# UNITED STATES OF AMERICA Before the SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING File No. 3-19643

In the Matter of	
Debt Resolve, Inc., et al.	
Respondents.	

# DIVISION OF ENFORCEMENT'S MOTION FOR <u>DEFAULT AND BRIEF IN SUPPORT</u>

The Division of Enforcement ("Division"), by counsel, pursuant to Commission Rules of Practice Rules 154(a) and 155(a)(2) respectfully moves the Securities and Exchange Commission ("Commission") for an order entering a default against Debt Resolve, Inc. ("DRSV") (CIK No. 1106645) and against Elite Group, Inc. ("ELTZ") (CIK No. 1607281) (collectively "Respondents") in this proceeding and ordering the revocation of the registration of each class of Respondents' securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 ("Exchange Act").

#### Argument

On January 9, 2020, the Commission issued an Order Instituting Proceedings ("OIP") against Respondents which have securities registered with the Commission under Section 12(g) of the Exchange Act. The OIP alleges the Respondents are delinquent in filing their mandated periodic reports. Because the Respondents failed to answer or otherwise respond to

the OIP, the Division now seeks entry of an order finding respondents Debt Resolve, Inc. and Elite Group, Inc. to be in default in this proceeding.

Commission Rule of Practice 220(b) states that where an answer is required to be filed by rule or order, the respondent "shall do so within 20 days after service upon the respondent of the order instituting proceedings" unless a different period is provided by rule or order. Here, the OIP requires "an Answer [to be filed] to the allegations contained in this Order within ten (10) days after service of this Order." OIP at IV. Commission Rule of Practice 160(a) provides that Saturdays, Sundays and Federal legal holidays are to be counted as part of the 10 day period, and Commission Rule of Practice 160(b) extends that time by three days if service is made by mail.

The Declaration of Gina Joyce to Assist Secretary with Record of Service (attached hereto as Exhibit A) ("Joyce Declaration") establishes that on January 13, 2020, DRSV was served with the OIP, along with a letter from the Commission's Secretary, and a letter from the Division offering discovery pursuant to Rule of Practice 230 (collectively the "Service Documents"), by Express Mail delivery at the address provided in its last EDGAR filing with the Commission, in accordance with Commission Rule of Practice 141(a)(2)(ii). DRSV's answer to the OIP was due by Monday, January 27, 2020. However, DRSV has neither filed an answer nor made any other response to the OIP in this proceeding.

The Joyce Declaration also establishes that on January 11, 2020, ELTZ was served with the Service Documents by Express Mail delivery at the address provided in its last EDGAR filing with the Commission, in accordance with Commission Rule of Practice 141(a)(2)(ii). ELTZ's answer to the OIP was due by Friday, January 24, 2020. However, ELTZ has neither filed an answer nor made any other response to the OIP in this proceeding.

The Respondents at issue are delinquent in their filings with the Commission and have been delinquent for over two years. In addition, the Respondents' failure to answer supports revocation of the registration of each class of the Respondents' securities. Accordingly, the

default in this proceeding and ordering that the registration of each class of their securities

Division moves for an order, pursuant to Rule 155(a)(2), finding these Respondents to be in

registered pursuant to Exchange Act Section 12 be revoked.

**Conclusion** 

For the reasons set forth above, the Division respectfully requests that the Commission:

1) grant the Division's Motion; 2) enter an order of default against Debt Resolve, Inc. and Elite

Group, Inc.; and 3) revoke the registration of each class of their securities registered pursuant to

Section 12 of the Exchange Act.

Dated: December 17, 2020

Respectfully submitted,

Gina Joyce

David Misler

(202) 551-2210

Gina Joyce (202) 551-4850

Securities and Exchange Commission 100 F Street, N.E., Room 5120

Washington, D.C. 20549-5010

**COUNSEL FOR** 

DIVISION OF ENFORCEMENT

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### **CERTIFICATE OF SERVICE**

I hereby certify that true copies of the Division of Enforcement's Motion for Default and Brief in Support were served on the following on this 17th day of December, 2020, in the manner indicated below:

By Email:

Office of the Secretary Securities and Exchange Commission 100 F Street, N.E. Washington, D.C. 20549-2557

By UPS:

Debt Resolve, Inc. 22 Saw Mill River Road Hawthorne, NY 10532

By UPS:

Elite Group, Inc. 4760 Preston Road #244-125 Frisco, TX 75034

Gina Joyce
Gina Joyce

#### OFFICE OF THE SECRETARY

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# DECLARATION OF GINA JOYCE TO ASSIST SECRETARY WITH RECORD OF SERVICE

GINA JOYCE, pursuant to 28 U.S.C. § 1746, declares:

- 1. I am a Senior Counsel with the Division of Enforcement ("Division") of the Securities and Exchange Commission, and co-counsel for the Division in the captioned administrative proceeding. I am submitting this Declaration to assist the Secretary in maintaining a record of service on the respondents in the captioned proceedings pursuant to Rule 141(a)(3).
- 2. Among other means, Securities and Exchange Commission ("Commission")
  Rule of Practice 141(a)(2)(ii) permits service on a corporation or entity by delivering a
  copy of an Order Instituting Administrative Proceedings ("OIP") to an agent authorized
  by appointment or law to receive such service or, in the case of an issuer with a class of
  securities registered with the Commission, by sending the OIP via U.S. Postal Service
  certified, registered, or Express Mail and obtaining a confirmation of attempted delivery
  on the most recent address shown on the entity's most recent filing with the Commission.

Further, the OIP in this matter authorizes service of the OIP "by any means permitted by the Commission's Rules of Practice." Therefore, the Division asked the Commission's Secretary to first attempt service on the Respondents via U.S. Priority Mail Express.

- 3. The Office of the Secretary provided me with the U.S. Priority Mail Express tracking numbers for the copies of the Order Instituting Proceedings ("OIP")<sup>1</sup> that were mailed by the Secretary to the respondents in these proceedings. I input each of the tracking numbers into the U.S. Postal Service's ("USPS's") package tracking system on its Internet website located at <a href="https://www.usps.com">www.usps.com</a>, and printed out the tracking confirmations in order to obtain confirmation of the delivery or attempted delivery of the OIP on each respondent. A true copy of the tracking confirmations for all of the respondents for whom express mail service was attempted is attached as Exhibit 1, hereto.
- 4. The Secretary mailed the OIP to respondent Debt Resolve, Inc., CIK 1106645 ("DRSV"), via Priority Mail Express, Tracking No. ER 006858993 US, to the address shown on its most recent EDGAR filing at 22 Saw Mill Road, Hawthorne, NY 10532. This address is taken from DRSV's last filing with the Commission, which was a Form 8-K filed with the Commission on July 3, 2019. The USPS tracking system confirms that the package was delivered on January 13, 2020. See Exhibit 1 at p. 1.
- 5. The Secretary mailed the OIP to respondent Elite Group, Inc., CIK 1607281 ("ELTZ"), via Priority Mail Express, Tracking No. ER 006858980 US, to the address shown on its most recent EDGAR filing at 4760 Preston Road #244-125, Frisco, TX 75034. This address is taken from ELTZ's last filing with the Commission, which was a

<sup>&</sup>lt;sup>1</sup>Each service package included the OIP, a letter from the Commission's Secretary, and a letter from the Division offering discovery pursuant to Rule of Practice 230.

Form 8-K filed with the Commission on April 17, 2018. The USPS tracking system confirms that the package was delivered on January 11, 2020. *See* Exhibit 1 at p. 3.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 6, 2020.

Jina Joya i Gina Joyce

# **USPS Tracking®**

# Track Another Package +

Tracking Number: ER006858993US

Remove X

Your item was delivered at 1:15 pm on January 13, 2020 in HAWTHORNE, NY 10532. Waiver of signature was exercised at time of delivery.



January 13, 2020 at 1:15 pm Delivered HAWTHORNE, NY 10532

Get Updates ✓

Text & Email Updates	~
Proof of Delivery	~
Tracking History	^

January 13, 2020, 1:15 pm

Delivered

HAWTHORNE, NY 10532

Your item was delivered at 1:15 pm on January 13, 2020 in HAWTHORNE, NY 10532. Waiver of signature was exercised at time of delivery.

**Product Information** 

## See Less ∧

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#### **FAQs**

# **USPS Tracking®**

# Track Another Package +

Tracking Number: ER006858980US

Remove X

Your item was delivered at 11:22 am on January 11, 2020 in FRISCO, TX 75034. The item was signed for by N HACKETT.

# **Oblivered**

January 11, 2020 at 11:22 am Delivered FRISCO, TX 75034

## Get Updates ✓

Text & Email Updates

Proof of Delivery

Tracking History

January 11, 2020, 11:22 am

Delivered

FRISCO, TX 75034

Your item was delivered at 11:22 am on January 11, 2020 in FRISCO, TX 75034. The item was signed for by N HACKETT.

# January 11, 2020, 10:57 am Arrived at Post Office FRISCO, TX 75034 January 11, 2020, 8:04 am Arrived at USPS Regional Facility COPPELL TX DISTRIBUTION CENTER January 10, 2020, 10:54 pm Departed USPS Regional Facility LINTHICUM HEIGHTS MD DISTRIBUTION CENTER January 10, 2020, 7:34 pm Arrived at USPS Regional Facility LINTHICUM HEIGHTS MD DISTRIBUTION CENTER

### See Less ∧

**Product Information** 

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