO:** Same objection.  
 20 **THE WITNESS:** On the advice of counsel, I  
 21 respectfully decline to answer the question as  
 22 provided by the Fifth Amendment to the U.S.  
 23 Constitution.  
 24 **BY MS. BERLIN:**  
 25 **Q.** Mr. LaForte, while you were at Par

70

1 Funding, did you utilize threats of violence against  
 2 merchant cash borrowers in order to collect money  
 3 they owed to Par Funding?  
 4 **A.** On the advice of counsel, I respectfully  
 5 decline to answer the question as provided by the  
 6 Fifth Amendment to the U.S. Constitution.  
 7 **Q.** Mr. LaForte, are you currently on house  
 8 arrest in a property that is owned by -- are you  
 9 currently on house arrest in a home that was  
 10 purchased with Par Funding investor funds?  
 11 **MR. SOTO:** Objection to the form.  
 12 **THE WITNESS:** On the advice of counsel, I  
 13 respectfully decline to answer the question as  
 14 provided by the Fifth Amendment to the U.S.  
 15 Constitution.  
 16 **BY MS. BERLIN:**  
 17 **Q.** Mr. LaForte, at any time since July 2020,  
 18 have you either directly or through any entity or  
 19 person that you've hired reached out to investors by  
 20 email or other means?  
 21 **A.** On the advice of counsel, I respectfully  
 22 decline to answer the question as provided by the  
 23 Fifth Amendment to the U.S. Constitution.  
 24 **Q.** Mr. LaForte --  
 25

71

1 **MS. BERLIN:** PDF page 6 of Exhibit 44, I  
 2 wonder if we could just turn there.  
 3 **BY MS. BERLIN:**  
 4 **Q.** Do you see in the first paragraph --  
 5 **MS. BERLIN:** I wonder if we could turn it  
 6 to PDF page -- it should say at the top -- on mine  
 7 it says 6 of 29. On yours it says 10 of 29. I  
 8 wonder if we could go back four pages so that in the  
 9 upper right-hand corner it says page 6 of 29. Thank  
 10 you. Thank you.  
 11 **BY MS. BERLIN:**  
 12 **Q.** Mr. LaForte, do you see where in your  
 13 filing in the criminal case against you, you  
 14 represented to the court that you "ran one of the  
 15 largest merchant cash advance companies in the  
 16 country with over 100 employees and millions of  
 17 dollars in revenue. The company founded in 2011  
 18 offered short-term funding to small and medium-sized  
 19 businesses in exchange for a share of the business'  
 20 future receivables."  
 21 Do you see that language in Exhibit 44?  
 22 **A.** Yes, I do.  
 23 **Q.** Are you referring to Par Funding in that  
 24 sentence that I just read?  
 25 **MR. SOTO:** Mr. LaForte, one second.

72

1 Amie, I'm going to object on the basis of  
 2 privilege with respect to the basis for the  
 3 statements made in this filing.  
 4 BY MS. BERLIN:  
 5 Q. Mr. LaForte, did you review the document  
 6 we're looking at in Exhibit 44 before your attorneys  
 7 filed it on your behalf?  
 8 MR. SOTO: On the advice of my counsel, I  
 9 respectfully decline to answer the question as  
 10 provided by the Fifth Amendment to the U.S.  
 11 Constitution.  
 12 BY MS. BERLIN:  
 13 Q. Mr. LaForte, until July 2020, did you run  
 14 one of the largest merchant cash advance companies  
 15 in the country?  
 16 A. On the advice of counsel, I respectfully  
 17 decline to answer the question as provided by the  
 18 Fifth Amendment to the U.S. Constitution.  
 19 Q. Mr. LaForte, until July of 2020, did you  
 20 run one of the largest merchant cash advance  
 21 companies in the country with millions of dollars in  
 22 revenue?  
 23 A. On the advice of counsel, I respectfully  
 24 decline to answer the question as provided by the  
 25 Fifth Amendment to the U.S. Constitution.

73

1 MS. BERLIN: We can remove Exhibit 44,  
 2 please.  
 3 THE VIDEOGRAPHER: Page number one more  
 4 time, please?  
 5 MS. BERLIN: I said we can remove --  
 6 sorry -- we can remove Exhibit 44 from the screen  
 7 altogether. Thank you. Just one moment.  
 8 BY MS. BERLIN:  
 9 Q. Mr. LaForte, including in 2019, were you  
 10 endeavoring to raise funds so that you could take  
 11 over or start a bank?  
 12 MR. SOTO: Objection to the form.  
 13 THE WITNESS: On the advice of counsel, I  
 14 respectfully decline to answer the question as  
 15 provided by the Fifth Amendment to the U.S.  
 16 Constitution.  
 17 BY MS. BERLIN:  
 18 Q. And did you provide documentation and  
 19 information to the Federal Reserve in connection  
 20 with your efforts to start a bank?  
 21 MR. SOTO: Objection to the form.  
 22 THE WITNESS: On the advice of my counsel,  
 23 I respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

74

1 BY MS. BERLIN:  
 2 Q. In connection with your attempts to start  
 3 a bank, did you make misrepresentations to the  
 4 Federal Reserve?  
 5 MR. SOTO: Objection to the form.  
 6 THE WITNESS: On the advice of my counsel,  
 7 I respectfully decline to answer the question as  
 8 provided by the Fifth Amendment to the U.S.  
 9 Constitution.  
 10 BY MS. BERLIN:  
 11 Q. In connection with your efforts to start a  
 12 bank, did you make misrepresentations to the Federal  
 13 Reserve about your management role at Par Funding?  
 14 MR. SOTO: Objection to the form.  
 15 THE WITNESS: On the advice of my counsel,  
 16 I respectfully decline to answer the question as  
 17 provided by the Fifth Amendment to the U.S.  
 18 Constitution.  
 19 BY MS. BERLIN:  
 20 Q. In connection with your efforts to  
 21 purchase and start a new bank, did you make  
 22 misrepresentations to the Federal Reserve about the  
 23 nature of Par Funding's business?  
 24 THE WITNESS: On the advice of counsel, I  
 25 respectfully decline to answer the question as

75

1 provided by the Fifth Amendment to the U.S.  
 2 Constitution.  
 3 BY MS. BERLIN:  
 4 Q. In connection with your efforts to  
 5 purchase or create a bank, did you make  
 6 misrepresentations to the Federal Reserve about who  
 7 was actually trying to purchase and start the bank?  
 8 A. On the advice of counsel, I respectfully  
 9 decline to answer the question as provided by the  
 10 Fifth Amendment to the U.S. Constitution.  
 11 Q. Did you utilize investment firms to  
 12 conceal the fact that you and Lisa McElhone and  
 13 Joseph Cole were, in fact, acquiring primary  
 14 ownership of the bank?  
 15 A. Can you repeat that question, please?  
 16 Q. Did you utilize investment funds and  
 17 investment firms in order to conceal the true  
 18 ownership interest of you with Joseph Cole Barleta  
 19 and Lisa McElhone in the creation of this bank?  
 20 MR. SOTO: Objection to the form.  
 21 MS. BERLIN: I hear someone talking. I'm  
 22 not sure who that is.  
 23 MR. SOTO: I believe it's Perry Abbonizio.  
 24 Mr. Abbonizio, would you please mute your  
 25 line.

76

1 THE WITNESS: To answer your question,  
 2 Ms. Berlin, on the advice of counsel, I respectfully  
 3 decline to answer the question as provided by the  
 4 Fifth Amendment to the U.S. Constitution.  
 5 BY MS. BERLIN:  
 6 Q. Isn't it true that once the Federal  
 7 Reserve sent letters to Par Funding actually probing  
 8 the veracity of some of the representations that you  
 9 had made to the Federal Reserve, that you chose to  
 10 walk away and not pursue the bank investment so that  
 11 your lies would not be discovered?  
 12 MR. SOTO: Objection to the form.  
 13 THE WITNESS: On the advice of my counsel,  
 14 I respectfully decline to answer the question as  
 15 provided by the Fifth Amendment to the U.S.  
 16 Constitution.  
 17 BY MS. BERLIN:  
 18 Q. Isn't it true that the only reason that  
 19 you stopped pursuing the creation of the bank is  
 20 because the Federal Reserve started asking you  
 21 detailed questions about the lies that you had told  
 22 to the Federal Reserve in connection with your  
 23 efforts to purchase or create a bank?  
 24 MR. SOTO: Objection to the form.  
 25 THE WITNESS: On the advice of counsel, I

77

1 respectfully decline to answer the question as  
 2 provided by the Fifth Amendment to the U.S.  
 3 Constitution.  
 4 BY MS. BERLIN:  
 5 Q. Mr. LaForte, have you filed federal income  
 6 taxes in the last ten years?  
 7 A. On the advice of counsel, I respectfully  
 8 decline to answer the question as provided by the  
 9 Fifth Amendment to the U.S. Constitution.  
 10 Q. Mr. LaForte, did you and Lisa McElhone  
 11 gain control over at least 25 real estate properties  
 12 that you all acquired using commingled investor funds  
 13 from Par Funding?  
 14 MR. SOTO: Objection to the form.  
 15 THE WITNESS: On the advice of my counsel,  
 16 I respectfully decline to answer the question as  
 17 provided by the Fifth Amendment to the U.S.  
 18 Constitution.  
 19 BY MS. BERLIN:  
 20 Q. Did you and Lisa McElhone use Par Funding  
 21 investor funds to purchase at least 25 real estate  
 22 properties for your own benefit?  
 23 A. On the advice of my counsel, I  
 24 respectfully decline to answer the question as  
 25 provided by the Fifth Amendment to the U.S.

78

1 Constitution.  
 2 Q. Did you and Dean Vagnozzi edit videos in  
 3 March of 2020 in order to remove all reference to  
 4 you so that investors would not discover your  
 5 involvement with Par Funding?  
 6 MR. SOTO: Objection to the form.  
 7 THE WITNESS: On the advice of my counsel,  
 8 I respectfully decline to answer the question as  
 9 provided by the Fifth Amendment to the U.S.  
 10 Constitution.  
 11 MS. BERLIN: One moment.  
 12 BY MS. BERLIN:  
 13 Q. From 2012 until 2017, did Par Funding  
 14 offer promissory notes directly to individual  
 15 investors?  
 16 A. On the advice of my counsel, I  
 17 respectfully decline to answer the question as  
 18 provided by the Fifth Amendment of the U.S.  
 19 Constitution.  
 20 Q. Isn't it true that you shifted from using  
 21 finders and issuing your own promissory notes to  
 22 investors to a structure where you utilized other  
 23 investment funds to offer promissory notes and  
 24 filter that investor money to Par Funding?  
 25 MR. SOTO: Objection to the form.

79

1 THE WITNESS: Can you please repeat that  
 2 question, Ms. Berlin?  
 3 BY MS. BERLIN:  
 4 Q. Sure. In early 2018, did Par Funding stop  
 5 issue -- ask it another way.  
 6 At some point in early 2018, did Par  
 7 Funding begin utilizing investment firms to issue  
 8 their own promissory notes and then filter that  
 9 investor money to Par Funding?  
 10 MR. SOTO: Objection to the form.  
 11 THE WITNESS: On the advice of my counsel,  
 12 I respectfully decline to answer the question as  
 13 provided by the Fifth Amendment to the U.S.  
 14 Constitution.  
 15 BY MS. BERLIN:  
 16 Q. Did Par Funding shift from issuing  
 17 promissory notes directly to investors to utilizing  
 18 investment firms to get investor money in 2018 in  
 19 order to conceal Par Funding's compensation for the  
 20 solicitation of investors?  
 21 MR. SOTO: Objection to the form.  
 22 THE WITNESS: On the advice of my counsel,  
 23 I respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

80

1 BY MS. BERLIN:  
2 Q. In fact, the whole reason why Par Funding  
3 started utilizing investment firms to sell  
4 promissory notes for the benefit of Par Funding was  
5 because Par Funding had received a subpoena from the  
6 Pennsylvania State regulators; correct?  
7 MR. SOTO: Objection to the form. And I'm  
8 going to instruct the witness not to answer with  
9 respect to your questions regarding the reason that  
10 Par Funding might have made the shift you described  
11 in your question.  
12 MS. BERLIN: On what basis?  
13 MR. SOTO: On the basis of attorney/client  
14 privilege.  
15 BY MS. BERLIN:  
16 Q. I want to be clear. Mr. LaForte, I'm not  
17 asking you for any of your attorneys' viewpoints.  
18 I'm asking whether the company made the change.  
19 MS. BERLIN: Am I correct in  
20 understanding, Mr. Soto, that you're instructing  
21 your client not to answer on the basis of  
22 attorney/client privilege?  
23 MR. SOTO: On the basis of your revised  
24 question, I would not. If you're asking him whether  
25 he knows if that change was made, I am not asserting

81

1 attorney/client privilege.  
2 MS. BERLIN: Okay.  
3 BY MS. BERLIN:  
4 Q. So, Mr. LaForte, can you answer the  
5 question, please.  
6 A. What are you asking me, Ms. Berlin? I'm  
7 sorry.  
8 Q. I'm asking -- this question is not about  
9 any attorney decision. It's about you. So all of  
10 my questions are about you. When I say "you," I  
11 think we established at the beginning I mean you,  
12 Joe LaForte.  
13 A. Thank you.  
14 Q. So did Par Funding -- is it your  
15 understanding that Par Funding began utilizing  
16 investment firms to raise investor money early in  
17 2018 because it had received a subpoena from  
18 Pennsylvania State regulators and wanted to conceal  
19 that Par Funding was still compensating people for  
20 soliciting investors?  
21 MR. SOTO: Sorry for interrupting.  
22 Objection to the form.  
23 THE WITNESS: Thank you, Ms. Berlin.  
24 On the advice of my counsel, I  
25 respectfully decline to answer the that question as

82

1 provided by the Fifth Amendment to the U.S.  
2 Constitution.  
3 BY MS. BERLIN:  
4 Q. Why did Par Funding begin using investment  
5 firms to issue promissory notes in early 2018?  
6 A. On the advice of my counsel, I  
7 respectfully decline to answer the question as  
8 provided by the Fifth Amendment to the U.S.  
9 Constitution.  
10 Q. Did Par Funding begin utilizing investment  
11 firms to find investors in 2018 in order to conceal  
12 its securities offerings from state regulators?  
13 MR. SOTO: Objection to the form.  
14 THE WITNESS: Sorry, Ms. Berlin. Can you  
15 please repeat that one more time?  
16 BY MS. BERLIN:  
17 Q. Sure. When Par Funding started using  
18 investment firms to offer promissory notes in early  
19 2018, was the reason for that in order to conceal  
20 Par Funding's securities offerings from state  
21 securities regulators?  
22 MR. SOTO: Objection to the form.  
23 THE WITNESS: On the advice of counsel, I  
24 respectfully decline to answer the question as  
25 provided by the Fifth Amendment to the U.S.

83

1 Constitution.  
2 BY MS. BERLIN:  
3 Q. Between 2018 and 2020, did you help Dean  
4 Vagnozzi solicit investors to purchase promissory  
5 notes that were offered by Mr. Vagnozzi's investment  
6 funds?  
7 A. On the advice of my counsel, I  
8 respectfully decline to answer the question as  
9 provided by the Fifth Amendment to the U.S.  
10 Constitution.  
11 Q. Between 2018 and July 2020, did you  
12 solicit investors to purchase Par Funding promissory  
13 notes?  
14 A. On the advice of my counsel, I  
15 respectfully decline to answer the question as  
16 provided by the Fifth Amendment to the U.S.  
17 Constitution.  
18 Q. Since no later than early 2018, you knew  
19 that Par Funding did not have insurance coverage on  
20 its merchant cash advance loans; isn't that true?  
21 MR. SOTO: Objection to the form.  
22 THE WITNESS: On the advice of my counsel,  
23 I respectfully decline to answer the question as  
24 provided by the Fifth Amendment to the U.S.  
25 Constitution.

84

1 BY MS. BERLIN:  
 2 Q. Did you tell potential investors of Par  
 3 Funding that you invested your own money in Par  
 4 Funding?  
 5 A. On the advice of counsel, I respectfully  
 6 decline to answer the that question as provided by  
 7 the Fifth Amendment to the U.S. Constitution.  
 8 Q. Isn't it true that you never invested any  
 9 of your own money in Par Funding?  
 10 A. On the advice of my counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 Q. Did you tell potential investors of Par  
 15 Funding that Par Funding's merchant cash advance  
 16 loans had a default rate of about 1 percent?  
 17 A. On the advice of my counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by the Fifth Amendment to the U.S.  
 20 Constitution.  
 21 Q. Between 2017 and July of 2020, Par Funding  
 22 never had a 1 percent default rate on the merchant  
 23 cash advance loans; correct?  
 24 MR. SOTO: Objection to the form.  
 25 THE WITNESS: On the advice of my counsel,

85

1 I respectfully decline to answer the question as  
 2 provided by the Fifth Amendment to the U.S.  
 3 Constitution.  
 4 MS. BERLIN: Just one moment. We're  
 5 almost finished.  
 6 BY MS. BERLIN:  
 7 Q. Mr. LaForte, do you have an ownership or  
 8 financial interest in Colorado Sky?  
 9 A. On the advice of my counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 Q. Do you have an ownership or financial  
 14 interest in Colorado World?  
 15 A. On the advice of my counsel, I  
 16 respectfully decline to answer the question as  
 17 provided by the Fifth Amendment to the U.S.  
 18 Constitution.  
 19 Q. Do you have an ownership or financial  
 20 interest in Colorado Farms Holding?  
 21 A. On the advice of my counsel, I  
 22 respectfully decline to answer the question as  
 23 provided by the Fifth Amendment to the U.S.  
 24 Constitution.  
 25 Q. Do you have an ownership or -- let me ask

86

1 it another way.  
 2 Do you now or have you ever had an  
 3 ownership or financial interest in Visions?  
 4 A. On the advice of my counsel, I  
 5 respectfully decline to answer the question as  
 6 provided by the Fifth Amendment to the U.S.  
 7 Constitution.  
 8 Q. Have you ever had an ownership or  
 9 financial interest in Alternative Material?  
 10 A. On the advice of my counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 Q. Have you ever had an ownership or  
 15 financial interest in Kingdom Logistics?  
 16 A. On the advice of my counsel, I  
 17 respectfully decline to answer the question as  
 18 provided by the Fifth Amendment to the U.S.  
 19 Constitution.  
 20 Q. Have you ever had an ownership or  
 21 financial interest in Colorado Natural Products?  
 22 A. On the advice of my counsel, I  
 23 respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

87

1 Q. Have you ever had an ownership or  
 2 financial interest in Rare Earth Elements of the  
 3 World?  
 4 A. On the advice of my counsel, I  
 5 respectfully decline to answer the question as  
 6 provided by the Fifth Amendment to the U.S.  
 7 Constitution.  
 8 Q. Have you ever had an ownership or  
 9 financial interest in Millennium Holdings?  
 10 A. On the advice of my counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 Q. I believe that's all that I have for you.  
 15 MS. BERLIN: But I wonder, do you mind if  
 16 maybe we just take like five minutes and I can just  
 17 go through my notes and make sure there was nothing  
 18 else?  
 19 MR. SOTO: Not at all.  
 20 MS. BERLIN: If I do, it will be very  
 21 brief because I think I'm finished, but if we can  
 22 just take five minutes, I'll review and then we'll  
 23 finish.  
 24 MR. SOTO: All right.  
 25 MS. BERLIN: Thank you.

88



1 THE VIDEOGRAPHER: We're going off record  
 2 at 12:29 p.m.  
 3 (Recess from 12:29 p.m. to 12:35 p.m.)  
 4 MS. BERLIN: I just have a little bit  
 5 more, maybe 10 minutes at the most.  
 6 THE VIDEOGRAPHER: And we're back on the  
 7 record at 12:35 p.m.  
 8 BY MS. BERLIN:  
 9 Q. Have you ever had an ownership or  
 10 financial interest in Millennium Holding?  
 11 A. On the advice of my counsel, I  
 12 respectfully decline to answer the question as  
 13 provided by the Fifth Amendment to the U.S.  
 14 Constitution.  
 15 Q. Have you ever had an ownership or  
 16 financial interest in My CBD Lab?  
 17 A. Can you repeat that, please?  
 18 Q. My CDB Lab.  
 19 A. On the advice of my counsel, I  
 20 respectfully decline to answer the question as  
 21 provided by the Fifth Amendment to the U.S.  
 22 Constitution.  
 23 Q. Have you ever had an ownership or  
 24 financial interest in a company called Marianna,  
 25 M-A-R-I-A-N-N-A?

89

1 A. On the advice of my counsel, I  
 2 respectfully decline to answer the question as  
 3 provided by the Fifth Amendment to the U.S.  
 4 Constitution.  
 5 Q. Have you ever had an ownership or  
 6 financial interest in a company called Double  
 7 Mountain?  
 8 A. On the advice of my counsel, I  
 9 respectfully decline to answer the question as  
 10 provided by the Fifth Amendment to the U.S.  
 11 Constitution.  
 12 Q. Have you ever had an ownership or  
 13 financial interest in a company called Pink Lyon?  
 14 A. On the advice of my counsel, I  
 15 respectfully decline to answer the question as  
 16 provided by the Fifth Amendment to the U.S.  
 17 Constitution.  
 18 Q. Have you ever had an ownership or  
 19 financial interest in a company called Liberty Sixth  
 20 Avenue?  
 21 A. On the advice of my counsel, I  
 22 respectfully decline to answer the question as  
 23 provided by the Fifth Amendment to the U.S.  
 24 Constitution.  
 25 Q. Have you ever had an ownership or

90

1 financial interest in Liberty Seventh Avenue?  
 2 A. On the advice of my counsel, I  
 3 respectfully decline to answer the question as  
 4 provided by the Fifth Amendment to the U.S.  
 5 Constitution.  
 6 Q. Who owns Colorado Sky?  
 7 A. On the advice of my counsel, I  
 8 respectfully decline to answer the question as  
 9 provided by the Fifth Amendment to the U.S.  
 10 Constitution.  
 11 Q. Do you know who owns Colorado Sky?  
 12 A. On the advice of my counsel, I  
 13 respectfully decline to answer the question as  
 14 provided by the Fifth Amendment to the U.S.  
 15 Constitution.  
 16 Q. Does Lisa McElhone own Colorado Sky?  
 17 A. On the advice of my counsel, I  
 18 respectfully decline to answer the question as  
 19 provided by the Fifth Amendment to the U.S.  
 20 Constitution.  
 21 Q. Do you know who owns Colorado World?  
 22 A. On the advice of my counsel, I  
 23 respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

91

1 Q. Does Lisa McElhone have an ownership or  
 2 financial interest in Colorado World?  
 3 A. On the advice of my counsel, I  
 4 respectfully decline to answer the question as  
 5 provided by the Fifth Amendment to the U.S.  
 6 Constitution.  
 7 Q. Do you know who owns Colorado Farms  
 8 Holding?  
 9 A. On the advice of my counsel, I  
 10 respectfully decline to answer the question as  
 11 provided by the Fifth Amendment to the U.S.  
 12 Constitution.  
 13 Q. Does Lisa McElhone have an ownership or  
 14 financial interest in Colorado Farms Holding?  
 15 A. On the advice of my counsel, I  
 16 respectfully decline to answer the question as  
 17 provided by the Fifth Amendment to the U.S.  
 18 Constitution.  
 19 Q. Do you know who owns Vision Solar?  
 20 A. On the advice of my counsel, I  
 21 respectfully decline to answer the question as  
 22 provided by the Fifth Amendment to the U.S.  
 23 Constitution.  
 24 Q. Does Lisa McElhone have an ownership or  
 25 financial interest in Vision Solar?

92

1     **A.** On the advice of my counsel, I  
2 respectfully decline to answer the question as  
3 provided by the Fifth Amendment to the U.S.  
4 Constitution.  
5     **Q.** Do you know who owns Alternative Material?  
6     **A.** On the advice of my counsel, I  
7 respectfully decline to answer the question as  
8 provided by the Fifth Amendment to the U.S.  
9 Constitution.  
10    **Q.** Does Lisa McElhone -- has Lisa McElhone  
11 ever had an ownership or financial interest in  
12 Alternative Materials?  
13    **A.** On the advice of my counsel, I  
14 respectfully decline to answer the question as  
15 provided by the Fifth Amendment to the U.S.  
16 Constitution.  
17    **Q.** Do you know who owns Kingdom Logistics?  
18    **A.** On the advice my counsel, I respectfully  
19 decline to answer the question as provided by the  
20 Fifth Amendment to the U.S. Constitution.  
21    **Q.** Has Lisa McElhone ever had an ownership or  
22 financial interest in Kingdom Logistics?  
23    **A.** On the advice my counsel, I respectfully  
24 decline to answer the question as provided by the  
25 Fifth Amendment to the U.S. Constitution.

93

1     **Q.** Do you know who owns Colorado Natural  
2 Products?  
3     **A.** On the advice of my counsel, I  
4 respectfully decline to answer the question as  
5 provided by the Fifth Amendment to the U.S.  
6 Constitution.  
7     **Q.** Has Lisa McElhone ever had an ownership or  
8 financial interest in Colorado Natural Products?  
9     **A.** On the advice of my counsel, I  
10 respectfully decline to answer the question as  
11 provided by the Fifth Amendment to the U.S.  
12 Constitution.  
13    **Q.** Do you know who owns Rare Earth Elements  
14 of the World.  
15    **A.** On the advice of my counsel, I  
16 respectfully decline to answer the question as  
17 provided by the Fifth Amendment of the U.S.  
18 Constitution.  
19    **Q.** Has Lisa McElhone ever had an ownership or  
20 financial interest in Rare Earth Elements of the  
21 World?  
22    **A.** On the advice my counsel, I respectfully  
23 decline to answer the question as provided by the  
24 Fifth Amendment to the U.S. Constitution.  
25    **Q.** Do you know who owns Millennium Holdings?

94

1     **A.** On the advice my counsel, I respectfully  
2 decline to answer the question as provided by the  
3 Fifth Amendment to the U.S. Constitution.  
4     **Q.** Has Lisa McElhone ever had a financial or  
5 ownership interest in Millennium Holdings?  
6     **A.** On the advice of my counsel, I  
7 respectfully decline to answer the question as  
8 provided by the Fifth Amendment to the U.S.  
9 Constitution.  
10    **Q.** Do you know who owns My CDB Lab?  
11    **A.** Can you repeat that, please?  
12    **Q.** Do you know who owns My CDB Lab?  
13    **A.** Thank you, Ms. Berlin.  
14            On the advice of my counsel, I  
15 respectfully decline to answer the question as  
16 provided by the Fifth Amendment to the U.S.  
17 Constitution.  
18    **Q.** Has Lisa McElhone ever had an ownership or  
19 financial interest in My CDB Lab?  
20    **A.** On the advice of my counsel, I  
21 respectfully decline to answer the question as  
22 provided by the Fifth Amendment to the U.S.  
23 Constitution.  
24    **Q.** Do you know who owns Marianna?  
25    **A.** On the advice of my counsel, I

95

1 respectfully decline to answer the question as  
2 provided by the Fifth Amendment to the U.S.  
3 Constitution.  
4     **Q.** Does Lisa McElhone have an ownership or  
5 financial interest in Marianna?  
6     **A.** On the advice of my counsel, I  
7 respectfully decline to answer the question as  
8 provided by the Fifth Amendment to the U.S.  
9 Constitution.  
10    **Q.** Do you know who owns Double Mountain?  
11    **A.** On the advice of my counsel, I  
12 respectfully decline to answer the question as  
13 provided by the Fifth Amendment to the U.S.  
14 Constitution.  
15    **Q.** Does Lisa McElhone have an ownership or  
16 financial interest in Double Mountain?  
17    **A.** On the advice of my counsel, I  
18 respectfully decline to answer the question as  
19 provided by the Fifth Amendment to the U.S.  
20 Constitution.  
21    **Q.** Do you know who owns Pink Lyon?  
22    **A.** On the advice of my counsel, I  
23 respectfully decline to answer the question as  
24 provided by the Fifth Amendment to the U.S.  
25 Constitution.

96

1 Q. Does Lisa McElhone have an ownership or  
 2 financial interest in Pink Lyon?  
 3 A. On the advice of my counsel, I  
 4 respectfully decline to answer the question as  
 5 provided by the Fifth Amendment to the U.S.  
 6 Constitution.  
 7 Q. Do you know who owns Liberty Sixth Avenue?  
 8 MR. SOTO: Amie, I might be mistaken, but  
 9 it sounds as though we're going over some of the  
 10 same companies. I'm not keeping a list of them, but  
 11 I'm hearing the names. They seem to be repeated. I  
 12 don't know if you're asking a slightly different  
 13 question. I'm trying to give you some latitude, but  
 14 it sounds like we're going over some of the same  
 15 companies.  
 16 BY MS. BERLIN:  
 17 Q. Do you know who owns Liberty Sixth Avenue?  
 18 MR. SOTO: I'm just going to object as  
 19 asked and answered.  
 20 You can go ahead and answer, Mr. LaForte.  
 21 THE WITNESS: On the advice of my counsel,  
 22 I respectfully decline to answer the question as  
 23 provided by the Fifth Amendment to the U.S.  
 24 Constitution.  
 25

97

1 BY MS. BERLIN:  
 2 Q. Does Lisa McElhone have an ownership or  
 3 financial interest in Liberty Sixth Avenue?  
 4 A. I'm sorry. I missed the last part.  
 5 Somebody was coughing. Can you say that again,  
 6 please.  
 7 Q. Sure. Does Lisa McElhone have an  
 8 ownership or financial interest in Liberty Sixth  
 9 Avenue?  
 10 A. Thank you. On the advice of my counsel, I  
 11 respectfully decline to answer the question as  
 12 provided by the Fifth Amendment to the U.S.  
 13 Constitution.  
 14 Q. Do you know who owns Liberty Seventh  
 15 Avenue?  
 16 A. On the advice of my counsel, I  
 17 respectfully decline to answer the question as  
 18 provided by the Fifth Amendment to the U.S.  
 19 Constitution.  
 20 Q. Does Lisa McElhone have an ownership or  
 21 financial interest in Liberty Seventh Avenue?  
 22 A. On the advice of my counsel, I  
 23 respectfully decline to answer the question as  
 24 provided by the Fifth Amendment to the U.S.  
 25 Constitution.

98

1 Q. Between 2016 and 2020, Par Funding did not  
 2 engage in underwriting on all of the merchant cash  
 3 advance loans that it funded; correct?  
 4 A. On the advice of my counsel, I  
 5 respectfully decline to answer the question as  
 6 provided by the Fifth Amendment to the U.S.  
 7 Constitution.  
 8 Q. Between 2016 and 2020, what was Par  
 9 Funding's average default rate on the merchant cash  
 10 advance loans that it funded?  
 11 MR. SOTO: Objection to the form.  
 12 THE WITNESS: On the advice of my  
 13 counsel --  
 14 MS. BERLIN: Sorry?  
 15 MR. SOTO: I objected to the form.  
 16 Mr. LaForte, go ahead and answer.  
 17 THE WITNESS: On the advice of my counsel,  
 18 I respectfully decline to answer the question as  
 19 provided by the Fifth Amendment to the U.S.  
 20 Constitution.  
 21 BY MS. BERLIN:  
 22 Q. Thank you. I have no further questions.  
 23 A. Thank you, Ms. Berlin.  
 24 MR. SOTO: We don't have any questions,  
 25 Amie.

99

1 MR. KOLAYA: This is Tim Kolaya on behalf  
 2 of the receiver. I just want to the state, as the  
 3 parties know, the receiver has independent  
 4 investigative powers and duties under the Amended  
 5 Order Appointing Receiver, which is Docket Entry  
 6 141.  
 7 The receiver does intend to notice our own  
 8 separate deposition of Mr. LaForte at a later date  
 9 pursuant to those investigative powers.  
 10 MS. BERLIN: Thank you, Mr. Kolaya.  
 11 Is there anyone else who would like to be  
 12 heard before we conclude? No? Okay. I believe we  
 13 are now finished.  
 14 THE VIDEOGRAPHER: This concludes today's  
 15 videotape deposition of Joseph LaForte. We're going  
 16 off the record 12:47 p.m.  
 17 (Whereupon, at 12:47 p.m., the taking of  
 18 the instant deposition ceased.)  
 19  
 20  
 21  
 22  
 23  
 24  
 25

100

1 COMMONWEALTH OF PENNSYLVANIA )  
 2 COUNTY OF ALLEGHENY ) SS:  
 3 C E R T I F I C A T E  
 4 I, Ann Medis, Registered Professional  
 5 Reporter, Certified Livenote Reporter and Remote  
 6 Notary Public within and for the Commonwealth of  
 7 Pennsylvania, do hereby certify:  
 8 That JOSEPH W. LAFORTE, the witness whose  
 9 deposition is hereinbefore set forth, was duly sworn  
 10 by me and that such deposition is a true record of  
 11 the testimony given by such witness.  
 12 I further certify that I am not related to  
 13 any of the parties to this action by blood or  
 14 marriage and that I am in no way interested in the  
 15 outcome of this matter.  
 16 IN WITNESS WHEREOF, I have hereunto set my  
 17 hand this 13th day of May, 2021.  
 18  
 19  
 20  
 21 \_\_\_\_\_  
 22 Remote Notary Public  
 23  
 24  
 25

101

1 CERTIFICATE OF WITNESS  
 2  
 3  
 4 I, JOSEPH W. LAFORTE, do hereby declare under  
 5 penalty of perjury that I have read the entire  
 6 foregoing transcript of my deposition testimony,  
 7 or the same has been read to me, and certify that  
 8 it is a true, correct and complete transcript of  
 9 my testimony given on May 4, 2021, save and  
 10 except for changes and/or corrections, if any, as  
 11 indicated by me on the attached Errata Sheet, with  
 12 the understanding that I offer these changes and/or  
 13 corrections as if still under oath.  
 14 \_\_\_\_\_ I have made corrections to my deposition.  
 15 \_\_\_\_\_ I have NOT made any changes to my deposition.  
 16  
 17 Signed: \_\_\_\_\_  
 18 JOSEPH W. LAFORTE  
 19 Dated this \_\_\_\_\_ day of \_\_\_\_\_ of 20 \_\_\_\_.  
 20  
 21  
 22  
 23  
 24  
 25

102

1 ERRATA SHEET  
 2 Deposition of: JOSEPH W. LAFORTE  
 3 Date taken: MAY 4, 2021  
 4 Case: SEC v. COMPLETE BUSINESS SOLUTIONS GROUP, et al.  
 5 PAGE LINE  
 6 CHANGE: \_\_\_\_\_  
 7 REASON: \_\_\_\_\_  
 8 CHANGE: \_\_\_\_\_  
 9 REASON: \_\_\_\_\_  
 10 CHANGE: \_\_\_\_\_  
 11 REASON: \_\_\_\_\_  
 12 CHANGE: \_\_\_\_\_  
 13 REASON: \_\_\_\_\_  
 14 CHANGE: \_\_\_\_\_  
 15 REASON: \_\_\_\_\_  
 16 CHANGE: \_\_\_\_\_  
 17 REASON: \_\_\_\_\_  
 18 CHANGE: \_\_\_\_\_  
 19 REASON: \_\_\_\_\_  
 20 CHANGE: \_\_\_\_\_  
 21 REASON: \_\_\_\_\_  
 22 CHANGE: \_\_\_\_\_  
 23 REASON: \_\_\_\_\_  
 24  
 25 Signed \_\_\_\_\_  
 Dated \_\_\_\_\_

103

1 COMMONWEALTH OF PENNSYLVANIA )  
2 COUNTY OF ALLEGHENY ) SS:

3 C E R T I F I C A T E

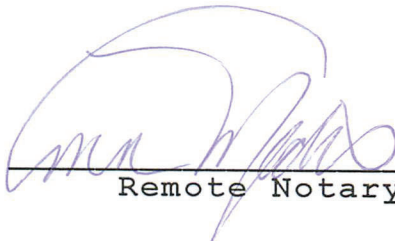
4 I, Ann Medis, Registered Professional  
5 Reporter, Certified Livenote Reporter and Remote  
6 Notary Public within and for the Commonwealth of  
7 Pennsylvania, do hereby certify:

8 That JOSEPH W. LAFORTE, the witness whose  
9 deposition is hereinbefore set forth, was duly sworn  
10 by me and that such deposition is a true record of  
11 the testimony given by such witness.

12 I further certify that I am not related to  
13 any of the parties to this action by blood or  
14 marriage and that I am in no way interested in the  
15 outcome of this matter.

16 IN WITNESS WHEREOF, I have hereunto set my  
17 hand this 13th day of May, 2021.

18  
19  
20  
21  
22  
23  
24  
25

  
\_\_\_\_\_  
Remote Notary Public

Commonwealth of Pennsylvania - Notary Seal  
Ann Medis, Notary Public  
Allegheny County  
My commission expires January 7, 2025  
Commission number 1109616  
Member, Pennsylvania Association of Notaries

<b>A</b>			
<p><b>a.m</b> 1:22 5:11 39:8,9,9,11 68:15,16,16,18 <b>Abbonizio</b> 2:14 6:6 20:16 21:9,16,25 22:19 27:11,16 28:1,7,9,16,19 76:23,24 <b>able</b> 30:21 <b>absolutely</b> 70:9 <b>accepted</b> 65:23 <b>accountant</b> 40:12 <b>accountants</b> 39:24 40:2 <b>accounting</b> 65:23 <b>accounts</b> 54:18 55:4,13 <b>accrual</b> 45:5,21 <b>acquired</b> 78:12 <b>acquiring</b> 76:13 <b>act</b> 9:11 13:10 <b>action</b> 69:3 101:13 <b>address</b> 9:23 <b>addresses</b> 9:16 <b>addressing</b> 63:17 <b>advance</b> 11:13,20 12:7,15 29:3 41:18 42:4 47:12,16 49:15 50:10,18 57:6,13 64:13,19 65:19 72:15 73:14,20 84:20 85:15,23 99:3,10 <b>advanced</b> 42:22 43:3 <b>advice</b> 6:23 7:4,14,21 8:2,7 8:13,19 9:1,7,13,19 10:2 10:10,17 11:1,9,15,21 12:2 12:17,25 13:6,13,21 14:2 14:10,17,24 15:18 16:15 16:22 17:3,10,16,25 18:9 18:24 19:8,17 20:1,11,20 21:4,20 22:5,14,23 23:6,15 23:24 24:8 25:1,12 26:7,14 26:21 27:5,12,19 28:3,21 29:5,17,24 30:9,16 31:3,17 32:1,9,19 33:13,22 34:6,15 34:25 35:10,24 36:10,18 37:1,9,17 38:9 39:18 40:6 40:14 41:2,7 42:7,17 43:5 44:17,22 45:23 47:2,7,17 48:12,20 49:9,17 50:4,20 51:14,19 52:1,10 53:14,24 54:4,6 55:7,15 56:18 57:10 57:17,25 58:16 59:10,13 59:24 60:9,19 61:4 62:1 64:3,8,21 65:10 66:1,10,17 67:1,6,12 68:2 70:14,20 71:4,12,21 73:8,16,23 74:13,22 75:6,15,24 76:8 77:2,13,25 78:7,15,23 79:7 79:16 80:11,22 82:24 83:6 83:23 84:7,14,22 85:5,10</p>	<p>85:17,25 86:9,15,21 87:4 87:10,16,22 88:4,10 89:11 89:19 90:1,8,14,21 91:2,7 91:12,17,22 92:3,9,15,20 93:1,6,13,18,23 94:3,9,15 94:22 95:1,6,14,20,25 96:6 96:11,17,22 97:3,21 98:10 98:16,22 99:4,12,17 <b>agreement</b> 41:18,20,21 42:4 42:6,11,15,23 43:4 50:2 56:16 <b>agreements</b> 50:1 <b>ahead</b> 51:25 97:20 99:16 <b>Akerman</b> 2:22 6:7 <b>al</b> 1:8 103:3 <b>ALEJANDRO</b> 2:10 <b>Alex</b> 5:21 <b>Alfano</b> 3:12,13 5:25,25 <b>alias</b> 17:1,14,21 18:5 <b>aliases</b> 20:8 22:2 24:15,23 <b>ALLEGHENY</b> 101:2 <b>Allow</b> 4:8 <b>Alternative</b> 87:9 93:5,12 <b>altogether</b> 74:7 <b>Amended</b> 100:4 <b>Amendment</b> 6:25 7:6,16,23 8:4,9,15,21 9:3,9,15,21 10:4,12,19 11:3,11,17,23 12:4,19 13:2,8,15,23 14:4 14:12,19 15:1,20 16:17,24 17:5,12,18 18:2,11 19:1,10 19:19 20:3,13,22 21:6,22 22:7,16,25 23:8,17 24:1,10 25:3,14 26:9,16,23 27:7,14 27:21 28:5,23 29:7,19 30:1 30:11,18 31:5,19 32:3,11 32:21 33:15,24 34:8,17 35:2,12 36:1,12,20 37:3,11 37:19 38:11 39:20 40:8,16 41:4,9 42:9,19 44:19,24 45:25 47:4,9,19 48:14,22 49:11,19 50:6,22 51:16,21 52:3,12 53:16 54:1,8 55:9 55:17 56:20 57:12,19 58:2 58:18 59:15 60:1,11,21 61:6 62:3 64:5,10,23 65:12 66:3,12,19 67:3,8,14 68:4 70:16,22 71:6,14,23 73:10 73:18,25 74:15,24 75:8,17 76:1,10 77:4,15 78:2,9,17 78:25 79:9,18 80:13,24 83:1,8,25 84:9,16,24 85:7 85:12,19 86:2,11,17,23 87:6,12,18,24 88:6,12 89:13,21 90:3,10,16,23 91:4,9,14,19,24 92:5,11,17</p>	<p>92:22 93:3,8,15,20,25 94:5 94:11,17,24 95:3,8,16,22 96:2,8,13,19,24 97:5,23 98:12,18,24 99:6,19 <b>America</b> 69:2 <b>Amie</b> 2:5 5:18 6:16 38:15 43:6 44:3 45:15 46:12 48:3 52:16,23 59:2 70:5 73:1 97:8 99:25 <b>amount</b> 27:2 28:8,18 45:7 56:25 <b>analyses</b> 66:7 <b>analysis</b> 40:3 65:15 <b>analyze</b> 49:5 <b>and/or</b> 102:10,12 <b>ANDREW</b> 3:9 <b>Ann</b> 1:18 5:13 101:4 <b>answer</b> 6:24 7:5,15,22 8:3,8 8:14,20 9:2,8,14,20 10:3 10:11,18 11:2,10,16,22 12:3,18 13:1,7,14,22 14:3 14:11,18,25 15:19 16:16 16:23 17:4,11,17 18:1,10 18:25 19:9,18 20:2,12,21 21:5,21 22:6,15,24 23:7,16 23:25 24:9 25:2,13 26:8,15 26:22 27:6,13,20 28:4,22 29:6,18,25 30:10,17 31:4 31:18 32:2,10,20 33:14,23 34:7,16 35:1,11,25 36:11 36:19 37:2,10,18 38:10 39:19 40:7,15 41:3,8 42:8 42:18 43:13 44:6,11,12,18 44:23 45:17,24 46:16 47:3 47:8,18 48:6,13,21 49:10 49:18 50:5,21 51:15,20,25 52:2,11 53:15,25 54:7 55:1 55:8,16 56:11,19 57:11,18 58:1,17 59:4,14,25 60:10 60:20 61:5 62:2,14 63:10 64:4,9,22 65:11,17 66:2,11 66:18 67:2,7,13 68:3 70:15 70:21 71:5,13,22 73:9,17 73:24 74:14,23 75:7,16,25 76:9 77:1,3,14 78:1,8,16 78:24 79:8,17 80:12,23 81:8,21 82:4,25 83:7,24 84:8,15,23 85:6,11,18 86:1 86:10,16,22 87:5,11,17,23 88:5,11 89:12,20 90:2,9,15 90:22 91:3,8,13,18,23 92:4 92:10,16,21 93:2,7,14,19 93:24 94:4,10,16,23 95:2,7 95:15,21 96:1,7,12,18,23 97:4,20,22 98:11,17,23 99:5,16,18</p>	<p><b>answered</b> 30:20 97:19 <b>apologize</b> 49:13 <b>appeared</b> 2:2 <b>appears</b> 69:25 <b>Appointing</b> 100:5 <b>approve</b> 11:20 12:23 13:4 <b>approved</b> 50:17 <b>approving</b> 50:9 <b>April</b> 40:23,25 41:13,16 42:10,14,23 43:4 <b>arrest</b> 70:18 71:8,9 <b>asked</b> 97:19 <b>asking</b> 43:8 56:9 61:13 63:21 70:10 77:20 81:17 81:18,24 82:6,8 97:12 <b>asoto@ffslawfirm.com</b> 2:12 <b>asserting</b> 54:23 59:2 81:25 <b>assertion</b> 43:13,15 <b>assets</b> 60:7 62:9 63:7 <b>associate</b> 6:3 <b>attached</b> 102:11 <b>attempts</b> 75:2 <b>attending</b> 6:9 <b>attorney</b> 53:12,23 82:9 <b>attorney/client</b> 43:7 44:9 46:15 59:2 62:13 81:13,22 82:1 <b>attorneys</b> 44:16 64:6 67:5 67:10 73:6 <b>attorneys'</b> 81:17 <b>audit</b> 40:3,13 <b>August</b> 7:18 69:18 <b>authority</b> 10:8,15 <b>Avenue</b> 2:5 3:4 90:20 91:1 97:7,17 98:3,9,15,21 <b>average</b> 48:9 99:9</p>
<b>B</b>			
<p><b>B</b> 46:19 <b>back</b> 39:3,10 68:17 72:8 89:6 <b>bank</b> 49:25 74:11,20 75:3,12 75:21 76:5,7,14,19 77:10 77:19,23 <b>Barleta</b> 3:2 19:13,22 20:6,25 22:10 26:13,18,25 27:3 35:5 51:9 76:18 <b>based</b> 44:3 62:14 <b>basis</b> 43:1,8 44:4,7 45:15 46:15 48:4 54:23 56:10 62:14 63:10,12,20,21 65:16 70:8,10 73:1,2 81:12 81:13,21,23 <b>began</b> 82:15 <b>beginning</b> 61:8 82:11 <b>begins</b> 5:3 41:13</p>			

<p><b>behalf</b> 2:3,8,14,21 3:2,7 5:24 5:25 6:3,6,8 11:25 42:6 44:16 51:18 53:18 58:15 64:7 69:18 70:2 73:7 100:1 <b>believe</b> 76:23 88:14 100:12 <b>benefit</b> 59:18 63:8 78:22 81:4 <b>Berlin</b> 2:5 4:3 5:18,19 6:14 6:16 10:6,21 11:5 12:12,21 13:17 14:6 15:3,22 16:6,19 17:7,20 18:4,13,18 19:3,12 19:21 20:5,15,24 21:8,15 21:24 22:9,18 23:2,10,19 24:3,12,20 25:5,16 26:1,11 27:9,23 28:14 29:1,14 30:3 30:13,23 31:7,13,21 32:5 32:13,23 33:8,17 34:1,10 34:19 35:4,14 36:6,14,22 37:5,13,21 38:3,13,16 39:1 39:12,13,22 40:10,17,21 41:10,14 43:12,16,22 44:5 44:10,14 45:18 46:2,4,13 46:17 47:20,22 48:5,8,16 48:24 49:1,20,22 50:14,24 51:1 52:5,14,19,22 53:1 54:10,12 55:2,11,19,21 56:12,22 57:3,5 58:3,5,19 58:21 59:5,11 60:3,13,23 61:10 62:5,16,18 63:13,23 64:16 65:1,3,6,7,18,21 66:5,14 67:16,18,22 68:6,9 68:12,19,23,24 69:7,9 70:12,24 71:16 72:1,3,5,11 73:4,12 74:1,5,8,17 75:1 75:10,19 76:3,21 77:2,5,17 78:4,19 79:11,12 80:2,3,15 81:1,12,15,19 82:2,3,6,23 83:3,14,16 84:2 85:1 86:4 86:6 88:15,20,25 89:4,8 95:13 97:16 98:1 99:14,21 99:23 100:10 <b>berlina@sec.gov</b> 2:7 <b>better</b> 7:11 <b>BETTINA</b> 3:3,3 <b>beyond</b> 56:15 <b>bigger</b> 43:20 <b>Biscayne</b> 2:17,17 3:9 <b>bit</b> 89:4 <b>blocking</b> 52:18 <b>blood</b> 101:13 <b>blue</b> 58:8 62:21 <b>borrow</b> 57:7,14 <b>borrower</b> 37:23 38:5 57:6,13 <b>borrower's</b> 57:16 <b>borrowers</b> 12:8 15:15 18:22 19:24 49:16 57:22 71:2</p>	<p><b>BOSICK</b> 3:12 <b>Boulevard</b> 2:11,17 3:9 <b>break</b> 6:18 38:17,22 <b>Brian</b> 2:22 6:7 <b>brian.miller@akerman.com</b> 2:25 <b>Brickell</b> 2:5,23 <b>brief</b> 88:21 <b>Brueckner</b> 3:18 <b>bschein@bettinascheinla...</b> 3:5 <b>burden</b> 63:6 <b>business</b> 1:7 5:5 7:12,19,20 8:1 25:10,20 26:5 29:21 49:7 64:13,19 75:23 103:3 <b>business'</b> 72:19 <b>businesses</b> 72:19</p> <hr/> <p style="text-align: center;"><b>C</b></p> <hr/> <p><b>C</b> 2:1 3:1,17 5:1 101:3,3 <b>called</b> 1:17 9:17 89:24 90:6 90:13,19 <b>caption</b> 51:4 62:25 <b>carry</b> 29:3 <b>case</b> 1:6 5:6,8 40:23 41:1 51:9,13 52:7 59:17 60:4,7 61:3 62:9,10 63:8 66:21,25 67:5,20 69:1,3,18 70:2,7 72:13 103:3 <b>cash</b> 11:13,19 12:7,15 29:3 38:5 39:14 41:18 42:3 47:12,16 49:15 50:10,18 57:6,13,15,22 64:12,19 71:2 72:15 73:14,20 84:20 85:15,23 99:2,9 <b>cause</b> 63:16 <b>CBD</b> 89:16 <b>CDB</b> 89:18 95:10,12,19 <b>ceased</b> 100:18 <b>cell</b> 6:21 <b>Centre</b> 2:23 <b>CEO</b> 9:11 13:10 <b>certain</b> 46:24 <b>CERTIFICATE</b> 102:1 <b>Certified</b> 101:5 <b>certify</b> 101:7,12 102:7 <b>change</b> 40:12 81:18,25 103:4,6,7,9,10,12,13,15,16 103:18,19,21,22 <b>changes</b> 102:10,12,15 <b>Cherly</b> 2:10 6:2 <b>choose</b> 63:14 <b>chose</b> 61:23 77:9 <b>City</b> 2:23 <b>claim</b> 15:25 16:1,11,12 <b>claims</b> 70:10</p>	<p><b>clear</b> 50:1 61:11 63:24 81:16 <b>client</b> 43:13 44:6 81:21 <b>clucien@ffslawfirm.com</b> 2:13 <b>Cole</b> 3:2 19:13,22 20:6,25 22:10 26:13,18,25 35:5 51:9 76:13,18 <b>collapsed</b> 67:25 <b>collateralized</b> 56:15 <b>collect</b> 71:2 <b>Colorado</b> 86:8,14,20 87:21 91:6,11,16,21 92:2,7,14 94:1,8 <b>come</b> 39:3,4 <b>comes</b> 49:8 <b>coming</b> 67:24 <b>Commencement</b> 4:8 <b>commencing</b> 1:22 <b>commingled</b> 78:12 <b>Commission</b> 1:4 2:4 5:20 6:17 <b>Commonwealth</b> 1:20 101:1 101:6 <b>companies</b> 72:15 73:14,21 97:10,15 <b>company</b> 10:13 72:17 81:18 89:24 90:6,13,19 <b>compensating</b> 82:19 <b>compensation</b> 80:19 <b>complete</b> 1:7 5:5 7:12,19 50:7 57:23 102:8 103:3 <b>completely</b> 70:7 <b>conceal</b> 14:21 15:14,24 16:10 18:6,15,21 19:5,14 19:23 20:17 21:1,10,17 22:11,20 23:4,12,21 24:5 25:6,7,17 26:2 27:1 28:8 28:18 39:15 40:4 62:9 76:12,17 80:19 82:18 83:11,19 <b>concealed</b> 67:10 <b>concerning</b> 49:24 <b>conclude</b> 50:15 100:12 <b>concludes</b> 100:14 <b>conduct</b> 14:14 47:5 49:23 57:23 65:14 66:7 <b>Conference</b> 55:25 <b>confusing</b> 15:11 <b>connection</b> 70:9 74:19 75:2 75:11,20 76:4 77:22 <b>consolidated</b> 41:21 <b>Constitution</b> 7:1,6,16,23 8:4 8:9,15,21 9:3,9,15,21 10:5 10:12,20 11:4,11,17,23 12:4,20 13:2,8,16,23 14:5 14:12,19 15:2,21 16:18,24</p>	<p>17:6,12,19 18:3,12 19:2,11 19:20 20:4,14,23 21:7,23 22:8,17 23:1,9,18 24:2,11 25:4,15 26:10,16,23 27:8 27:14,22 28:5,24 29:7,19 30:2,12,18 31:6,20 32:4,12 32:22 33:16,25 34:9,18 35:3,13 36:1,13,21 37:4,12 37:20 38:12 39:21 40:9,16 41:4,9 42:9,19 44:19,24 46:1 47:4,9,19 48:15,23 49:11,19 50:6,23 51:16,21 52:4,13 53:16 54:1,9 55:10 55:18 56:21 57:12,19 58:2 58:18 59:15 60:2,12,22 61:6 62:4 64:5,10,24 65:12 66:4,13,19 67:3,8,15 68:5 70:16,23 71:6,15,23 73:11 73:18,25 74:16,25 75:9,18 76:2,10 77:4,16 78:3,9,18 79:1,10,19 80:14,25 83:2,9 84:1,10,17,25 85:7,13,20 86:3,12,18,24 87:7,13,19 87:25 88:7,13 89:14,22 90:4,11,17,24 91:5,10,15 91:20,25 92:6,12,18,23 93:4,9,16,20,25 94:6,12,18 94:24 95:3,9,17,23 96:3,9 96:14,20,25 97:6,24 98:13 98:19,25 99:7,20 <b>consulting</b> 26:19,25 28:1,7 28:17 <b>contain</b> 51:22 <b>Context</b> 56:1 <b>Continued</b> 3:1 <b>contract</b> 27:16 <b>contracts</b> 11:25 <b>control</b> 8:18,24 78:11 <b>conversations</b> 43:10 <b>convert</b> 13:19 <b>convicted</b> 17:23 18:7 25:10 25:18,21 26:5 <b>copy</b> 40:22 <b>Coral</b> 2:11 <b>corner</b> 72:9 <b>correct</b> 46:9 47:1,12 48:2 61:24 64:2 81:6,19 85:23 99:3 102:8 <b>corrections</b> 102:10,13,14 <b>coughing</b> 98:5 <b>counsel</b> 5:14,16,19 6:16,23 7:4,14,21 8:2,7,13,19 9:1,7 9:13,19 10:2,10,17 11:1,9 11:15,21 12:2,18,25 13:6 13:13,21 14:2,10,17,24 15:18 16:15,22 17:3,10,16</p>
--	---	---	---

<p>17:25 18:9,24 19:8,17 20:1 20:11,20 21:4,20 22:5,14 22:23 23:6,15,24 24:8 25:1 25:12 26:7,14,21 27:5,12 27:19 28:3,21 29:5,17,24 30:9,16 31:3,17 32:1,9,19 33:13,22 34:6,15,25 35:10 35:24 36:10,18 37:1,9,17 38:9 39:18 40:6,14 41:2,7 42:7,17 43:5 44:17,22 45:23 47:2,7,17 48:12,20 49:9,17 50:4,20 51:14,19 52:1,10 53:14,24 54:3,4,6 55:7,15 56:18 57:10,17,25 58:14,16 59:10,13,24 60:9 60:19 61:4 62:1 64:3,8,21 65:10 66:1,10,17,21,24 67:1,6,12 68:2 70:14,20 71:4,12,21 73:8,16,23 74:13,22 75:6,15,24 76:8 77:2,13,25 78:7,15,23 79:7 79:16 80:11,22 82:24 83:6 83:23 84:7,14,22 85:5,10 85:17,25 86:9,15,21 87:4 87:10,16,22 88:4,10 89:11 89:19 90:1,8,14,21 91:2,7 91:12,17,22 92:3,9,15,20 93:1,6,13,18,23 94:3,9,15 94:22 95:1,6,14,20,25 96:6 96:11,17,22 97:3,21 98:10 98:16,22 99:4,13,17 <b>Counsel's</b> 55:24 <b>country</b> 72:16 73:15,21 <b>COUNTY</b> 101:2 <b>course</b> 15:10 <b>court</b> 1:1 5:7,12 40:23 41:5 43:2,25 46:9,25 51:13,18 51:23 52:6 54:14,17 56:5,7 58:14,24 59:16,20 60:4 61:1 64:7,12,18 72:14 <b>coverage</b> 84:19 <b>create</b> 76:5 77:23 <b>creation</b> 76:19 77:19 <b>credit</b> 50:3 <b>criminal</b> 21:1,10,17 23:12 69:3,18 70:2 72:13 <b>crossing</b> 43:7 <b>current</b> 54:18 55:4,13 66:15 <b>currently</b> 68:10 70:3,17 71:7 71:9</p>	<p>48:9,17 49:8,24 50:9,9,16 50:17 <b>daily</b> 41:22 <b>data</b> 49:6 <b>date</b> 5:10 41:22 100:8 103:2 <b>dated</b> 4:13,15 58:10 63:1 102:19 103:25 <b>day</b> 101:17 102:19 <b>day-to-day</b> 9:5 <b>de</b> 2:11 4:11,13 9:11 13:10 <b>Dean</b> 2:21 6:8 23:3,11,20 24:13,21 79:2 84:3 <b>debt</b> 56:13 <b>Decatur</b> 59:8 61:14,19 <b>December</b> 4:15 63:2 64:1 <b>decide</b> 11:13,19 13:19 14:20 15:13,23 16:9 18:14,20 19:4 20:6 21:25 24:13,21 26:12,18,24 27:10,15,25 28:6,15 34:20,21 35:6 42:10 59:7 <b>decided</b> 53:22 60:16,24 62:7 62:7 <b>decision</b> 53:18 82:9 <b>declaration</b> 45:3 <b>declare</b> 102:4 <b>decline</b> 6:24 7:5,15,22 8:3,8 8:14,20 9:2,8,14,20 10:3 10:11,18 11:2,10,16,22 12:3,18 13:1,7,14,22 14:3 14:11,18,25 15:19 16:16 16:23 17:4,11,17 18:1,10 18:25 19:9,18 20:2,12,21 21:5,21 22:6,15,24 23:7,16 23:25 24:9 25:2,13 26:8,15 26:22 27:6,13,20 28:4,22 29:6,18,25 30:10,17 31:4 31:18 32:2,10,20 33:14,23 34:7,16 35:1,11,25 36:11 36:19 37:2,10,18 38:10 39:19 40:7,15 41:3,8 42:8 42:18 44:18,23 45:24 47:3 47:8,18 48:13,21 49:10,18 50:5,21 51:15,20 52:2,11 53:15,25 54:7 55:8,16 56:19 57:11,18 58:1,17 59:14,25 60:10,20 61:5 62:2 64:4,9,22 65:11 66:2 66:11,18 67:2,7,13 68:3 70:15,21 71:5,13,22 73:9 73:17,24 74:14,23 75:7,16 75:25 76:9 77:3,14 78:1,8 78:16,24 79:8,17 80:12,23 82:25 83:7,24 84:8,15,23 85:6,11,18 86:1,10,16,22 87:5,11,17,23 88:5,11</p>	<p>89:12,20 90:2,9,15,22 91:3 91:8,13,18,23 92:4,10,16 92:21 93:2,7,14,19,24 94:4 94:10,16,23 95:2,7,15,21 96:1,7,12,18,23 97:4,22 98:11,17,23 99:5,18 <b>deemed</b> 37:24 38:7 <b>default</b> 37:25 38:7 85:16,22 99:9 <b>defendant</b> 1:11 2:8,14,21 3:2 4:7 6:8 <b>Defendants</b> 1:9 <b>Defendants'</b> 4:10,12,14 51:4 58:9 62:25 <b>defenses</b> 70:11 <b>deponent</b> 5:22 <b>deposition</b> 1:16 5:4,9 15:5 51:3,17,22 58:7,13 62:20 100:8,15,18 101:9,10 102:6,14,15 103:2 <b>DESCRIBED</b> 81:10 <b>DESCRIPTION</b> 4:6 <b>detailed</b> 77:21 <b>Detention</b> 4:18 69:13,25 <b>different</b> 97:12 <b>direct</b> 39:23 40:1,11 <b>directing</b> 43:13 44:5,12 <b>directly</b> 26:20 28:17 71:18 79:14 80:17 <b>discover</b> 79:4 <b>discovered</b> 77:11 <b>discussions</b> 20:8 22:2 24:15,23 <b>District</b> 1:1,2 5:7,7 69:19 70:4 <b>docket</b> 52:17,19 58:8 67:19 69:1 100:5 <b>document</b> 51:3 56:10 58:7 62:20,21 69:11 70:1 73:5 <b>documentation</b> 74:18 <b>documents</b> 50:8 <b>dollars</b> 72:17 73:21 <b>Double</b> 90:6 96:10,16 <b>Doug</b> 3:18 <b>duly</b> 6:11 101:9 <b>duties</b> 100:4</p>	<p><b>effort</b> 56:23 63:16 <b>efforts</b> 60:7 63:7 74:20 75:11,20 76:4 77:23 <b>either</b> 71:18 <b>Elements</b> 88:2 94:13,20 <b>email</b> 9:16,23 71:20 <b>employee</b> 14:9 <b>employees</b> 10:24 11:7 13:20 13:20 72:16 <b>endeavoring</b> 74:10 <b>engage</b> 57:21 99:2 <b>enter</b> 27:16 <b>entered</b> 41:17 61:1 <b>entering</b> 52:6 <b>entire</b> 102:5 <b>entities</b> 4:9 41:17 42:11,15 44:21 45:6 46:20 47:6 48:2 48:9,17 49:8,24 50:9,10,16 50:17 57:21 <b>entity</b> 15:6 41:20 71:18 <b>entry</b> 52:17,20 58:8 67:20 100:5 <b>Errata</b> 102:11 103:1 <b>ESQUIRE</b> 2:5,10,10,16,16 2:22 3:3,9,13 <b>established</b> 82:11 <b>estate</b> 78:11,21 <b>et</b> 1:8 103:3 <b>examination</b> 1:17 4:3 6:13 <b>examined</b> 6:11 <b>exchange</b> 1:4 2:4 5:20 6:17 72:19 <b>excuse</b> 30:19 <b>executives</b> 49:15 <b>exhibit</b> 4:7,10,12,14,17 40:19,22,25 41:6,11,16,25 42:12,16,21 43:2,18,21,25 44:15 45:2,9,12 46:3,6,9 46:24 47:21,24 48:2,25 49:2,21 50:25 51:3,12,17 51:22 52:15,18,19 53:6 54:11,14 55:20,23 56:6 58:4,7,13,14,20,23 62:17 62:17,20 63:24 64:6,11,17 65:2,4,19 67:20 68:7,7,19 68:21,25 69:17 70:1 72:1 72:21 73:6 74:1,6 <b>EXHIBITS</b> 4:5 <b>expenditures</b> 12:24 <b>explained</b> 45:2</p>
<p><b>D</b></p>			<p><b>E</b></p>
<p><b>D</b> 2:16 4:1 5:1 45:3 <b>d/b/a</b> 1:8 <b>D19</b> 4:9 41:17 42:11,15 44:21 45:6 46:20 47:6 48:1</p>			<p><b>E</b> 2:1,1 3:1,1 4:1 5:1,1 101:3 101:3 <b>early</b> 80:4,6 82:16 83:5,18 84:18 <b>Earth</b> 88:2 94:13,20 <b>Eastern</b> 69:19 70:3 <b>edit</b> 79:2 <b>effectuate</b> 62:8</p>
			<p><b>F</b></p>
			<p><b>F</b> 101:3 <b>fact</b> 59:20 60:14 62:6 76:12 76:13 81:2 <b>facto</b> 9:11 13:10</p>



<p><b>factoring</b> 56:16  <b>false</b> 51:22 58:24  <b>FAMILY</b> 1:10  <b>Farms</b> 86:20 92:7,14  <b>Fawzi</b> 4:9  <b>Fawzi's</b> 50:3  <b>February</b> 4:13,16 27:24  58:11 63:2 64:1  <b>federal</b> 74:19 75:4,12,22  76:6 77:6,9,20,22 78:5  <b>felon</b> 17:23 18:7 25:10,18,21  26:5  <b>Fels</b> 2:9 6:3  <b>fictitious</b> 7:20  <b>Fifth</b> 3:4 6:25 7:6,16,23 8:4  8:9,15,21 9:3,9,15,21 10:4  10:12,19 11:3,11,17,23  12:4,19 13:2,8,15,23 14:4  14:12,19 15:1,20 16:17,24  17:5,12,18 18:2,11 19:1,10  19:19 20:3,13,22 21:6,22  22:7,16,25 23:8,17 24:1,10  25:3,14 26:9,16,23 27:7,14  27:21 28:5,23 29:7,19 30:1  30:11,18 31:5,19 32:3,11  32:21 33:15,24 34:8,17  35:2,12 36:1,12,20 37:3,11  37:19 38:11 39:20 40:8,16  41:4,8 42:9,19 44:19,24  45:25 47:4,9,19 48:14,22  49:11,19 50:6,22 51:16,21  52:3,12 53:16 54:1,8 55:9  55:17 56:20 57:12,19 58:2  58:18 59:15 60:1,11,21  61:6 62:3 64:5,10,23 65:12  66:3,12,19 67:3,8,14 68:4  70:16,22 71:6,14,23 73:10  73:18,25 74:15,24 75:8,17  76:1,10 77:4,15 78:2,9,17  78:25 79:9,18 80:13,24  83:1,8,25 84:9,16,24 85:7  85:12,19 86:2,11,17,23  87:6,12,18,24 88:6,12  89:13,21 90:3,10,16,23  91:4,9,14,19,24 92:5,11,17  92:22 93:3,8,15,20,25 94:5  94:11,17,24 95:3,8,16,22  96:2,8,13,19,24 97:5,23  98:12,18,24 99:6,19  <b>file</b> 63:5,14 65:13  <b>filed</b> 44:16 51:18 58:14 62:9  64:7 69:17 70:2 73:7 78:5  <b>filing</b> 40:23 41:1 42:5 43:9  43:11 51:8,12 63:12,22  67:19 72:13 73:3  <b>filter</b> 79:24 80:8</p>	<p><b>financial</b> 39:24 40:2,4,12  52:8 86:8,13,19 87:3,9,15  87:21 88:2,9 89:10,16,24  90:6,13,19 91:1 92:2,14,25  93:11,22 94:8,20 95:4,19  96:5,16 97:2 98:3,8,21  <b>financials</b> 66:8  <b>find</b> 83:11  <b>finders</b> 79:21  <b>fine</b> 38:25  <b>finish</b> 38:23 88:23  <b>finished</b> 38:18,24 86:5  88:21 100:13  <b>firing</b> 10:8,15  <b>firm</b> 53:10 54:2  <b>firms</b> 26:19 27:1 28:1,7,17  76:11,17 80:7,18 81:3  82:16 83:5,11,18  <b>first</b> 6:11 54:15 72:4  <b>five</b> 88:16,22  <b>Floor</b> 3:4  <b>Florida</b> 1:2 2:6,11,18,24  3:10 5:7  <b>follows</b> 6:12  <b>Footnote</b> 45:1,8,11,16  <b>foregoing</b> 102:6  <b>forensic</b> 65:14  <b>form</b> 8:5 10:1,16,25 12:9,16  13:12 14:1,23 15:17 16:3  16:14 17:2,15,24 18:8,23  19:7,16,25 20:10,19 21:3  21:12,19 22:4,13,22 23:5  23:14,23 24:7,17,25 25:11  25:22 26:6 27:4,18 28:10  28:20 29:10,22 30:7,21  31:1,10,16,24 32:8,18 33:5  33:12,21 34:5,14,24 35:9  36:4,9,17,25 37:8,16 38:1  38:8 39:17 40:5 45:13,22  48:11,19 50:11,19 52:9  54:5,22 55:6,14 56:17 57:2  59:23 60:8,18 61:9,25  62:12 63:9,19 64:14,20  65:25 66:9 67:11 68:1  71:11 74:12,21 75:5,14  76:20 77:12,24 78:14 79:6  79:25 80:10,21 81:7 82:22  83:13,22 84:21 85:24  99:11,15  <b>Fort</b> 59:8,18 60:5,15,25  61:13,21  <b>forth</b> 101:9  <b>forwarded</b> 9:25  <b>FOSLID</b> 3:8  <b>founded</b> 72:17  <b>four</b> 72:8</p>	<p><b>Fox</b> 53:10,12,18,22 54:2  <b>franchise</b> 50:2  <b>Fridman</b> 2:9 6:3  <b>full</b> 8:23,24 10:13,15 11:7  13:10,20,25 14:15 41:12  41:24 42:21 54:15  <b>fully</b> 7:5  <b>fund</b> 11:14 23:22  <b>funded</b> 99:3,10  <b>funding</b> 1:8 7:20,25 8:5,12  8:18 9:6,12,17 10:9,23  11:14,20,20 12:1 13:19,25  14:14,22 15:16,25 16:1,2  16:11,12,13 17:21,23 18:5  18:7 21:18 22:3,12,21  23:21 24:6 25:8 26:3,13  27:2,11,17 28:9,18 29:9,16  29:20 30:4,14,24 31:8,14  31:22 32:6,14,16,24 33:1,2  33:9,18,20 34:2,4,11,13,23  36:2,7,15,23 37:6,14,23  38:5 39:15 40:3 41:17 42:6  42:15 44:20 45:4,5,20 47:5  48:18 49:5,16,23 50:7,15  52:8 53:13,17,19,21,22  54:17 55:4,12 56:25 57:7  57:14,15 61:2 65:15,22  66:6,21 67:25 71:1,3,10  72:18,23 75:13 77:7 78:13  78:20 79:5,13,24 80:4,7,9  80:16 81:2,4,5,10 82:14,15  82:19 83:4,10,17 84:12,19  85:3,4,9,15,21 99:1  <b>Funding's</b> 12:7,15,23 13:4  14:8,21 15:14 18:15,21  19:5,15,24 20:9,18 21:2,10  22:12,20 23:12 25:17 27:1  29:3 33:10 35:7,17,22  39:23 40:1,4,11,12 46:20  46:25 47:11,15 49:12,14  56:14,15 57:8 64:12,18  66:23 75:23 80:19 83:20  85:15 99:9  <b>funds</b> 24:24 35:6 39:16  63:17 66:24 71:10 74:10  76:16 78:12,21 79:23 84:6  <b>Furman</b> 3:17  <b>further</b> 63:16 99:22 101:12  <b>future</b> 72:20</p> <hr/> <p style="text-align: center;"><b>G</b></p> <hr/> <p><b>G</b> 5:1  <b>GAAP</b> 45:5,21 66:8  <b>Gables</b> 2:11  <b>Gaetan</b> 3:13 5:25  <b>gain</b> 78:11</p>	<p><b>general</b> 65:23  <b>give</b> 45:14 46:10 97:13  <b>given</b> 101:11 102:9  <b>gja@pietragallo.com</b> 3:15  <b>Glick</b> 45:3 65:9,14  <b>go</b> 39:2 51:24 65:6 68:12  72:8 88:17 97:20 99:16  <b>goal</b> 38:23  <b>going</b> 39:2,7 44:2,10 65:5  68:14 70:5 73:1 81:8 89:1  97:9,14,18 100:15  <b>Good</b> 5:18,21,23 6:2,5,15  <b>GORDON</b> 3:12  <b>Great</b> 67:23  <b>grounds</b> 52:8  <b>Group</b> 1:8 5:5 7:13,19 103:3</p> <hr/> <p style="text-align: center;"><b>H</b></p> <hr/> <p><b>hand</b> 101:17  <b>harnessing</b> 63:7  <b>heading</b> 46:19 55:23 56:5  <b>hear</b> 38:15 76:21  <b>heard</b> 5:6 100:12  <b>hearing</b> 97:11  <b>held</b> 5:9  <b>help</b> 84:3  <b>hereinbefore</b> 101:9  <b>hereunto</b> 101:16  <b>hire</b> 26:13  <b>hired</b> 71:19  <b>hiring</b> 10:8,15  <b>history</b> 21:1,10,17 23:12  <b>hold</b> 38:13 44:1 55:12  <b>Holding</b> 86:20 89:10 92:8,14  <b>Holdings</b> 88:9 94:25 95:5  <b>holds</b> 54:17  <b>home</b> 71:9  <b>hour</b> 38:19  <b>house</b> 70:18 71:7,9  <b>Hunter</b> 3:19 5:11</p> <hr/> <p style="text-align: center;"><b>I</b></p> <hr/> <p><b>identity</b> 18:15,21 19:5,14,23  20:17 23:4 25:18 26:2  <b>implement</b> 37:22 38:4  <b>implicates</b> 62:12  <b>inception</b> 8:23 10:13  <b>include</b> 57:8  <b>included</b> 49:25 69:16  <b>including</b> 59:18 74:9  <b>income</b> 48:10 66:16 78:5  <b>independent</b> 100:3  <b>INDEX</b> 4:5  <b>indicated</b> 102:11  <b>individual</b> 65:8 79:14  <b>information</b> 74:19</p>
--	--	---	--

<p><b>insolvent</b> 30:4,15,25 31:9 31:15  <b>inspection</b> 50:2 57:9,24  <b>inspections</b> 57:21  <b>instant</b> 100:18  <b>instruct</b> 81:8  <b>instructing</b> 45:17 46:16 48:5 54:25 56:10 59:4 62:13 63:10 65:17 81:20  <b>insurance</b> 84:19  <b>intend</b> 100:7  <b>interest</b> 29:4 76:18 86:8,14 86:20 87:3,9,15,21 88:2,9 89:10,16,24 90:6,13,19 91:1 92:2,14,25 93:11,22 94:8,20 95:5,19 96:5,16 97:2 98:3,8,21  <b>interested</b> 101:14  <b>Interim</b> 4:13 58:10  <b>interrupting</b> 82:21  <b>introduce</b> 5:14  <b>invest</b> 25:9,20 26:4  <b>invested</b> 85:3,8  <b>investigative</b> 100:4,9  <b>investment</b> 23:22 24:24 76:11,16,17 77:10 79:23 80:7,18 81:3 82:16 83:4,10 83:18 84:5  <b>investor</b> 24:16 29:21 30:5 30:15,25 31:9,15 33:18 34:2,11,21 35:6 39:16 63:17 66:20,24 67:9,24 71:10 78:12,21 79:24 80:9 80:18 82:16  <b>investors</b> 14:21 17:22 18:6 19:6,15 20:9,18 21:2,11 22:3,12,20 23:13,22 24:5 24:24 25:7,18 26:3 27:2 30:6 32:14,24 33:1,3,10,19 34:3,4,12,22 35:7,18,23 63:8 71:19 79:4,15,22 80:17,20 82:20 83:11 84:4 84:12 85:2,14  <b>investors'</b> 32:16 33:4,11  <b>involvement</b> 79:5  <b>issue</b> 80:5,7 83:5  <b>issued</b> 32:16 33:3,20 34:4 34:13,23  <b>issues</b> 63:17  <b>issuing</b> 79:21 80:16</p>	<p><b>jmarcus@mnrlawfirm.com</b> 2:19  <b>jmaps@mnrlawfirm.com</b> 2:19  <b>JOB</b> 1:25  <b>Joe</b> 17:1,9,14 82:12  <b>Joel</b> 45:3 65:9  <b>Joint</b> 4:10,12,14 51:4 58:9 62:25  <b>Joseph</b> 1:16 2:8 3:2 4:2,7 5:4,22 6:4,10 15:6,15 16:21 19:13,22,23 20:6,17 20:25 22:10 23:4 26:13,18 26:25 35:5 51:9 69:2 76:13 76:18 100:15 101:8 102:4 102:17 103:2  <b>July</b> 7:24 8:12,17,24 9:5,11 9:22 10:8,14,23 11:7,12,19 11:25 12:6,14,23 13:4,10 13:24 14:8,14 29:2,8,15 47:10,14 52:7 55:12 71:17 73:13,19 84:11 85:21</p>	<p>97:20 99:16 100:8,15 101:8 102:4,17 103:2  <b>LaForte's</b> 4:7  <b>landlord</b> 50:1  <b>language</b> 41:24 45:8 72:21  <b>largest</b> 56:1,14 72:15 73:14 73:20  <b>latitude</b> 97:13  <b>law</b> 3:3 53:10 54:2  <b>lawyers</b> 43:9,10  <b>lease</b> 49:25  <b>legal</b> 5:12 66:21,24  <b>Leon</b> 2:11  <b>Let's</b> 68:6  <b>letters</b> 77:7  <b>letting</b> 38:17  <b>Liberty</b> 90:19 91:1 97:7,17 98:3,8,14,21  <b>lie</b> 60:4  <b>lies</b> 77:11,21  <b>Lift</b> 4:7  <b>light</b> 63:11  <b>line</b> 70:6 76:25 103:4  <b>Liquor</b> 4:9  <b>Lisa</b> 7:8 8:5,18,24 13:18 14:8,20 15:13,23,25 16:1,9 16:11 18:14,20 19:4 26:12 26:17,24 27:10,15,25 28:6 28:15 34:20 35:16,21 51:8 59:6 60:16 76:12,19 78:10 78:20 91:16 92:1,13,24 93:10,10,21 94:7,19 95:4 95:18 96:4,15 97:1 98:2,7 98:20  <b>list</b> 97:10  <b>Litigation</b> 4:8  <b>little</b> 43:20 89:4  <b>Livenote</b> 101:5  <b>LLP</b> 2:22 3:12  <b>loan</b> 37:24,25 38:6 56:25  <b>loans</b> 7:25 11:14,20 12:7,15 29:3 47:12,16 50:10,18 84:20 85:16,23 99:3,10  <b>located</b> 59:7 61:14  <b>log</b> 39:2  <b>Logistics</b> 87:15 93:17,22  <b>longer</b> 38:20  <b>looking</b> 73:6  <b>loss</b> 36:3,8,16,24 37:7,15  <b>Lucien</b> 2:10 6:2,2  <b>lunch</b> 38:18  <b>Lyon</b> 90:13 96:21 97:2</p>	<p><b>Mackie</b> 17:9  <b>maintain</b> 66:7  <b>maintaining</b> 60:5  <b>making</b> 43:12,14  <b>managed</b> 15:25 16:2,11,13 17:23  <b>management</b> 15:24 16:10 22:11,21 23:21 25:6,8 64:13 75:13  <b>management@parfundin...</b> 9:18,24  <b>managing</b> 14:22 15:15  <b>March</b> 79:3  <b>Marcus</b> 2:15,16 6:5,5  <b>Marianna</b> 89:24 95:24 96:5  <b>Market</b> 3:13  <b>marriage</b> 101:14  <b>married</b> 7:8,10  <b>Material</b> 87:9 93:5  <b>Materials</b> 93:12  <b>matter</b> 5:4 101:15  <b>Mays</b> 2:16 6:6  <b>McElhone</b> 7:8 8:5,18,24 13:18 14:8,20 15:13,23,25 16:1,9,11 17:14 18:14,20 19:4 26:12,18,24 27:10,15 27:25 28:6,15 34:20 35:16 35:21 51:9 59:6 60:16,24 61:3,23 62:6 76:12,19 78:10,20 91:16 92:1,13,24 93:10,10,21 94:7,19 95:4 95:18 96:4,15 97:1 98:2,7 98:20  <b>mean</b> 82:11  <b>Meaning</b> 55:25  <b>means</b> 71:20  <b>measure</b> 45:20  <b>measured</b> 45:4  <b>media</b> 49:7  <b>Medis</b> 1:18 5:13 101:4  <b>medium-sized</b> 72:18  <b>meet</b> 49:15  <b>Memorandum</b> 4:17 69:11,16 69:17,23 70:1  <b>merchant</b> 11:13,19 12:7,15 15:14 19:24 29:3 37:23 38:5 41:18 42:3 47:11,16 49:15 50:10,17 56:24 57:6 57:13,15,22 64:12,19 71:2 72:15 73:14,20 84:20 85:15,22 99:2,9  <b>merchants</b> 18:16,22 56:1,14  <b>messages</b> 9:23,24  <b>method</b> 45:5,21  <b>methods</b> 47:1  <b>Miami</b> 2:6,18,24 3:10</p>
<p style="text-align: center;"><b>J</b></p> <p><b>J</b> 2:21 3:13  <b>Jason</b> 2:16 6:6  <b>Jeff</b> 6:5  <b>JEFFREY</b> 2:16</p>	<p style="text-align: center;"><b>K</b></p> <p><b>K</b> 3:7  <b>keeping</b> 97:10  <b>Kingdom</b> 87:15 93:17,22  <b>knew</b> 25:8,19 26:3 57:20 84:18  <b>know</b> 6:18,20 7:12 15:10 17:22 38:18 91:11,21 92:7 92:19 93:5,17 94:1,13,25 95:10,12,24 96:10,21 97:7 97:12,17 98:14 100:3  <b>knows</b> 81:25  <b>Kolaya</b> 3:8,9 5:23,23 100:1,1 100:10</p>	<p style="text-align: center;"><b>L</b></p> <p><b>L.M.E</b> 1:10  <b>Lab</b> 89:16,18 95:10,12,19  <b>LaForte</b> 1:16 2:8 4:2,17 5:4 5:22 6:4,10,15 15:4,6,15 16:21 19:24 20:17 23:4 30:20 39:14 40:1,22 41:15 43:6,19 44:2,15 45:14,19 46:5,10,18 47:23 48:9 49:3 49:23 50:7 51:2,24 53:2 54:13 55:3,22 56:13,23 57:20 58:6,22,25 59:6,16 61:11 62:11,19 63:5,14,24 65:4,8,13,22 66:6,15 67:21 67:23 68:25 69:2,10 70:13 70:17,25 71:7,17,24 72:12 72:25 73:5,13,19 74:9 78:5 78:10 81:16 82:4,12 86:7</p>	<p style="text-align: center;"><b>M</b></p> <p><b>M-A-R-I-A-N-N-A</b> 89:25  <b>Mack</b> 17:1</p>

<p><b>Michael</b> 3:17  <b>Millennium</b> 88:9 89:10  94:25 95:5  <b>Miller</b> 2:22 6:7,7  <b>million</b> 29:9,16 54:17 55:4  55:13  <b>millions</b> 72:16 73:21  <b>mind</b> 52:16 88:15  <b>mine</b> 53:4 72:6  <b>minutes</b> 39:3 88:16,22 89:5  <b>Mischaracterizes</b> 55:25  <b>misrepresentations</b> 64:18  75:3,12,22 76:6  <b>missed</b> 98:4  <b>mistaken</b> 97:8  <b>moment</b> 38:14 68:13 74:7  79:11 86:4  <b>money</b> 25:10 27:2 28:8,18  29:21 30:5,15,25 31:9,15  32:16 33:11,18 34:2,11,21  42:22 43:3 67:4,9,24 71:2  79:24 80:9,18 82:16 85:3,9  <b>monies</b> 33:4  <b>month</b> 48:10,18  <b>monthly</b> 48:17  <b>morning</b> 5:18,21,23 6:2,5,15  <b>Motion</b> 4:7,17 69:12,24  <b>Mountain</b> 90:7 96:10,16  <b>move</b> 65:18  <b>mute</b> 76:24</p>	<p><b>November</b> 41:23  <b>number</b> 56:5 74:3  <b>numbers</b> 6:21 7:2</p> <hr/> <p style="text-align: center;"><b>O</b></p> <hr/> <p><b>O</b> 2:10 5:1  <b>oath</b> 102:13  <b>object</b> 30:21 70:5,8 73:1  97:18  <b>objected</b> 99:15  <b>objecting</b> 30:21 44:7 46:14  56:8 63:20  <b>objection</b> 10:1,16,25 12:9  12:16 13:12 14:1,23 15:17  16:3,14 17:2,15,24 18:8,17  18:23 19:7,16,25 20:10,19  21:3,12,19 22:4,13,22 23:5  23:14,23 24:7,17,25 25:11  25:22 26:6 27:4,18 28:10  28:20 29:10,22 30:7 31:1  31:10,16,24 32:8,18 33:5  33:12,21 34:5,14,24 35:9  36:4,9,17,25 37:8,16 38:1  38:8 39:17 40:5 44:2 45:13  45:15,22 48:3,11,19 50:11  50:19 52:9 54:5,22 55:6,14  56:17 57:2 59:9,23 60:8,18  61:9,25 62:12 63:9,19  64:14,20 65:16,25 66:9  67:11 68:1 70:19 71:11  74:12,21 75:5,14 76:20  77:12,24 78:14 79:6,25  80:10,21 81:7 82:22 83:13  83:22 84:21 85:24 99:11  <b>obstruct</b> 60:6 62:10  <b>obtain</b> 56:24  <b>offer</b> 35:17,22 79:14,23  83:18 102:12  <b>offered</b> 72:18 84:5  <b>offerings</b> 83:12,20  <b>office</b> 14:15  <b>OFFICES</b> 3:3  <b>okay</b> 15:12 38:24 39:1 40:20  61:21 62:24 67:23 68:22  82:2 100:12  <b>Old</b> 59:7 61:14,19  <b>on-site</b> 50:2 57:9,24  <b>once</b> 77:6  <b>operate</b> 13:25  <b>operated</b> 25:10,21 26:5  <b>operating</b> 31:22 32:6 36:2,7  36:15,23 37:6,14  <b>operations</b> 9:5  <b>opine</b> 56:9  <b>order</b> 4:18 15:24 16:10 18:6  27:1 28:8,18 39:15 40:3</p>	<p>52:7 60:6 61:2 62:9 63:6  65:14 67:10 69:13,25 71:2  76:17 79:3 80:19 83:11,19  100:5  <b>outcome</b> 101:15  <b>outside</b> 39:23 40:2,11 70:7  <b>outstanding</b> 41:19  <b>oversaw</b> 47:11  <b>oversee</b> 35:16,22 47:15  <b>owed</b> 41:20 71:3  <b>owned</b> 18:7 25:20 26:5 71:8  <b>owner</b> 8:12  <b>ownership</b> 76:14,18 86:7,13  86:19,25 87:3,8,14,20 88:1  88:8 89:9,15,23 90:5,12,18  90:25 92:1,13,24 93:11,21  94:7,19 95:5,18 96:4,15  97:1 98:2,8,20  <b>owns</b> 91:6,11,21 92:7,19  93:5,17 94:1,13,25 95:10  95:12,24 96:10,21 97:7,17  98:14</p> <hr/> <p style="text-align: center;"><b>P</b></p> <hr/> <p><b>P</b> 2:1,1,22 3:1,1 5:1  <b>p.m</b> 89:2,3,3,7 100:16,17  <b>page</b> 4:2,6 41:11,12,15,25  42:12,16,21 43:17,18,21  43:25 44:3,4 45:1,16 46:3  46:5,9,11,18 47:21,23 48:2  48:24 49:2,20 52:14 53:6,9  54:11,13,15 55:20,23 56:5  58:20,23 59:1 65:1,4,6,18  65:20 67:16,19 69:7 72:1,6  72:9 74:3 103:4  <b>pages</b> 72:8  <b>Par</b> 1:8 7:20,25 8:5,12,18 9:6  9:11,17 10:9,23 11:14,20  11:25 12:7,14,23 13:4,19  13:25 14:8,14,21,22 15:14  15:16,24 16:1,2,10,12,13  17:21,22 18:5,6,15,21 19:5  19:14,24 20:8,18 21:1,10  21:17 22:2,11,12,20,21  23:12,21 24:5 25:8,17 26:3  26:13 27:1,2,11,17 28:8,18  29:3,8,15,20 30:4,14,24  31:8,14,22 32:6,14,15,24  33:1,2,9,10,18,20 34:2,4  34:11,13,23 35:7,16,22  36:2,7,15,23 37:6,14,22  38:5 39:15,23 40:1,3,4,11  40:12 41:17 42:6,15 44:20  45:4,5,19 46:19,25 47:5,11  47:15 48:18 49:5,12,14,16  49:23 50:7,15 52:7 53:12</p>	<p>53:17,19,21,22 54:17 55:3  55:12 56:13,15,25 57:7,8  57:14,15 61:2 64:12,18  65:15,22 66:6,21,23 67:24  70:25 71:3,10 72:23 75:13  75:23 77:7 78:13,20 79:5  79:13,24 80:4,6,9,16,19  81:2,4,5,10 82:14,15,19  83:4,10,17,20 84:12,19  85:2,3,9,14,15,21 99:1,8  <b>paragraph</b> 41:12,25 42:21  46:19 54:15 72:4  <b>part</b> 98:4  <b>Participants</b> 2:2  <b>particular</b> 54:24 56:9  <b>parties</b> 100:3 101:13  <b>pay</b> 26:18,19,25 27:25 28:2  28:6,16,17 32:14,24 33:1,9  33:19 34:3,12,21 35:6  39:14 66:24 67:5,10  <b>paying</b> 27:3 28:9,19 33:3  <b>payment</b> 37:24 38:6  <b>payments</b> 32:17 41:22  48:18  <b>payoff</b> 41:22  <b>PDF</b> 69:7 72:1,6  <b>penalty</b> 102:5  <b>pending</b> 52:24 69:19 70:3  70:13  <b>Pennsylvania</b> 1:20 3:14  14:16 69:20 70:4 81:6  82:18 101:1,7  <b>people</b> 82:19  <b>percent</b> 29:4 85:16,22  <b>Perfect</b> 39:6  <b>perjury</b> 102:5  <b>Perry</b> 2:14 6:6 20:16 21:9,16  21:25 22:19 27:11,16,25  28:7,16,19 76:23  <b>person</b> 25:9,19 26:4 53:17  53:21 71:19  <b>personal</b> 49:6 50:3  <b>personally</b> 15:6 27:3 28:2  <b>Philadelphia</b> 3:14 14:16  <b>phone</b> 6:21  <b>photos</b> 56:24 57:15  <b>phrased</b> 54:25 59:4  <b>PIETRAGALLO</b> 3:12  <b>PINEIRO</b> 2:15  <b>Pink</b> 90:13 96:21 97:2  <b>Plaintiff</b> 1:5 2:3  <b>Plaintiffs</b> 1:17  <b>please</b> 5:14 21:14 28:13  29:13 31:12 35:19 36:5  38:2,14 40:17,24 41:10,11  43:17 46:2 47:13,20 48:24</p>
---	--	--	---

49:20 50:13,24 52:14 53:20 54:10 55:19 57:4 58:3,19 62:16 64:15 65:1,6 65:19,20 66:22 67:16 68:20 69:8,22 74:2,4 76:15 76:24 80:1 82:5 83:15 89:17 95:11 98:6 <b>PLLC</b> 3:8 <b>plow</b> 38:22 <b>point</b> 80:6 <b>Ponce</b> 2:11 <b>Ponzi</b> 31:23 32:7 <b>position</b> 40:4 <b>potential</b> 17:22 18:6 24:16 24:23 85:2,14 <b>powers</b> 100:4,9 <b>practice</b> 49:12,14 <b>premarked</b> 40:18 <b>prepare</b> 39:24 <b>present</b> 3:16 7:19 <b>Pretrial</b> 4:17 69:12,24 <b>previously</b> 41:19 45:3 <b>primarily</b> 14:15 <b>primary</b> 76:13 <b>principles</b> 65:23 <b>prior</b> 41:20 52:6 <b>privilege</b> 43:8,12,14 44:3,8 44:9 45:16 48:4 54:24 56:10 59:3 62:13 63:11,20 65:17 73:2 81:14,22 82:1 <b>privileged</b> 46:15 <b>probing</b> 77:7 <b>procedure</b> 38:4 <b>procedures</b> 37:22 <b>Proceedings</b> 4:8 <b>proceeds</b> 66:20 <b>process</b> 50:9,16 57:8,23 <b>product</b> 46:15 <b>Products</b> 87:21 94:2,8 <b>Professional</b> 1:18 101:4 <b>profit</b> 29:9,16 <b>profitability</b> 45:4,20 <b>profitable</b> 44:20 45:6 <b>promissory</b> 32:15 33:2,11 33:20 34:3,13,22 35:8,17 35:23 79:14,21,23 80:8,17 81:4 83:5,18 84:4,12 <b>properties</b> 78:11,22 <b>property</b> 59:7,18,19,21 60:6 60:15,25 61:7,12,14,17 61:19,22 62:8 71:8 <b>protections</b> 56:16 <b>provide</b> 7:25 27:17 74:18 <b>provided</b> 7:22 8:3 9:2,8,14 9:20 10:4,11,19 11:3,10,16 11:22 12:3,19 13:1,7,15,22	14:4,11,18 15:1,20 16:17 16:23 17:5,11,18 18:2,11 19:1,10,19 20:3,13,22 21:6 21:22 22:7,16,25 23:17 24:1,10 25:3,14 26:9,15,22 27:7,13,21 28:4,23 29:6,18 30:1,11,17 31:5,19 32:3,11 33:15,24 34:8,17 35:2,12 35:25 36:12,20 37:3,11,19 38:11 40:8,15 41:3,8 42:8 42:18 44:18,23 45:25 47:3 47:8,18 48:14,22 49:10,18 50:5,22 51:15,20 52:12 53:15,25 54:8 55:9,17 56:20 57:11,18 58:1,17 59:14 60:1,11,21 61:5 62:3 64:4,9,23 65:11 66:3,12,18 67:2,7,14 68:4 70:15,22 71:5,14,22 73:10,17,24 74:15,24 75:8,17 76:1,9 77:3,15 78:2,8,17,25 79:9 79:18 80:13,24 83:1,8,25 84:9,16,24 85:6,12,19 86:2 86:11,17,23 87:6,12,18,24 88:6,12 89:13,21 90:3,10 90:16,23 91:4,9,14,19,24 92:5,11,17,22 93:3,8,15,19 93:24 94:5,11,17,23 95:2,8 95:16,22 96:2,8,13,19,24 97:5,23 98:12,18,24 99:6 99:19 <b>Public</b> 1:19 101:6,21 <b>purchase</b> 75:21 76:5,7 77:23 78:21 84:4,12 <b>purchased</b> 71:10 <b>purported</b> 32:15,25 34:22 <b>purposes</b> 15:4 <b>pursuant</b> 6:24 7:5,15 8:8,14 8:20 23:8 32:21 39:20 52:3 100:9 <b>pursue</b> 77:10 <b>pursuing</b> 77:19 <hr/> <b>Q</b> <hr/> <b>quarterly</b> 4:15 63:1,25 <b>question</b> 6:19,24 7:5,15,22 8:3,8,14,20 9:2,8,14,20 10:3,11,18 11:2,10,16,22 12:3,11,19 13:1,7,14,22 14:3,11,18,25 15:19 16:5 16:16,23 17:4,11,17 18:1 18:10,19,25 19:9,18 20:2 20:12,21 21:5,21 22:6,15 22:24 23:7,16,25 24:9 25:2 25:13 26:8,15,22 27:6,13 27:20 28:4,11,13,22 29:6	29:11,13,18,23,25 30:8,10 30:17,22 31:2,4,11,18,25 32:2,10,20 33:7,14,23 34:7 34:16 35:1,11,25 36:11,19 37:2,10,18 38:10 39:19 40:7,15,24 41:3,8 42:8,18 43:15 44:8,13,18,23 45:24 47:3,8,18 48:13,21 49:10 49:18 50:5,12,21 51:11,15 51:20 52:2,11,23 53:15,25 54:7,23,24 55:8,16 56:8,19 57:11,18 58:1,17 59:3,14 59:25 60:10,20 61:5 62:2 62:15 63:11,21 64:4,9,22 65:5,11 66:2,11,18,22 67:2 67:7,13 68:3 69:21 70:6,13 70:15,21 71:5,13,22 73:9 73:17,24 74:14,23 75:7,16 75:25 76:9,15 77:1,3,14 78:1,8,16,24 79:8,17 80:2 80:12,23 81:11,24 82:5,8 82:25 83:7,24 84:8,15,23 85:6,11,18 86:1,10,16,22 87:5,11,17,23 88:5,11 89:12,20 90:2,9,15,22 91:3 91:8,13,18,23 92:4,10,16 92:21 93:2,7,14,19,24 94:4 94:10,16,23 95:2,7,15,21 96:1,7,12,18,23 97:4,13,22 98:11,17,23 99:5,18 <b>questioning</b> 70:6 <b>questions</b> 61:18 70:9 77:21 81:9 82:10 99:22,24 <b>quo</b> 60:5 <hr/> <b>R</b> <hr/> <b>R</b> 2:1 3:1 5:1 101:3 <b>raise</b> 63:17 74:10 82:16 <b>raised</b> 29:21 30:5,15,25 31:9 31:15 70:11 <b>ran</b> 72:14 <b>Rare</b> 88:2 94:13,20 <b>RASHBAUM</b> 2:15 <b>RASPANTI</b> 3:12 <b>rate</b> 85:16,22 99:9 <b>rates</b> 29:4 <b>reached</b> 71:19 <b>read</b> 42:5 44:15 72:24 102:5 102:7 <b>reads</b> 42:22 45:2 <b>real</b> 24:5 78:11,21 <b>reason</b> 77:18 81:2,9 83:19 103:5,6,8,9,11,12,14,15,17 103:18,20,21,23 <b>reasonable</b> 25:9,19 26:4 <b>receivable</b> 54:18 55:5,13	<b>receivables</b> 72:20 <b>received</b> 81:5 82:17 <b>receiver</b> 3:7 5:24 6:1 100:2 100:3,5,7 <b>receiver's</b> 4:7,11,13,15 51:5 55:24 58:10 60:6 63:1,6,7 63:15,25 <b>receivership</b> 63:16 <b>Recess</b> 39:9 68:16 89:3 <b>recognized</b> 45:5,21 <b>record</b> 5:11,15 30:19,20 39:2,8,11 52:17 68:13,15 68:18 89:1,7 100:16 101:10 <b>records</b> 66:7 <b>refer</b> 61:17 <b>reference</b> 53:10 79:3 <b>referenced</b> 42:4,12,16 <b>referred</b> 20:7 22:1 24:14,22 <b>referring</b> 15:5 46:11 72:23 <b>regarding</b> 63:11 81:9 <b>Registered</b> 1:18 101:4 <b>regulators</b> 81:6 82:18 83:12 83:21 <b>related</b> 4:9 101:12 <b>Release</b> 4:17 69:12,24 <b>relevance</b> 70:8 <b>Relief</b> 1:11 <b>remember</b> 7:11 <b>Remote</b> 1:16 101:5,21 <b>remove</b> 74:1,5,6 79:3 <b>repeat</b> 6:19 12:10 16:4 21:13 24:18 25:23 28:12 29:12 31:12 33:6 35:19 36:5 38:2 40:24 42:13 47:13 50:12 51:11 53:20 57:4 64:15 66:22 69:22 76:15 80:1 83:15 89:17 95:11 <b>repeated</b> 97:11 <b>rephrase</b> 6:20 15:11 18:19 49:13 <b>report</b> 4:11,13 50:1,3 51:5 55:24 58:10 <b>reporter</b> 1:19 5:12 101:5,5 <b>reports</b> 4:15 40:12 63:1,6,15 64:1 <b>represent</b> 5:15 54:14,16 <b>representation</b> 43:2 59:20 <b>representations</b> 41:5 43:24 46:8,25 48:1 51:23 56:4,6 58:22,24 64:11 77:8 <b>represented</b> 54:3 72:14 <b>representing</b> 5:22 <b>request</b> 38:17 <b>requiring</b> 41:21
--	---	--	---

<p><b>Reserve</b> 74:19 75:4,13,22 76:6 77:7,9,20,22 <b>respect</b> 7:4 42:3 43:15 44:3 44:8 45:16 54:24 56:9 59:3 63:20 73:2 81:9 <b>respectfully</b> 6:23 7:14,21 8:2,7,13,19 9:1,7,13,19 10:3,10,18 11:2,9,15,21 12:2,18,25 13:6,14,21 14:3 14:10,17,25 15:19 16:16 16:22 17:4,10,17 18:1,10 18:25 19:9,18 20:2,12,21 21:5,21 22:6,15,24 23:7,16 23:25 24:9 25:2,13 26:8,14 26:21 27:6,12,20 28:3,22 29:5,17,25 30:10,16 31:4 31:18 32:2,10,20 33:14,23 34:7,16 35:1,11,24 36:11 36:19 37:2,10,18 38:10 39:19 40:7,14 41:2,7 42:7 42:17 44:17,22 45:24 47:2 47:7,17 48:13,21 49:9,17 50:4,21 51:14,19 52:2,11 53:14,24 54:7 55:8,16 56:19 57:10,17,25 58:16 59:13,25 60:10,20 61:4 62:2 64:3,8,22 65:10 66:2 66:11,17 67:1,6,13 68:3 70:14,21 71:4,13,21 73:9 73:16,23 74:14,23 75:7,16 75:25 76:8 77:2,14 78:1,7 78:16,24 79:8,17 80:12,23 82:25 83:7,24 84:8,15,23 85:5,11,18 86:1,10,16,22 87:5,11,17,23 88:5,11 89:12,20 90:2,9,15,22 91:3 91:8,13,18,23 92:4,10,16 92:21 93:2,7,14,18,23 94:4 94:10,16,22 95:1,7,15,21 96:1,7,12,18,23 97:4,22 98:11,17,23 99:5,18 <b>response</b> 4:7,10,12,14 51:5 58:10 62:25 63:25 <b>responses</b> 63:5,15,18 <b>restraining</b> 52:7 61:2 <b>retain</b> 27:11 53:18,22 65:8 65:14 <b>retained</b> 57:21 <b>returns</b> 32:15 33:2,10,19 34:3,12,22 35:7 <b>revenue</b> 72:17 73:22 <b>review</b> 50:8 51:17 58:13 59:1 64:6 73:5 88:22 <b>reviewing</b> 49:25 <b>revise</b> 40:2 <b>revised</b> 81:23</p>	<p><b>Revocation</b> 4:18 69:13,24 <b>Richard</b> 3:18 <b>Riggle</b> 2:5 5:19 6:16 <b>right</b> 38:22 59:22 60:17 62:10 88:24 <b>right-hand</b> 72:9 <b>rights</b> 6:25 7:6,16,23 8:4,9 8:15,21 9:15 17:18 23:8 32:21 37:19 39:20 52:3 <b>Road</b> 59:8 61:14,19 <b>robust</b> 47:5 <b>role</b> 15:24 16:10 22:11,21 23:21 25:6,8 75:13 <b>Rosenblum</b> 3:18 <b>ROSS</b> 3:8 <b>Rothschild</b> 53:10,12,18,23 54:2 <b>RTR</b> 41:19 <b>run</b> 9:5 73:13,20 <b>Ryan</b> 3:7 5:24 6:1</p> <hr/> <p style="text-align: center;"><b>S</b></p> <p><b>S</b> 2:1,14 3:1 5:1 <b>sale</b> 35:17,22 <b>save</b> 102:9 <b>says</b> 51:4 55:23 58:7,8 62:21 69:11 72:7,7,9 <b>SCHEIN</b> 3:3,3 <b>scheme</b> 31:23 32:7 <b>scope</b> 70:7 <b>screen</b> 40:18 43:18 46:6 47:24 49:3 51:2 53:3,7 55:22 56:2 58:6,11 62:19 62:22 67:20 69:4,10,14,25 74:6 <b>SEC</b> 5:5 103:3 <b>SEC's</b> 51:9,13 62:10 <b>second</b> 40:20 42:20 43:6 44:1 45:14 46:11 51:24 58:25 62:11 68:8,22 72:25 <b>secretly</b> 59:21 <b>section</b> 46:22 <b>secure</b> 60:7 <b>securities</b> 1:4 2:4 5:20 6:17 83:12,20,21 <b>see</b> 41:15,24 42:1,20,24 43:18,21,22 45:1,8 46:5,18 46:22 47:23 49:2 51:2 53:6 53:9 54:13,16,19 55:22 56:2 58:6,11 62:19,21 63:2 67:19 69:1,4,10,11,15 70:9 72:4,12,21 <b>seeing</b> 53:3 <b>seek</b> 57:15 <b>seeking</b> 56:25 <b>sell</b> 81:3</p>	<p><b>senior</b> 5:19 6:16 <b>sent</b> 9:23 77:7 <b>sentence</b> 42:4,20,24 72:24 <b>separate</b> 100:8 <b>September</b> 4:11 51:5 55:3 <b>services</b> 27:17 <b>set</b> 101:9,16 <b>Seventh</b> 2:23 91:1 98:14,21 <b>share</b> 72:19 <b>Sheet</b> 102:11 103:1 <b>shift</b> 80:16 81:10 <b>shifted</b> 79:20 <b>short-term</b> 7:25 72:18 <b>show</b> 40:18 50:25 58:4 68:19,20 <b>sign</b> 11:25 <b>Signed</b> 102:17 103:24 <b>significantly</b> 56:14 <b>Simon</b> 4:9 <b>single</b> 41:21 <b>sir</b> 43:20 <b>site</b> 56:24 57:16 <b>Sixth</b> 90:19 97:7,17 98:3,8 <b>Sky</b> 86:8 91:6,11,16 <b>slightly</b> 97:12 <b>SLOMAN</b> 3:8 <b>small</b> 7:25 72:18 <b>social</b> 49:7 <b>Solar</b> 92:19,25 <b>sole</b> 14:8 <b>solicit</b> 84:4,12 <b>solicitation</b> 80:20 <b>soliciting</b> 82:20 <b>Solutions</b> 1:7 5:5 7:13,19 103:3 <b>Somebody</b> 98:5 <b>sorry</b> 12:10 16:4 24:19 25:23 29:12 32:25 33:6 39:25 42:13 57:3 59:12 65:5 74:6 82:7,21 83:14 98:4 99:14 <b>Soto</b> 2:9,10 5:21,21 6:3 10:1 10:16,25 12:9,16 13:12 14:1,23 15:17 16:3,14 17:2 17:15,24 18:8,17,23 19:7 19:16,25 20:10,19 21:3,12 21:19 22:4,13,22 23:5,14 23:23 24:7,17,25 25:11,22 26:6 27:4,18 28:10,20 29:10,22 30:7,19 31:1,10 31:16,24 32:8,18 33:5,12 33:21 34:5,14,24 35:9 36:4 36:9,17,25 37:8,16 38:1,8 38:15,25 39:6,17 40:5 43:6 43:14 44:1,7,12 45:13,22 46:10,14 48:3,7,11,19</p>	<p>50:11,19 51:24 52:9,16,21 52:23 54:5,22 55:6,14 56:8 56:17 57:2 58:25 59:9,23 60:8,18 61:9,25 62:11 63:9 63:19 64:14,20 65:16,25 66:9 67:11 68:1 70:5,19 71:11 72:25 73:8 74:12,21 75:5,14 76:20,23 77:12,24 78:14 79:6,25 80:10,21 81:7,13,20,23 82:21 83:13 83:22 84:21 85:24 88:19 88:24 97:8,18 99:11,15,24 <b>sounds</b> 97:9,14 <b>source</b> 67:4 <b>sources</b> 66:15 <b>South</b> 2:17 3:9 <b>Southeast</b> 2:23 <b>Southern</b> 1:2 5:7 <b>space</b> 14:15 <b>Specifically</b> 60:24 <b>Spectrum</b> 8:23,25 10:14,15 11:8 13:11,20,25 <b>Spectrum's</b> 14:15 <b>spend</b> 63:16 <b>spending</b> 66:20 <b>SS</b> 101:2 <b>stamped</b> 51:3 62:20 <b>standard</b> 56:15 <b>standpoint</b> 49:6,7 <b>start</b> 74:11,20 75:2,11,21 76:7 <b>started</b> 77:20 81:3 83:17 <b>starting</b> 5:15 56:5 <b>state</b> 5:15 41:16 81:6 82:18 83:12,20 100:2 <b>statement</b> 39:24 43:9 44:4 45:11 54:21 <b>statements</b> 40:13 49:25 73:3 <b>States</b> 1:1 2:4 5:6 7:1,7,17 8:10,16,22 23:9 32:22 39:21 52:4 69:2 <b>status</b> 4:11,13,15 51:5 58:10 60:5 63:1,6,15,25 <b>Stay</b> 4:8 <b>stop</b> 80:4 <b>stopped</b> 77:19 <b>Street</b> 2:23 3:13 <b>structure</b> 79:22 <b>Stumphauzer</b> 3:7,8 5:24 6:1 <b>submitted</b> 45:3 <b>subpoena</b> 81:5 82:17 <b>Suite</b> 2:5,11,17 3:9,13 <b>supervise</b> 10:23 11:7 <b>Supplement</b> 55:24 <b>Support</b> 4:17 69:12,23</p>
---	---	--	---

<p><b>sure</b> 12:13 15:13 16:7 21:16 24:21 26:2 28:15 29:15 31:14 35:20 38:4 40:25 42:14 47:14 50:15 51:12 52:19,22 53:2,9 57:6 64:17 69:23 76:22 80:4 83:17 88:17 98:7 <b>sworn</b> 5:17 6:11 101:9</p> <hr/> <p style="text-align: center;"><b>T</b></p> <p><b>T</b> 101:3,3 <b>take</b> 6:18 38:16,21 74:10 88:16,22 <b>taken</b> 1:17 103:2 <b>talking</b> 61:12,19 76:21 <b>taxes</b> 78:6 <b>telephone</b> 7:2 <b>tell</b> 85:2,14 <b>temporary</b> 52:6 61:1 <b>ten</b> 56:1,14 78:6 <b>terms</b> 12:6,14 42:10,22 43:3 <b>testified</b> 6:12 <b>testimony</b> 101:11 102:6,9 <b>Texas</b> 59:8,19 60:6,15,25 61:13,22 <b>Thank</b> 12:17 15:8,8 16:8 39:1,6,12 42:1 43:22 46:3 52:21 53:5,8 58:4 61:16,21 62:24 65:20 67:17,22 68:9 68:19,20,23 69:6,8 72:9,10 74:7 82:13,23 88:25 95:13 98:10 99:22,23 100:10 <b>Thanks</b> 15:12 <b>thing</b> 53:3 <b>think</b> 38:18,19,23 43:7 82:11 88:21 <b>thoroughly</b> 49:5 <b>threats</b> 71:1 <b>Three</b> 2:23 <b>Tim</b> 3:19 100:1 <b>time</b> 5:10 6:18 21:14 24:19 25:24 61:8 65:23 71:17 74:4 83:15 <b>timing</b> 60:14 <b>Timothy</b> 3:9 5:11,23 <b>title</b> 58:9 <b>tkolaya@sflaw.com</b> 3:11 <b>today</b> 5:13 6:18 <b>today's</b> 5:10 15:4 100:14 <b>told</b> 59:16 77:21 <b>top</b> 58:8,9 62:21 68:25 72:6 <b>total</b> 41:19 48:17 <b>Tower</b> 2:17 <b>transactions</b> 44:21 45:6 <b>transcript</b> 102:6,8 <b>transfer</b> 59:7 60:14,25 62:7</p>	<p>62:8 <b>transferred</b> 59:17,21 61:7 61:22 <b>transfers</b> 13:5 <b>trial</b> 5:19 6:16 <b>true</b> 18:15,21 19:5,14,23 20:17 23:4 25:18 26:2 40:4 41:6 43:25 45:12 46:9 48:2 54:21 56:7 57:20 61:3,8 66:6 67:24 76:17 77:6,18 79:20 84:20 85:8 101:10 102:8 <b>TRUST</b> 1:10 <b>trying</b> 76:7 97:13 <b>Tuesday</b> 1:21 <b>turn</b> 41:11 43:17 46:3 47:21 48:24 49:20 52:14 54:11 55:20 58:20 62:17 65:1 67:16 68:6 69:7 72:2,5 <b>two</b> 56:5 <b>typically</b> 70:8</p> <hr/> <p style="text-align: center;"><b>U</b></p> <p><b>U.S</b> 7:23 9:3,9,15,21 10:4,12 10:19 11:3,11,17,23 12:4 12:20 13:2,8,15,23 14:4,12 14:19 15:1,20 16:17,24 17:5,12,18 18:2,11 19:1,10 19:19 20:3,13,22 21:6,22 22:7,16,25 23:17 24:1,10 25:3,14 26:9,16,23 27:7,14 27:21 28:5,23 29:7,19 30:1 30:11,18 31:5,19 32:3,11 33:15,24 34:8,17 35:2,12 36:1,12,20 37:3,11,19 38:11 40:8,16 41:4,9 42:9 42:19 44:19,24 45:25 47:4 47:9,19 48:14,22 49:11,19 50:6,22 51:16,21 52:12 53:16 54:1,8 55:9,17 56:20 57:12,19 58:2,18 59:15 60:1,11,21 61:6 62:3 64:5 64:10,23 65:12,22 66:3,12 66:19 67:3,8,14 68:4 70:16 70:22 71:6,14,23 73:10,18 73:25 74:15,24 75:8,17 76:1,10 77:4,15 78:2,9,17 78:25 79:9,18 80:13,24 83:1,8,25 84:9,16,24 85:7 85:12,19 86:2,11,17,23 87:6,12,18,24 88:6,12 89:13,21 90:3,10,16,23 91:4,9,14,19,24 92:5,11,17 92:22 93:3,8,15,20,25 94:5 94:11,17,24 95:3,8,16,22 96:2,8,13,19,24 97:5,23</p>	<p>98:12,18,24 99:6,19 <b>Um-hum</b> 33:9 <b>unable</b> 57:23 <b>understand</b> 15:7,8 61:15,18 69:21 <b>understanding</b> 81:20 82:15 102:12 <b>underwriting</b> 46:20 47:1,6 47:11,15 49:6,24 50:8,16 57:8,22 99:2 <b>United</b> 1:1 2:4 5:6 6:25 7:7 7:17 8:10,16,22 23:9 32:22 39:21 52:4 69:1 <b>unstable</b> 52:8 <b>upper</b> 72:9 <b>USA</b> 4:17 <b>use</b> 15:5 17:21 18:5 33:18 34:2,11,20,21 78:20 <b>utilize</b> 35:6 65:22 71:1 76:11 76:16 <b>utilized</b> 9:17 79:22 <b>utilizing</b> 80:7,17 81:3 82:15 83:10</p> <hr/> <p style="text-align: center;"><b>V</b></p> <p><b>v</b> 1:6 4:17 103:3 <b>Vagnozzi</b> 2:21 6:8 23:3,11 23:20 24:4,13,21 79:2 84:4 <b>Vagnozzi's</b> 23:22 24:24 84:5 <b>veracity</b> 77:8 <b>verifications</b> 50:1 <b>versus</b> 5:5 69:2 <b>videoconference</b> 1:21 2:2 <b>videographer</b> 3:19 5:3,12 39:7,10 40:20 68:8,10,14 68:17,22 74:3 89:1,6 100:14 <b>videos</b> 79:2 <b>videotape</b> 5:4 100:15 <b>VIDEOTAPED</b> 1:16 <b>view</b> 52:18 <b>viewpoints</b> 81:17 <b>violence</b> 71:1 <b>Vision</b> 92:19,25 <b>Visions</b> 87:3</p> <hr/> <p style="text-align: center;"><b>W</b></p> <p><b>W</b> 1:16 2:8 4:2 101:8 102:4 102:17 103:2 <b>walk</b> 77:10 <b>want</b> 25:9,20 26:4 53:2 81:16 100:2 <b>wanted</b> 57:7,13 82:18 <b>way</b> 54:25 59:3 80:5 87:1 101:14 <b>we'll</b> 38:22,23 39:2 65:6</p>	<p>88:22 <b>we're</b> 39:7,10 68:14,17 73:6 86:4 89:1,6 97:9,14 100:15 <b>Webex</b> 1:20 2:2 5:9 <b>whatsoever</b> 57:24 <b>WHEREOF</b> 101:16 <b>whooping</b> 54:17 <b>wire</b> 13:4 <b>withdraw</b> 65:5 <b>witness</b> 5:16 10:2,17 11:1 12:10,17 13:13 14:2,24 15:18 16:4,15 17:3,16,25 18:9,24 19:8,17 20:1,11,20 21:4,13,20 22:5,14,23 23:6 23:15,24 24:8,18 25:1,12 25:23 26:7 27:5,19 28:12 28:21 29:12,24 30:9 31:3 31:12,17 32:1,9,19 33:6,13 33:22 34:6,15,25 35:10 36:5,10,18 37:1,9,17 38:2 38:9 39:18 40:6,18 44:10 45:23 48:6,12,20 50:12,20 52:1,10 54:6 55:7,15 56:18 57:3 59:10,24 60:9,19 62:1 64:15,21 66:1,10 67:12 68:2 70:20 71:12 74:13,22 75:6,15,24 77:1,13,25 78:15 79:7 80:1,11,22 81:8 82:23 83:14,23 84:22 85:25 97:21 99:12,17 101:8,11,16 102:1 <b>wonder</b> 38:16,21 40:17 41:10 46:2 47:20 50:24 54:10 55:19 58:3,19 62:16 65:19 68:12,20 72:2,5,8 88:15 <b>word</b> 15:5 <b>wording</b> 62:14 <b>work</b> 7:2 14:14 19:13,22 20:16,25 21:9,16 22:10,19 23:3,11,20 24:4 26:13 35:16 46:15 <b>World</b> 86:14 88:3 91:21 92:2 94:14,21 <b>Worth</b> 59:8,19 60:5,15,25 61:13,21 <b>wouldn't</b> 52:16</p> <hr/> <p style="text-align: center;"><b>X</b></p> <p><b>X</b> 4:1</p> <hr/> <p style="text-align: center;"><b>Y</b></p> <p><b>Yeah</b> 53:21 66:23 <b>year</b> 7:10 <b>years</b> 78:6 <b>York</b> 3:4,4</p>
--	--	--	---

<b>Z</b>	83:11,19 84:3,11,18	52:15,19 53:6 54:11,14
<b>zoom</b> 41:12	<b>2019</b> 31:8,14 34:11 37:14	55:20,23 56:6
<b>0</b>	53:13 61:8,22 65:24 74:9	<b>42</b> 4:12 58:4,7,13,14,20,23
<b>1</b>	<b>2020</b> 4:11,15 7:24 8:12,17	<b>421</b> 54:17 55:4,13
<b>1</b> 4:13,16 45:1,8,11,16 58:11	8:24 9:5,11,22 10:8,14,23	<b>43</b> 4:14 62:17,20 63:24 64:6
63:2 64:1 85:16,22	11:7,13,19,25 12:6,14,23	64:11,17 65:2,4 67:20
<b>10</b> 72:7 89:5	13:4,10,24 14:8,14 29:2,8	68:11
<b>10:09</b> 1:22 5:11	29:15 35:15,21 41:16,23	<b>4309</b> 59:7 61:14,19
<b>10:48</b> 39:8,9	42:11,14 45:19 47:10,14	<b>44</b> 4:17 68:7,19,21,25 69:17
<b>10:50</b> 39:4	51:6 52:7 53:13 55:3,12	70:1 72:1,21 73:6 74:1,6
<b>100</b> 72:16	63:2 64:1 69:18 71:17	<b>482</b> 4:13
<b>10017</b> 3:4	73:13,19 79:3 84:3,11	<b>493</b> 58:8
<b>11:05</b> 39:5	85:21 99:1,8	<b>5</b>
<b>11:06</b> 39:9,11	<b>2021</b> 1:21 4:13,16 5:10	<b>5</b> 43:17,18,21,25 45:1,16
<b>11:55</b> 68:15,16	40:23,25 58:11 63:2 64:1	67:16,19
<b>11:57</b> 68:16,18	101:17 102:9 103:2	<b>5,437,515.91</b> 41:19
<b>12:00</b> 38:24	<b>21</b> 69:1	<b>50</b> 4:10
<b>12:29</b> 89:2,3	<b>210504AME</b> 1:25	<b>500,000</b> 48:18
<b>12:30</b> 38:24	<b>212.880.9417</b> 3:5	<b>535</b> 62:21 67:20
<b>12:35</b> 89:3,7	<b>215.320.6200</b> 3:14	<b>565</b> 3:4
<b>12:47</b> 100:16,17	<b>24</b> 41:23	<b>58</b> 4:12
<b>13</b> 4:15 63:2 64:1	<b>240</b> 4:11	<b>6</b>
<b>13th</b> 101:17	<b>249</b> 52:20	<b>6</b> 4:3 46:3,5,9,11,18 72:1,7,9
<b>141</b> 100:6	<b>25</b> 69:18 78:11,21	<b>62</b> 4:14
<b>15</b> 39:3	<b>25,000</b> 41:22	<b>68</b> 4:17
<b>15-minute</b> 38:17,22	<b>2525</b> 2:11	<b>7</b>
<b>1800</b> 2:5	<b>2530</b> 2:17	<b>7</b> 29:9,16 41:13,16 42:10,14
<b>1818</b> 3:13	<b>2550</b> 3:9	42:23 43:4 47:21,23 48:2
<b>19103</b> 3:14	<b>29</b> 72:7,7,9	<b>7,068,770.68</b> 45:7
<b>2</b>	<b>3</b>	<b>750</b> 2:11
<b>2</b> 2:17 3:9 52:14 53:6,9	<b>3</b> 54:11,13 65:6 69:7	<b>7th</b> 3:4
55:24 65:1,4	<b>30</b> 40:23,25	<b>8</b>
<b>20</b> 102:19	<b>30,000</b> 57:1,7,14	<b>8</b> 4:11 48:24 51:5
<b>20-231</b> 69:3	<b>305.371.9686</b> 3:10	<b>801</b> 2:5
<b>20-cv-81205</b> 5:8	<b>305.374.5600</b> 2:24	<b>9</b>
<b>20-CV-81205-RAR</b> 1:6	<b>305.434.4941</b> 2:18	<b>9</b> 49:20
<b>2005</b> 7:11	<b>305.569.7701</b> 2:12	<b>98</b> 2:23
<b>2011</b> 8:6,17 16:20 72:17	<b>305.982.6300</b> 2:6	
<b>2012</b> 65:24 66:8 79:13	<b>33131</b> 2:6,18,24 3:10	
<b>2013</b> 7:18,24	<b>33134</b> 2:11	
<b>2015</b> 6:21 7:2 8:11 9:4,10	<b>3402</b> 3:13	
10:7,22 11:12,18,24 12:5	<b>4</b>	
12:13,22 13:3,9 14:13	<b>4</b> 1:21 5:10 41:11,15,25	
16:25 17:8,13 29:2,8,15,20	42:12,16,21 55:20,23 56:6	
31:22 32:14 35:15,20,21	58:20,23 65:18,20 102:9	
36:2,7 45:19 47:10,14	103:2	
<b>2016</b> 26:17 30:4 32:6,24	<b>4,851,720</b> 48:10	
33:1,9 36:15 99:1,8	<b>40</b> 4:7,7 40:19,22,25 41:6,11	
<b>2017</b> 1:10 11:6 13:18,24	41:16,25 42:12,16,21 43:2	
14:7 27:24 30:14 33:18	43:18,21,25 44:15 45:2,9	
36:23 67:25 79:13 85:21	45:12 46:3,6,9,24 47:21,24	
<b>2018</b> 9:22 30:24 34:2 37:6	48:2,25 49:2,21 68:10	
66:8 80:4,6,18 82:17 83:5	<b>400</b> 29:4	
	<b>41</b> 4:10 50:25 51:3,12,17,22	

**UNITED STATES DISTRICT COURT  
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.,**

**/**

**ORDER GRANTING PLAINTIFF'S  
EXPEDITED MOTION TO PRECLUDE TRIAL TESTIMONY  
OF DEFENDANT LAFORTE**

This matter came before the court upon Plaintiff Securities and Exchange Commission's Expedited Motion to Preclude Trial Testimony of Defendant LaForte. After reviewing the Motion and otherwise being duly advised,

**IT IS HEREBY ORDERED** that the SEC's Request for Expedited Briefing **IS GRANTED**. Defendant LaForte shall file his opposition to the motion no later than Tuesday, November 16, 2021 and the SEC shall file any reply no later than Thursday, November 18, 2021.

**DONE and ORDERED** in Fort Lauderdale, Florida, this \_\_\_\_ day of November 2021.

\_\_\_\_\_  
RODOLFO A. RUIZ II  
UNITED STATES DISTRICT JUDGE

Copies to; Counsel of Record