

**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.,**

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S OPPOSITION TO THE
DEFENDANTS' MOTION FOR AN ENLARGEMENT OF
TIME TO COMPLY WITH THE COURT'S ORDERS [1486 AND 1503]**

Defendants Lisa McElhone and Joseph LaForte have lived rent-free in a mansion paid for by the victims of the Defendants' fraud for more than one year. It has *cost the investors more than \$60,000* as of the Receiver's last filing [ECF No. 1486]. While the victims in this case routinely contact the Securities and Exchange Commission because of the financial difficulties they are facing because of the Defendants' fraud, including losing their homes and retirement savings, the investors' funds have been used to house the Defendants in a luxurious mansion.



Now, McElhone and LaForte – *without ever conferring with the Commission* – file the instant Motion in which they purport to have conferred with the Receiver, who inexplicably does not oppose the Relief. The Commission does.

Each of the reasons the Defendants provide for requiring additional time to pay their *past and current* expenses for the mansion is bogus and quite frankly their Motion is offensive to every investor of this fraud.

First, the Defendants claim that they need more time because the Commission might take over collections on the homes. This is no basis for granting the extension. Whether the Commission or the Receiver handles the liquidation of the assets is a distinction without a difference. It would only affect how much more is spent from the Receivership on legal fees. The Court's Orders remains in effect, and the Commission has not indicated that they will seek to revise any aspect of any Order concerning the homes *other than which lawyers do the legwork to sell the properties the Court already ordered can be sold*. The Commission has never indicated that it would seek to revise any Order in any other way, and the Defendants' assertions to the contrary are *patently false*.

In fact, the Defendants' Motion is not filed in good faith because *they have never contacted the Commission about this issue – despite having at least 3 lawyers between them – to ask the Commission about this or to discuss it in any way*. They merely invented the idea that the Commission might want to void the Order provision requiring them to pay the victims back for the rent and carrying costs the victims have paid in order for the Defendants to live there. The Defendants did not even confer with Commission counsel prior to filing the instant Motion.

We have *already litigated this*, at length. And finally, after a year of these Defendants refusing to pay any rent, they are to finally to pay or leave in May – giving them multiple additional months of housing on the backs of victims.

It is time. It has already been ordered. And the Defendants’ request to allow this to continue for another day – let alone two more weeks – is offensive to every man and woman who is paying for this absurdity. A multi-million dollar mansion for the Defendants to live in luxury while many victims have lost nearly everything. It should not continue another day. And this Court should ensure that by denying this Motion.

Next, the Defendants claim they want to confer with one of their lawyers who is unavailable. The Defendants have had time to do this. And they have *multiple* attorneys to ask. The only question is do they pay today and keep the house, or do they not pay and move out in May. That is not remotely a legal question. And even if it were, the Defendants have the luxury of having numerous extremely well-qualified attorneys from whom they can seek this advice.

The Commission has been relying on the deadlines in the Orders so that we can determine whether to staff the home for marketing and liquidation if the Defendants do not pay today. Extensive time and effort has gone into this, including coordination between offices and the expenditure of Commission resources.

Now the Defendants ask this Court to *amend* the prior Orders and to afford more time under those Orders. The Motion *does not even address the burden for amending an Order*. Nor have they provided any basis for amending a Court Order to meet their burden. Nor did they confer with counsel for the Commission.

These issues have been litigated extensively by the Receiver, which litigation was paid for by the victims. The victims are paying for the Defendants to live in a mansion from the victims’

proceeds that would otherwise be distributed to them. More than \$60,000 has been spent from the victims' funds to pay for the Defendants' to live in this mansion. Enough is enough. The Defendants have had more than adequate time to decide whether to pay this bill. Judgments have been entered against McElhone and LaForte, and the only ones benefitting from the extension are the Defendants – at the expense of the victims. This is not right.

The Court should deny the Order.

March 3, 2023

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served this 3rd day of March 2023 via CM-ECF on all defense counsel in this case.

Amie Riggle Berlin
Amie Riggle Berlin