

**UNITED STATES DISTRICT COURT  
FOR THE 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.

\_\_\_\_\_ /

**JOSEPH COLE BARELTA’S (“COLE”) NOTICE OF COMPLIANCE AND  
REQUEST TO MODIFY THE PRELIMINARY INJUNCTION TO ALLOW FOR  
THE CONTINUED OPERATION OF CAPITAL SOURCE 2000, INC.**

COMES NOW, Defendant, Joseph Cole Barleta (“Cole”), by and through his undersigned counsel, gives notice of his compliance in providing the Receiver with discovery. Cole asserts the following:

1. Cole has no stocks, securities, or vehicles. Likewise, Cole does not own any trusts or disposed of property.
2. In that, Cole has produced, not only a the bank statements of the accounts that are under his name, but also a Summary of his Assets in an easy and digestible form.
3. As such, Cole has produced his personal bank statements, and bank statements for any entity he has interest in.

**SECOND REQUEST TO ALLOW FOR THE CONTINUED OPERATION OF  
CAPITAL SOURCE 2000, INC.**

4. This Court issued an Order holding that Cole must maintain an asset balance of 5.5 million dollars [D.E. 202, pg. 5]. Specifically, the language of the Court was, "This asset freeze is limited to the amount of \$5.5 Million Dollars."

5. The Court did not specify that this number has to be in cash, and stated that the freeze is inclusive of all assets.

"The term 'asset,' of course, is not defined in the statute. Its ordinary meaning is "property of any kind, whether real or personal, tangible or intangible, legal or equitable, which can be made available for the payment of debts." Cowden, 895 F.2d at 1498 (5th Cir. 1990) (citation omitted); *Nat'l Union Fire Ins. Co. v. City Sav., F.S.B.*, 28 F.3d 376 (3d Cir. 1994) (citing Black's Law Dictionary 117 (6th ed. 1990)). "Insurance policies which a bank has purchased and under which it is an insured fall neatly within this definition of assets." *Nat'l Union*, 28 F.3d at 384.

6. As the Receiver will likely acknowledge, Cole has assets well over 5.5 million dollars. Specifically, Cole has property with an estimated value of 2.5-2.785 million dollars, current cash balances of 2.1 million dollars (this is inclusive of Capital Source 2000, Inc. funds that have been frozen).

7. Moreover, Cole has a claim with EPIQ for 30,519,191.07 dollars, which falls under the definition of an asset. Even if only 10% will be paid out, that leaves Cole with 3.5 million dollars.

8. As such, inclusive of the Epiq claim, Cole has substantially more than not only the 5.5 million dollar threshold, but also substantially more than the judgment amount.

9. The only way that Cole's assets do not amount to the 5.5 million dollar threshold is if the Court does not consider the funds from Capital Source 2000, Inc., which includes the amounts derived from Capital Sources' claims to Epiq. The only reason these

would not be deemed “assets” for the purposes of the claim is because the SEC has stipulated that it would not collect on those funds.

10. However, if those funds are not being collected, then they should be removed from any asset freeze.

11. Ultimately, either way one cuts it, the funds belonging to Capital Source 2000, Inc. should be unfrozen.

Dated: June 15, 2023

By:

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that this \_\_\_\_ day of June, 2023, a true and correct copy of the foregoing instrument was e-mailed to the forenamed Plaintiff in the above-captioned matter.