UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-1

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In re:

LAM CLOUD MANAGEMENT, LLC,

Debtor.

DANIEL E. STRAFFI, CHAPTER 7 TRUSTEE

Plaintiff,

v.

RETAIL CAPITAL, LLC D/B/A CREDIBLY, DEATH VALLEY, LLC, SYNERGY CAPITAL, LLC, QUICK BRIDGE FUNDING, LLC F/K/A BLACKROCK LENDING GROUP, LLC D/B/A QUICK BRIDGE FUNDING, BOFI FEDERAL BANK, FB FUNDING, LLC A/K/A FAST BUSINESS FUNDING NY, LLC, YELLOWSTONE CAPITAL LLC, EBF PARTNERS LLC, CAPCALL, LLC, CAPITAL STACK LLC AND ACH CAPITAL LLC,

Defendants.

Chapter 7

Case No. 15-19010 (MBK)

Honorable Michael B. Kaplan

Adv. Pro. No. 17-

COMPLAINT TO AVOID AND RECOVER TRANSFERS PURSUANT TO 11 U.S.C. §§ 547, 548 AND 550 AND FOR DAMAGES PURSUANT TO APPLICABLE LAW

Daniel E. Straffi, solely in his capacity as Chapter 7 Trustee (the "**Trustee**" or the "**Plaintiff**") for and on behalf of the bankruptcy estate (the "**Estate**") of Lam Cloud Management, LLC (the "**Debtor**"), by and through his undersigned attorneys, files this adversary

complaint (the "**Complaint**") against defendants Retail Capital, LLC d/b/a Credibly, Death Valley, LLC, Synergy Capital, LLC, Quick Bridge Funding, LLC a/k/a Blackrock Lending Group, LLC d/b/a Quick Bridge Funding, BofI Federal Bank, FB Funding, LLC a/k/a Fast Business Funding NY, LLC, Yellowstone Capital LLC, EBF Partners, LLC, CapCall, LLC, Capital Stack LLC and ACH Capital LLC (collectively, the "**Defendants**"), and alleges as follows:

PRELIMINARY STATEMENT

This matter arises from a series of short term, usurious interest rate loans obtained by the Debtor that were brokered, originated and/or serviced by the Defendants. In a typical alternative lending transaction, an independent loan broker ("**Broker**") refers certain qualified small business merchants unable to qualify for financing from traditional sources ("**Merchants**") to alternative, specialty business lenders (an "**Alternative Lender**") that originate, fund and/or service short term small business loans known as "Merchant Cash Advances" or "Merchant Loans." Unlike traditional loans, these transactions require repayment of principal plus interest at usurious rates through ACH withdrawals made every business day, commencing immediately, until paid in full.

To avoid characterization as a loan subject to state usury laws, these advances and loans are typically papered as a non-recourse "purchase" of the Merchant's future cash receipts or collections on receivables and/or funded through a federally chartered bank exempt from state law in a "rent a charter" scheme. In substance, however, these transactions that, in addition to the daily ACH withdrawals, require the borrower to pledge its assets as collateral, provide a guaranty and/or execute a confession of judgment to ensure repayment, are in every conceivable way usurious loans.

Desperate for cash and unable to raise money from traditional sources, the Debtor entered a series of these short term, usurious interest rate loans with the Defendants, the collective impact of which left the Debtor without cash to fund operations. With almost all of its cash going to fund just one of these loans, the Debtor fell prey to a tactic known as stacking" in which it was forced to enter two additional loans on top of the original to fund the daily ACH withdrawals. Requiring payments of more than $3,000 per day collectively, these three loans monopolize the Debtor's already limited cash flow, deepened its insolvency and hastened its plunge into bankruptcy.

Through this Complaint, the Trustee respectfully seeks the following relief: (a) the avoidance and recovery of payments made by the Debtor to the Defendants with respect to these usurious loans as preferential or fraudulent transfers pursuant to 11 U.S.C. §§ 547, 548 and 550; and (b) an award of damages based on the Defendants' conduct in connection with, and the usurious nature of, these loans pursuant to applicable state law.

JURISDICTION AND VENUE

1. This adversary proceeding arises out of the bankruptcy case of the Debtor and is commenced pursuant to sections 541 through 550 of title 11 of the United States Code (the "**Bankruptcy Code**") and Rules 3007 and 7001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**").

2. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 157 and 1334.

3. This is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2). To the extent necessary, the Trustee consents to entry of a final order or judgment by this Court.

4. Venue is proper in this Court pursuant to 28 U.S.C. § 1409 in that the Debtor's bankruptcy case is pending in this judicial district.

PARTIES

5. The Plaintiff is duly appointed Chapter 7 Trustee for the Estate.

6. Defendant, Retail Capital, LLC d/b/a Credibly ("**Retail Capital**"), is a New York limited liability company with a principal place of business located at 1250 Kirts Boulevard, Suite 100, Troy Michigan 48084 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Retail Capital was, at all relevant times, a Broker and/or Alternative Lender originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

7. Defendant, Death Valley, LLC ("**Death Valley**" and together, with Retail Capital, the "**Retail Capital Defendants**") is a Michigan limited liability company with a principal place of business located at 1921 Northwood Drive, Troy Michigan 48084 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Death Valley was, at all relevant times, a Broker, Alternative Lender and/or apparent or actual agent of Retail Capital originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

8. Defendant, Synergy Capital, LLC ("**Synergy**"), is a limited liability company or a business organization with a principal place of business located at 160 Pearl Street, 6th Floor, New York, New York 10005 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Synergy was, at all relevant times, a Broker referring Merchants, including the Debtor, to Alternative Lenders such as some or all of the other Defendants for the purpose of obtaining loans, and a creditor of the Debtor.

9. Defendant, Quick Bridge Funding, LLC a/k/a Blackrock Lending Group, LLC d/b/a Quick Bridge Funding ("**Quick Bridge**"), is a California limited liability company with a principal place of business located at 333 City Boulevard West, Suite 1910, Orange, California 92868 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Quick Bridge was, at all relevant times, an Alternative Lender originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

10. Defendant, BofI Federal Bank ("**BofI**" and together, with Quick Bridge, the "**QB Defendants**"), is a federally charted banking institution with a principal place of business located at 4350 La Jolla Village Drive, Suite 140, San Diego, California 92122 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. BofI was, at all relevant times, an Alternative Lender originating and funding loans to Merchants including the Debtor, and a creditor of the Debtor.

11. Defendant, FB Funding, LLC a/k/a Fast Business Funding NY, LLC ("**FBF**"), is a Delaware limited liability company with a principal place of business located at 2001 North West 107th Avenue, Third Floor, Doral, Florida 33176 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. FBF was, at all relevant times, a Broker, an Alternative Lender and/or an apparent or actual agent of Yellowstone and EBF originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

12. Defendant, Yellowstone Capital LLC ("**Yellowstone**"), is a New Jersey limited liability company with a principal place of business located at 160 Pearl Street, 5th Floor, New York, New York 10005 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Yellowstone was, at all relevant times, a Broker, an Alternative Lender

and/or an apparent or actual agent of FBF and EBF originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

13. Defendant, EBF Partners, LLC ("**EBF**" and collectively, with FBF and Yellowstone, the "**FBF Defendants**"), is a Delaware limited liability company with a principal place of business located at 2001 North West 107th Avenue, Third Floor, Doral, Florida 33176 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. EBF was, at all relevant times, a Broker, an Alternative Lender and/or an apparent or actual agent of the other FBF Defendants originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

14. Defendant, CapCall, LLC ("**CapCall**"), is a New York limited liability company with a principal place of business located at 122 East 42nd Street, Suite 2112, New York, New York 10168 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. CapCall was, at all relevant times, a Broker, an Alternative Lender and/or an apparent or actual agent of Capital Stack and ACH Capital originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

15. Defendant, Capital Stack LLC ("**Capital Stack**"), is a New York limited liability company with a principal place of business located at 11 Broadway, Suite 814, New York, New York 10004 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. Capital Stack was, at all relevant times, a Broker, an Alternative Lender and/or an apparent or actual agent of CapCall and ACH Capital originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

16.

17. Defendant, ACH Capital LLC ("**ACH Capital**" and collectively, with CapCall and Capital Stack, the "**CapCall Defendants**"), is a Delaware limited liability company with a principal place of business located at 11 Broadway, Suite 814, New York, New York 10004 and may be served with process by any manner of service authorized by Bankruptcy Rule 7004. ACH was, at all relevant times, a Broker, an Alternative Lender and/or an apparent or actual agent of CapCall and Capital Stack originating, funding and/or servicing loans to Merchants including the Debtor, and a creditor of the Debtor.

THE DEBTOR

18. The Debtor, upon its formation, was intended to primarily serve as a high-end data center to meet the needs of businesses following the devastating impact of the recession in 2008 and Hurricane Sandy in 2012. Serving as the corporate headquarters for two insurance companies before remaining unoccupied for four years prior to the Debtor's occupancy, the Property needed repurposing to serve as a data center.

19. On or about September 17, 2012, the Debtor entered into a triple-net Commercial Single Tenant Lease (the "**Lease**") with One Continental, LLC to lease the Property for a term of twenty-five (25) years. Presumably to mitigate the risks associated with the re-purposing of the Property, the Lease required the Debtor pay significant and annually escalating rent monthly base rent to serve as a data center, significant, annually escalating and monthly base and additional rent (the "**Monthly Rent**") averaging approximately $75,000 per month, and a security deposit of $3.5 million (the "**Security Deposit**") payable in six-month installments, during the first five (5) years of the Lease.

20. Funded with little or no capital upon its formation, generating little or no revenues, incurring significant costs associated with the repurposing of the Property and saddled with the Monthly Rent and the Security Deposit obligations, the Debtor was grossly undercapitalized upon execution of the Lease and required substantial equity contributions from its principal to fund operations.

21. The Debtor quickly determined that, due to an oversaturation of the Northern New Jersey data center market, conversion costs and other impracticalities, its super-sized data-center business model was not viable.

22. Based on an increase in the demand for workplace and disaster recovery services, the Debtor, instead, strove to become a full-fledged technology campus offering customers workplace and disaster recovery, colocation data center, managed IT and a host of other similar services. The Debtor also began marketing the Property for commercial office space subleasing and actively seeking subtenants.

23. Although well received and generating significant interest from potential clients and subtenants alike, the Debtor's business, saddled with the substantial Security Deposit and other Lease obligations during its infancy, was unable to generate sufficient revenues to fund its ordinary course obligations. The Debtor was also hamstrung from raising funds through traditional lenders or investors.

24. Left with no other options, the Debtor unwittingly entered into a series of four usurious, short-term loans with Alternative Lenders the egregious terms of which left the Debtor without sufficient cash to fund operations and all but ensured its demise.

A. THE RETAIL CAPITAL LOAN

25. On or about September 17, 2014, the Debtor borrowed $45,000 from the Retail Capital Defendants (the "**Retail Capital Loan**").

26. Pursuant to a Purchase Agreement and other documents associated with the Retail Capital Loan dated September 17, 2014 (collectively, the "**Retail Capital Loan Documents**"), Retail Capital: (a) effectively loaned the Debtor $45,000 for which the principal and $17,200 in interest (the "**Retail Capital Stated Interest**") were to be repaid through daily, equal ACH withdrawals from the Debtor's account in the amount of $338 for six months; and (b) was purportedly granted a security interest in and lien on against the Debtor's present and future sales and receivables (the "**Retail Capital Security Interest**"). Pursuant to their provisions, the Retail Capital Loan Documents are to be governed and construed by the laws of the state of New York.

27. The Debtor was also required to pay a processing fee of $1,350 that, in substance, was additional interest under the Retail Capital Loan (together, with the Retail Capital Stated Interest, the "**Retail Capital Interest**").

28. Considering the 6-month term of the Retail Capital Loan, the effective Retail Capital Interest rate per annum was approximately 82.4%.

29. On September 17, 2014, Death Valley filed a UCC-1 Financing Statement with the State of New Jersey (the "**Retail Capital UCC-1**") purporting to perfect the Retail Capital Security Interest.

30. The Retail Capital Loan was funded, the daily ACH withdrawals commenced and the Retail Capital Fee was paid, on September 18, 2014.

31. Although proposed and accounted for by the Debtor as a loan, the Retail Capital Defendants, to avoid state usury laws and regulations, papered the transaction as a "purchase" of a "specified percentage" of the Debtor's future accounts, contract rights and other obligations arising from the payment of monies from the Debtor's customers ("**Future Receipts**").

32. Pursuant to a "Purchase Agreement" and other applicable agreements dated on or about September 17, 2014 (collectively, the "**Retail Capital Documents**"), the Debtor purportedly: (a) sold, assigned and transferred to Retail Capital 14.7% of its Future Receipts in an amount arbitrarily determined to be $60,200 for a "purchase price of $45,000; and (b) authorized Retail Capital to initiate daily ACH withdrawals in the amount of $338 from the Debtor's bank account until the purchased amount was paid in full.

33. Despite its form, however, the Retail Capital transaction was, in substance and every conceivable way, a loan in which the Debtor borrowed $45,000 at the usurious interest of at least 82.4%, based on the following:

- The Debtor was required to submit a credit application and to a credit check before entering into the Retail Capital Loan;
- The Retail Capital Loan was underwritten based on an assessment of the Debtor's creditworthiness;
- The Retail Capital Defendants required the Debtor's principal to execute a personal guaranty;
- The payments to the Retail Capital Defendants were neither determined nor paid based on any future receipts of the Debtor;
- Notwithstanding their entitlement to only a specified percentage of funds constituting Future Receipts, the Retail Capital Defendants required daily ACH withdrawals to be made, and in the same amount, regardless of the source of funds in the Debtor's bank account;
- Requiring the Debtor to authorize the daily ACH withdrawals regardless of the amount and the source of the funds in the Debtor's account renders the transaction a full recourse loan notwithstanding any contentions to the contrary;
- Instead of calculating and collecting the specified 14.7% of the Debtor's receipts as set forth in the Retail Capital Loan Documents, the Retail Capital Defendants deducted $338 from the Debtor's bank account through ACH withdrawals every business day;
- The "specified percentage" of 14.7% is a farce whose only purpose is to mask the unconscionable and usurious interest and fees;

- The Retail Capital Defendants did not acquire title or possession, or assume the risk of loss inherent in ownership of, the Future Receipts;
- The Retail Capital Loan Documents include a purported and overly broad security agreement that is inconsistent with the transfer of ownership of the Future Receipts;
- The Retail Capital Loan Documents include a purported and overly broad guaranty that is inconsistent with the transfer of ownership of the Future Receipts;
- The Retail Capital Loan Documents do not contemplate or require that the Future Receipts be segregated or placed in a separate account;
- The Debtor was required to reimburse the Retail Capital Defendants for any losses they incurred in connection with the Retail Capital Loan; and
- The Debtor's and, upon information and belief, the Retail Capital Defendants' accounting records treat the transaction as a loan.

34. In connection with the Retail Capital Loan, the Retail Capital Defendants received transfers from the Debtor in the aggregate amount of $62,564.00 (collectively, the "**Retail Capital Payments**") comprised of: (a) 62 daily ACH withdrawals from the Debtor's account in the aggregate amount of $22,306; and (b) a payment in the amount of $40,258.00 from the proceeds of the QB Loan (as defined below). The Retail Capital Payments are detailed on the schedule attached hereto as Exhibit "A" and incorporated herein by reference.

B. THE DEBTOR ENGAGES SYNERGY

35. Given the modest amount of the Retail Capital Loan as compared to its indebtedness, the Debtor was in need of additional financing and engaged Synergy as its Broker in early December 2014.

36. Instead of providing access to stop-gap financing for which it was retained, Synergy, through deceptive and unethical tactics, deceived and fraudulently induced the Debtor into entering into a series of three short term, usurious loans (collectively, the "**Loans**") that further strangled the Debtor's already severely limited cash flow.

37. Preying on the Debtor's desperation for cash and lack of knowledge regarding these types of loans, sensing an easy mark and motivated only by commissions it would earn for each loan, Synergy enticed with various promises that were untrue when made. In response to the Debtor's hesitancy to carry multiple loans concurrently, Synergy, in one such untruth designed to assuage and induce, promised the Debtor it could refinance the Loans through a line-of-credit program that didn't exist. Through this and other false promises solely, Synergy duped and fraudulently induced the Debtor into entering the usurious Loans.

C. THE QB LOAN

38. The first of the Loans is a "Merchant Loan" (the "**QB Loan**") that was originated and funded by BofI, and serviced by, and immediately assigned by BofI to, Quick Bridge (or an affiliate of BofI's managed by Quick Bridge). Pursuant to a Promissory Note and other documents associated with the QB Loan dated December 9, 2014 (collectively, the "**QB Loan Documents**"), BofI: (a) effectively loaned the Debtor $132,000 for which the principal and $40,920 in interest (the "**QB Stated Interest**") were to be repaid over 6 months through equal ACH withdrawals from the Debtor's account in the amount of $1,372.38 for 126 consecutive business days; and (b) was purportedly granted a security interest in and lien against all of the Debtor's assets (the "**QB Security Interest**"). Pursuant to their provisions, the QB Loan Documents are to be governed and construed by the laws of the state of California.

39. In addition to the QB Stated Interest, the Debtor was also required to pay an origination fee of $2,640 (the "**QB Origination Fee**") to Quick Bridge and a processing fee of $6,495.26 to Synergy (the "**QB Processing Fee**" and together, with the QB Origination Fee, the "**QB Fees**"). Although identified as fees the QB Fees are, in substance, additional interest under the QB Loan (the QB Fees and the QB Stated Interest are together, the "**QB Interest**").

40. Considering the 6-month term of the QB Loan, the effective QB Interest rate per

annum is approximately 76%.

41. On December 12, 2014, $40,258 of the QB Loan proceeds were distributed to the Retail Capital Defendants leaving the Debtor with only $91,742.00. Corporation Service Company purportedly as representative of the QB Defendants filed a UCC-1 Financing Statement with the State of New Jersey by (the "**QB UCC-1**") with respect to the QB Security Interest on that same day.

42. The daily ACH withdrawals commenced, and the QB Origination Fee was paid through an ACH withdrawal, on December 15, 2014 (the "**ACH Commencement Date**").

43. Although the Debtor was advised and expected to be entering into a loan with Quick Bridge, the QB Defendants, using the rent-a-charter scheme, originated and papered the QB Loan through BofI, a federally-chartered bank. Immediately after funding, BofI assigned the QB Loan to Quick Bridge.

44. From on and after the ACH Commencement Date through the Petition Date, the Debtor made transfers to Quick Bridge and/or to or for the benefit of the QB Defendants in the aggregate amount of $109,193.50 (collectively, the "**QB Payments**") of which transfers in the aggregate amount of $51,658.30 (the "**QB 90-Day Payments**") were made during the 90-day period before and ending on the Petition Date (the "**Preference Period**"). The QB Payments were made by ACH, check, wire transfer or other means from accounts owned by the Debtor, and are detailed on the schedule attached hereto as Exhibit "B" and incorporated herein by reference.

D. THE FBF LOAN

45. Shortly after the QB Loan was executed, Synergy brokered a usurious loan with the FBF Defendants (the "**FBF Loan**"). Concerned that two daily ACH-withdrawal loans running concurrently would cripple its already limited cash flow, the Debtor agreed to enter into

the FBF Loan based on Synergy's promise the loans could be refinanced through a line-of-credit immediately after ACH withdrawals were made for 45-business days.

46. The FBF Loan was brokered by Synergy, serviced by Yellowstone and funded by EBF. Pursuant to the FBF Loan, the FBF Defendants effectively loaned the Debtor $60,000 for which the principal and $27,000 in interest (the "**FBF Stated Interest**") were to be repaid over approximately 5 months through equal ACH withdrawals from the Debtor's account in the amount of $899 for 97 consecutive business days.

47. In addition to the FBF Stated Interest, the Debtor was also required to pay a $1,275 origination fee (the "**FBF Origination Fee**") to FBF, a $4,995.26 fee to Synergy (the "**FBF Processing Fee**") and a $3,000 fee to Yellowstone (the "**Yellowstone Fee**" and collectively, with the FBF Origination Fee and the FBF Processing Fee, the "**FBF Fees**"). Although identified as fees, the FBF Fees are in substance additional interest under the FBF Loan (the FBF Fees and the FBF Stated Interest are together, the "**FBF Interest**").

48. Considering the 5-month term of the FBF Loan, the effective FBF Interest rate per annum is approximately 160%.

49. Although proposed and accounted for by the Debtor as a loan, the FBF Defendants, to avoid state usury laws and regulations, papered the transaction as a "sale" of a "specified percentage" of the Debtor's Future Receipts.

50. Pursuant to a "Payment Rights Purchase and Sale Agreement" and other applicable agreements with FBF dated December 19, 2014 (collectively, the "**FBF Loan Documents**"), the FBF Defendants purportedly: (a) purchased 15% of the Future Receipts in an amount arbitrarily determined to be $87,000 for a "purchase price" of $60,000; (b) were authorized to initiate daily ACH withdrawals from the Debtor's bank account until the purchased

amount was paid in full; and (c) were granted a security interest in and a lien on all of the Debtor's assets (the "**FBF Security Interest**"). Pursuant to their provisions, the FBF Loan Documents are to be governed and construed by the laws of the state of Florida.

51. Despite its form, however, the FBF transaction was, in substance and every conceivable way, a loan in which the Debtor borrowed $60,000 at the usurious interest of at least 160% per annum, based on the following:

- The Debtor was required to submit a credit application and to a credit check before entering into the FBF Loan;
- The FBF Loan was underwritten based on an assessment of the Debtor's creditworthiness;
- The FBF Defendants required the Debtor's principal to execute a personal guaranty;
- The payments to the FBF Defendants were neither determined nor paid based on any future receipts of the Debtor;
- Notwithstanding their entitlement to only a specified percentage of funds constituting Future Receipts, the FBF Defendants required daily ACH withdrawals to be made, and in the same amount, regardless of the source of funds in the Debtor's bank account;
- Requiring the Debtor to authorize the daily ACH withdrawals regardless of the amount and the source of the funds in the Debtor's account renders the transaction a full recourse loan notwithstanding any contentions to the contrary;
- Instead of calculating and collecting the specified 15% of the Debtor's receipts as set forth in the FBF Loan Documents, the FBF Defendants deducted $899 from the Debtor's bank account through ACH withdrawals every business day;
- The "specified percentage" of 15% is a farce whose only purpose is to mask the unconscionable and usurious interest and fees;
- The FBF Defendants did not acquire title or possession, or assume the risk of loss inherent in ownership of, the Future Receipts;
- The FBF Loan Documents include a purported and overly broad security agreement that is inconsistent with the transfer of ownership of the Future Receipts;

- The FBF Loan Documents include a purported and overly broad guaranty that is inconsistent with the transfer of ownership of the Future Receipts;
- The FBF Loan Documents do not contemplate or require that the Future Receipts be segregated or placed in a separate account;
- The Debtor was required to reimburse the FBF Defendants for any losses they incurred in connection with the FBF Loan; and
- The Debtor's and, upon information and belief, the FBF Defendants' accounting records treat the transaction as a loan.

52. The FBF Loan, less the FBF Origination Fee, was funded on December 22, 2014. The daily ACH withdrawals commenced, and the Yellowstone Fee and the FBF Processing Fee were paid through ACH withdrawals on December 23, 2014 and December 24, 2014, respectively.

53. On April 2, 2015, Corporation Service Company, purportedly as representative of the FBF Defendants, filed a UCC-1 Financing Statement (the "**FBF UCC-1**") with the State of New Jersey with respect to the FBF Security Interest.

54. From on and after the ACH Commencement Date through the Petition Date, the Debtor made transfers to FBF and/or to or for the benefit of the FBF Defendants in the aggregate amount of $64,732 (collectively, the "**FBF Payments**") of which transfers in the aggregate amount of $34,166 (the "**FBF 90-Day Payments**") were made during the Preference Period. The FBF Payments were made by ACH, check, wire transfer or other means from accounts owned by the Debtor, and are detailed on the schedule attached hereto as Exhibit "C" and incorporated herein by reference.

55. After 45-days of ACH withdrawals had been made, the Debtor contacted Synergy to refinance the QB and FBF Loans and was falsely advised that the promised line of credit would be made available only if it entered into a third usurious loan.

E. THE CAPCALL LOAN

56. In or around early February 2015, unable to satisfy its obligations even with substantial equity infusions from its principal and relying on the promised line of credit, the Debtor entered into a loan with the CapCall Defendants (the "**CapCall Loan**").

57. The CapCall Loan was brokered by Synergy, serviced by ACH Capital and funded by Capital Stack. Pursuant to the CapCall Loan, CapCall effectively loaned the Debtor $60,000 for which the principal and $25,140 in interest (the "**CapCall Stated Interest**") were to be repaid over approximately 5 months through equal ACH withdrawals from the Debtor's account in the amount of $799 for 107 consecutive business days.

58. In addition to the CapCall Stated Interest, the Debtor was also required to pay an origination fee of $705 (the "**CapCall Origination Fee**") to CapCall and a processing fee of $5,995.26 to Synergy (together, with the CapCall Origination Fee, the "**CapCall Fees**" and collectively, with the QB Processing Fee and the FBF Processing Fee, the "**Processing Fees**"). Although identified as fees, the CapCall Fees are, in substance, additional interest under the CapCall Loan (the CapCall Fees and the CapCall Stated Interest are together, the "**CapCall Interest**").

59. Considering the 5-month term of the CapCall Loan, the effective CapCall Interest per annum is approximately 126%.

60. Although proposed and accounted for by the Debtor as a loan, the CapCall Defendants, to avoid state usury laws and regulations, papered the transaction as a "purchase and sale" of a "specified percentage" of the Debtor's future accounts, contract rights and other obligations arising from the payment of monies from the Debtor's customers ("**Future Receivables**").

61. Pursuant to a "Merchant Agreement" and other applicable agreements with

CapCall dated February 12, 2015 (collectively, the "**CapCall Loan Documents**"), the CapCall Defendants purportedly: (a) purchased 15% of the Debtor's Future Receivables in an amount arbitrarily determined to be $85,140 for a "purchase price" of $60,000; (b) were authorized to initiate daily ACH withdrawals from the Debtor's bank account until the purchased amount was paid in full; and (c) were granted a security interest in and a lien on all of the Debtor's assets (the "**CapCall Security Interest**").

62. Despite its form, however, the CapCall transaction was, in substance and every conceivable way, a loan in which the Debtor borrowed $60,000 at the usurious interest rate of at least 126%, based on the following:

- The Debtor was required to submit a credit application and to a credit check before entering into the CapCall Loan;
- The CapCall Loan was underwritten based on an assessment of the Debtor's creditworthiness;
- The CapCall Defendants required the execution of a Confession of Judgment and a personal guaranty from the Debtor's principal;
- The payments to the CapCall Defendants were neither determined nor paid based on any future receivables of the Debtor;
- Before making the loan, the CapCall Defendants neither sought nor requested any statements or information regarding the Debtor's customers and/or past or future receivables;
- The underwriting decision was not in any way based on an analysis of the Debtor's customers and/or past and future receivables;
- Notwithstanding their entitlement to only a specified percentage of funds constituting Future Receivables, the CapCall Defendants required daily ACH withdrawals to be made, and in the same amount, regardless of the source of funds in the Debtor's bank account;
- Requiring the Debtor to authorize the daily ACH withdrawals regardless of the amount and the source of the funds in the Debtor's account renders the transaction a full recourse loan notwithstanding any contentions to the contrary;
- The CapCall Defendants made no attempt to collect receivables owed by the

Debtor's customers directly instead relying exclusively on the daily specified-amount ACH withdrawals regardless of the sources generating such funds;

- Instead of calculating and collecting the specified 15% of the Future Receivables as set forth in the CapCall Loan Documents, the CapCall Defendants deducted $799 from the Debtor's bank account through ACH withdrawals every business day;

- The "specified percentage" of 15% is a farce whose only purpose is to mask the unconscionable and usurious interest and fees;

- The CapCall Defendants did not acquire title or possession, or assume the risk of loss inherent in ownership of, the Future Receivables;

- The CapCall Loan Documents include a purported and overly broad security agreement that is inconsistent with the transfer of ownership of the Future Receivables;

- The CapCall Loan Documents include a confession of judgment that is inconsistent with a non-recourse transaction;

- The CapCall Loan Documents do not contemplate or require that the proceeds from Future Receivables be segregated or placed in a separate account;

- The Debtor was required to reimburse the CapCall Defendants for any losses they incurred in connection with the CapCall Loan; and

- The Debtor's and, upon information and belief, the CapCall Defendants' accounting records treat the transaction as a loan.

63. On February 16, 2015, ACH Capital, as agent for CapCall, filed a UCC-1 Financing Statement (the "**CapCall UCC-1**") with the State of New Jersey with respect to the CapCall Security Interest.

64. The CapCall Loan, less the CapCall Origination Fee, was funded on February 17, 2015. The daily ACH withdrawals commenced, and the CapCall Processing Fee was paid through an ACH withdrawal on, February 18, 2015.

65. Pursuant to their provisions, the CapCall Loan Documents are to be governed and construed by the laws of the state of New York.

66. During the Preference Period, the Debtor made transfers to Capital Stack and/or

to or for the benefit of the CapCall Defendants in the aggregate amount of $30,097.50 (collectively, the "**CapCall Payments**"). The CapCall Payments were made by ACH, check, wire transfer or other means from accounts owned by the Debtor, and are detailed on the schedule attached hereto as Exhibit "D" and incorporated herein by reference.

F. IMPACT OF THE LOANS

67. Requiring the payment of exorbitant and excessive fees and daily ACH withdrawals of more than $3,000 each and every business day and holidays, the Loans effectively allocated almost all of the Debtor's limited cash flow to the Defendants.

68. During the prepetition period after the ACH Commencement Date, the Debtor: (a) generated receipts, collections from receivables and other ordinary course payments in the aggregate amount of $352,653.99; (b) paid $222,836.40, or approximately 63%, of such monies to the Defendants (other than the Retail Capital Defendants); and (c) required equity infusions from its principal in the approximate aggregate amount of $520,000 to fund the Loans and operations.

69. During the prepetition period after their respective Loans were executed, the FBF Defendants and the CapCall Defendants received 28.5% and 25.8% of the Debtor's ordinary course receipts and collections, respectively, far exceeding the specified percentage of 15% set forth in their respective Loan Documents.

FIRST COUNT

AVOIDANCE AND RECOVERY OF PREFERENTIAL TRANSFERS (11 U.S.C. §§ 547 and 550)

(QB Defendants)

70. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

71. Prior to the Petition Date, the Debtor transacted business with the QB Defendants, on account of which the Debtor was indebted to the QB Defendants.

72. The Debtor made the QB 90-Day Payments during the Preference Period to or for the benefit of QB and/or the other QB Defendants.

73. Each of the QB 90-Day Payments constitutes a transfer of an interest of the Debtor in property.

74. The QB 90-Day Payments were made to or for the benefit of QB and/or the other QB Defendants, unsecured creditors of the Debtor at the time such transfers were made.

75. The QB 90-Day Payments were for or on account of an antecedent debt owed by the Debtor before such transfers were made.

76. Each of the QB 90-Day Payments were made while the Debtor was insolvent.

77. The QB 90-Day Payments enabled the QB Defendants to receive more than they would have received had such transfers not been made and the QB Defendants received payment to the extent allowed under the Bankruptcy Code.

78. Based on the foregoing, the Plaintiff is entitled to avoid the QB 90-Day Payments pursuant to section 547 of the Bankruptcy Code.

79. The QB Defendants are the initial transferees of the QB 90-Day Payments, the entities for whose benefit the QB 90-Day Payments were made, or the immediate or mediate transferees of the initial transferee receiving the QB 90-Day Payments.

80. Based on the foregoing, the Plaintiff is entitled to recover the value of the QB 90-Day Payments from the QB Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the QB Defendants avoiding the QB 90-Day Payments in an amount not less than $51,658.30, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

SECOND COUNT

AVOIDANCE AND RECOVERY OF PREFERENTIAL TRANSFERS
(11 U.S.C. §§ 547 and 550)

(FBF Defendants)

81. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

82. Prior to the Petition Date, the Debtor transacted business with the FBF Defendants, on account of which the Debtor was indebted to the FBF Defendants.

83. The Debtor made the FBF 90-Day Payments during the Preference Period to or for the benefit of FBF and/or the other FBF Defendants.

84. The FBF UCC-1 was filed during the Preference Period for the benefit of FBF and/or the other FBF Defendants.

85. The FBF 90-Day Payments and the purported granting of the FBF Security Interest each constitutes a transfer of an interest of the Debtor in property.

86. The FBF 90-Day Payments were made, and the FBF Security Interest was granted, to and/or for the benefit of FBF and/or the other FBF Defendants, unsecured creditors of the Debtor at the time such transfers were made.

87. The FBF 90-Day Payments were made, and the FBF Security Interest was granted, for or on account of an antecedent debt owed by the Debtor before such transfers and

security interest were made and granted.

88. Each of the FBF 90-Day Payments were made, and the FBF Security Interest was granted, while the Debtor was insolvent.

89. The FBF 90-Day Payments and the FBF Security Interest enabled the FBF Defendants to receive more than they would have received had such transfers and security interest not been made and/or granted, and the FBF Defendants received payment to the extent allowed under the Bankruptcy Code.

90. The purported FBF Security Interest was not perfected at the beginning of the Preference Period.

91. Based on the foregoing, the Plaintiff is entitled to avoid the FBF 90-Day Payments and the FBF Security Interest pursuant to section 547 of the Bankruptcy Code.

92. The FBF Defendants are the initial transferees of the FBF 90-Day Payments and the FBF Security Interest, the entities for whose benefit the FBF 90-Day Payments were made and the FBF Security Interest was granted, or the immediate or mediate transferees of the initial transferee receiving the FBF 90-Day Payments or the FBF Security Interest.

93. Based on the foregoing, the Plaintiff is entitled to recover the value of the FBF 90-Day Payments from the FBF Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the FBF Defendants avoiding the FBF 90-Day Payments and the purported FBF Security Interest in an amount not less than $34,166.00, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

THIRD COUNT

AVOIDANCE AND RECOVERY OF PREFERENTIAL TRANSFERS (11 U.S.C. §§ 547 and 550)

(CapCall Defendants)

94. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

95. Prior to the Petition Date, the Debtor transacted business with the CapCall Defendants, on account of which the Debtor was indebted to the CapCall Defendants.

96. The Debtor made the CapCall 90-Day Payments during the Preference Period to or for the benefit of CapCall and/or the other CapCall Defendants.

97. The CapCall UCC-1 was filed during the Preference Period for the benefit of CapCall and/or the other CapCall Defendants.

98. The CapCall 90-Day Payments and the purported granting of the CapCall Security Interest each constitutes a transfer of an interest of the Debtor in property.

99. The CapCall 90-Day Payments were made, and the CapCall Security Interest was granted, to and/or for the benefit of CapCall and/or the other CapCall Defendants, unsecured creditors of the Debtor at the time such transfers were made.

100. The CapCall 90-Day Payments were made, and the CapCall Security Interest was granted, for or on account of an antecedent debt owed by the Debtor before such transfers and security interest were made and granted.

101. Each of the CapCall 90-Day Payments were made, and the CapCall Security Interest was granted, while the Debtor was insolvent.

102. The CapCall 90-Day Payments and the CapCall Security Interest enabled the CapCall Defendants to receive more than they would have received had such transfers and security interest not been made and/or granted, and the CapCall Defendants received payment to

the extent allowed under the Bankruptcy Code.

103. The purported CapCall Security Interest was not perfected at the beginning of the Preference Period.

104. Based on the foregoing, the Plaintiff is entitled to avoid the CapCall 90-Day Payments and the CapCall Security Interest pursuant to section 547 of the Bankruptcy Code.

105. The CapCall Defendants are the initial transferees of the CapCall 90-Day Payments and the CapCall Security Interest, the entities for whose benefit the CapCall 90-Day Payments were made and the CapCall Security Interest was granted, or the immediate or mediate transferees of the initial transferee receiving the CapCall 90-Day Payments or the CapCall Security Interest.

106. Based on the foregoing, the Plaintiff is entitled to recover the value of the CapCall 90-Day Payments from the CapCall Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the CapCall Defendants avoiding the CapCall 90-Day Payments and the purported CapCall Security Interest in an amount not less than $30,802.50, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

FOURTH COUNT

AVOIDANCE AND RECOVERY OF FRAUDULENT TRANSFERS (11 U.S.C. §§ 548 and 550)

(Retail Capital Defendants)

107. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

108. The Debtor incurred obligations under the Retail Capital Loan (the "**Retail Capital Obligations**"), purportedly granted the Retail Capital Security Interest and made the Retail Capital Payments (collectively, with the Retail Capital Obligations and the Retail Capital

Security Interest, the "**Retail Capital Transfers**") for no or insufficient consideration.

109. The Debtor received no, or less than reasonably equivalent, value in exchange for incurring, granting and/or making the Retail Capital Transfers.

110. The Debtor was insolvent, became insolvent, or intended or believed it would incur debts beyond its ability to pay as such debts matured at the time the Retail Capital Transfers were incurred, granted and/or made or as a result of the Retail Capital Transfers having been incurred, granted and/or made, and/or was engaged or about to become engaged in a business or transaction for which the property remaining in its hands after the incurrence, granting and/or making of the Retail Capital Transfers, was unreasonably small capital.

111. The Retail Capital Transfers were incurred, granted and/or made by the Debtor within two years of the Petition Date.

112. Based on the foregoing, the Plaintiff is entitled to avoid the Retail Capital Transfers pursuant to section 548(a)(1)(B) of the Bankruptcy Code.

113. The Retail Capital Defendants are the initial transferees of the Retail Capital Transfers, the entity or person for whose benefit the Retail Capital Transfers were made, or the immediate or mediate transferees of the initial transferee receiving the Retail Capital Transfers.

114. Based on the foregoing, the Plaintiff is entitled to recover the value of the Retail Capital Transfers from the Retail Capital Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the Retail Capital Defendants avoiding the Retail Capital Transfers in an amount not less than $62,564.00, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

FIFTH COUNT

AVOIDANCE AND RECOVERY OF FRAUDULENT TRANSFERS (11 U.S.C. §§ 548 and 550)

(QB Defendants)

115. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

116. The Debtor incurred obligations under the QB Loan (the "**QB Obligations**"), purportedly granted the QB Security Interest and made the QB Payments (collectively, with the QB Obligations and the QB Security Interest, the "**QB Transfers**") for no or insufficient consideration.

117. The Debtor received no, or less than reasonably equivalent, value in exchange for incurring, granting and/or making the QB Transfers.

118. The Debtor was insolvent, became insolvent, or intended or believed it would incur debts beyond its ability to pay as such debts matured at the time the QB Transfers were incurred, granted and/or made or as a result of the QB Transfers having been incurred, granted and/or made, and/or was engaged or about to become engaged in a business or transaction for which the property remaining in its hands after the incurrence, granting and/or making of the QB Transfers, was unreasonably small capital.

119. The QB Transfers were incurred, granted and/or made by the Debtor within two years of the Petition Date.

120. Based on the foregoing, the Plaintiff is entitled to avoid the QB Transfers pursuant to section 548(a)(1)(B) of the Bankruptcy Code.

121. The QB Defendants are the initial transferees of the QB Transfers, the entity or person for whose benefit the QB Transfers were made, or the immediate or mediate transferees of the initial transferee receiving the QB Transfers.

122. Based on the foregoing, the Plaintiff is entitled to recover the value of the QB Transfers from the QB Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the QB Defendants avoiding the QB Transfers in an amount not less than $109,193.50, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

SIXTH COUNT

AVOIDANCE AND RECOVERY OF FRAUDULENT TRANSFERS
(11 U.S.C. §§ 548 and 550)

(FBF Defendants)

123. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

124. The Debtor incurred obligations under the FBF Loan (the "**FBF Obligations**"), purportedly granted the FBF Security Interest and made the FBF Payments (collectively, with the FBF Obligations and the FBF Security Interest, the "**FBF Transfers**") for no or insufficient consideration.

125. The Debtor received no, or less than reasonably equivalent, value in exchange for incurring, granting and/or making the FBF Transfers.

126. The Debtor was insolvent, became insolvent, or intended or believed it would incur debts beyond its ability to pay as such debts matured at the time the FBF Transfers were incurred, granted and/or made or as a result of the FBF Transfers having been incurred, granted and/or made, and/or was engaged or about to become engaged in a business or transaction for which the property remaining in its hands after the incurrence, granting and/or making of the FBF Transfers, was unreasonably small capital.

127. The FBF Transfers were incurred, granted and/or made by the Debtor within two

years of the Petition Date.

128. Based on the foregoing, the Plaintiff is entitled to avoid the FBF Transfers pursuant to section 548(a)(1)(B) of the Bankruptcy Code.

129. The FBF Defendants are the initial transferees of the FBF Transfers, the entity or person for whose benefit the FBF Transfers were made, or the immediate or mediate transferees of the initial transferee receiving the FBF Transfers.

130. Based on the foregoing, the Plaintiff is entitled to recover the value of the FBF Transfers from the FBF Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the FBF Defendants avoiding the FBF Transfers in an amount not less than $69,007.00, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

SEVENTH COUNT

AVOIDANCE AND RECOVERY OF FRAUDULENT TRANSFERS (11 U.S.C. §§ 548 and 550)

(CapCall Defendants)

131. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

132. The Debtor incurred obligations under the CapCall Loan (the "**CapCall Obligations**"), purportedly granted the CapCall Security Interest and made the CapCall Payments (collectively, with the CapCall Obligations and the CapCall Security Interest, the "**CapCall Transfers**") for no or insufficient consideration.

133. The Debtor received no, or less than reasonably equivalent, value in exchange for incurring, granting and/or making the CapCall Transfers.

134. The Debtor was insolvent, became insolvent, or intended or believed it would

incur debts beyond its ability to pay as such debts matured at the time the CapCall Transfers were incurred, granted and/or made or as a result of the CapCall Transfers having been incurred, granted and/or made, and/or was engaged or about to become engaged in a business or transaction for which the property remaining in its hands after the incurrence, granting and/or making of the CapCall Transfers, was unreasonably small capital.

135. The CapCall Transfers were incurred, granted and/or made by the Debtor within two years of the Petition Date.

136. Based on the foregoing, the Plaintiff is entitled to avoid the CapCall Transfers pursuant to section 548(a)(1)(B) of the Bankruptcy Code.

137. The CapCall Defendants are the initial transferees of the CapCall Transfers, the entity or person for whose benefit the CapCall Transfers were made, or the immediate or mediate transferees of the initial transferee receiving the CapCall Transfers.

138. Based on the foregoing, the Plaintiff is entitled to recover the value of the CapCall Transfers from the CapCall Defendants pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the CapCall Defendants avoiding the CapCall Transfers in an amount not less than $30,802.50, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

EIGHTH COUNT

AVOIDANCE AND RECOVERY OF FRAUDULENT TRANSFERS (11 U.S.C. §§ 548 and 550)

(Synergy)

139. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

140. The Debtor paid the Processing Fees to Synergy for no or insufficient

consideration.

141. The Debtor received no, or less than reasonably equivalent, value in exchange for the Processing Fees.

142. The Debtor was insolvent, became insolvent, or intended or believed it would incur debts beyond its ability to pay as such debts matured, at the time the Processing Fees were paid or as a result of the Processing Fees having been paid, and/or was engaged or about to become engaged in a business or transaction for which the property remaining in its hands after the Processing Fees was unreasonably small capital.

143. The Processing Fees were paid by the Debtor within two years of the Petition Date.

144. Based on the foregoing, the Plaintiff is entitled to avoid the Processing Fees pursuant to section 548(a)(1)(B) of the Bankruptcy Code.

145. Synergy is initial transferee of the Processing Fees, the entity or person for whose benefit the Processing Fees were paid, or the immediate or mediate transferee of the initial transferee receiving the Processing Fees.

146. Based on the foregoing, the Plaintiff is entitled to recover the value of the Processing Fees from Synergy pursuant to section 550 of the Bankruptcy Code.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against Synergy avoiding the Processing Fees in an amount not less than $17,485.78, and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

NINTH COUNT

FRAUD

(Synergy)

147. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

148. Synergy fraudulently induced the Debtor to enter into the Loans by knowingly misrepresenting the nature of the transactions.

149. Synergy actively solicited the transactions with the Debtor with full knowledge the Debtor was seeking to enter into loans.

150. To induce the Debtor to enter into the Loans, Synergy knowingly and falsely represented that the Loans would be treated as loans with full knowledge that some or all of the other Defendants would not treat them as such.

151. To induce the Debtor to enter the Loans, Synergy knowingly and falsely represented that the Debtor would be able to refinance through a line of credit: (a) the QB Loan and the FBF Loans after 45 days of ACH withdrawals with respect to such loans were made; and (b) all of the Loans a short time after the Debtor entered into the CapCall Loan.

152. Synergy knew at the time each of these representations were made that a letter of credit was not available to the Debtor.

153. To induce the Debtor to enter into the Loans, Synergy knowingly and falsely represented that the Processing Fees and other fees charged in connection with the Loans were reasonable costs of servicing the Loans where, in fact, they constituted additional interest charged in connection with the Loans.

154. Synergy made each of these representations knowing it was false at the time it was made.

155. Synergy made each of these representations willfully, maliciously and with reckless disregard for the truth intending to deceive the Debtor and induce it to enter into the Loans.

156. The Debtor, to its detriment, reasonably relied upon the knowingly false representations made by Synergy.

157. As a direct and proximate cause of the knowingly false representations made by Synergy on which it reasonably relied, the Debtor suffered damages in the form of unconscionable, exorbitant and criminally usurious fees and interest and otherwise.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against Synergy in an amount to be determined at trial and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

TENTH COUNT

FRAUD

(Retail Capital Defendants, FBF Defendants and CapCall Defendants)

158. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

159. The Retail Capital Defendants knowingly and falsely represented to the Debtor that the Retail Capital Loan was a purchase of Future Receipts in an attempt to circumvent New York's state usury laws.

160. The FBF Defendants knowingly and falsely represented to the Debtor that the FBF Loan was a purchase of Future Receipts in an attempt to circumvent Florida's state usury laws.

161. The CapCall Defendants knowingly and falsely represented to the Debtor that the CapCall Loan was a purchase of Future Receivables in an attempt to circumvent New York's state usury laws.

162. The Retail Capital Defendants knowingly and falsely represented the value of the Future Receipts to the Debtor by setting it arbitrarily based on the Debtor's ability to make daily ACH withdrawals and not on any evaluation, assessment or analysis of the Debtor's customers and/or past or expected future receipts.

163. The FBF Defendants knowingly and falsely represented the value of the Future Receipts to the Debtor by setting it arbitrarily based on the Debtor's ability to make daily ACH withdrawals and not on any evaluation, assessment or analysis of the Debtor's customers and/or past or expected future receipts.

164. The CapCall Defendants knowingly and falsely represented the value of the Future Receivables to the Debtor by setting it arbitrarily based on the Debtor's ability to make daily ACH withdrawals and not on any evaluation, assessment or analysis of the Debtor's customers or past or expected future receivables.

165. The Retail Capital Defendants, the FBF Defendants and the CapCall Defendants knowingly and falsely represented that the Processing Fees and other fees charged in connection with their respective Loans were reasonable costs of servicing such Loans where, in fact, they constitute additional interest.

166. The Retail Capital Defendants, the FBF Defendants and the CapCall Defendants engaged in fraudulent conduct by failing to disclose the interest rate being charged on their respective loans.

167. The Retail Capital Defendants, the FBF Defendants and the CapCall Defendants

made each of these representations knowing it was false at the time it was made.

168. The Retail Capital Defendants, the FBF Defendants and the CapCall Defendants made each of these representations willfully, maliciously and with reckless disregard for the truth intending to deceive the Debtor and circumvent state usury laws.

169. The Debtor, to its detriment, reasonably relied upon the knowingly false representations made by the Retail Capital Defendants, the FBF Defendants and the CapCall Defendants.

170. As a direct and proximate cause of the knowingly false representations made by the Retail Capital Defendants, the FBF Defendants and the CapCall Defendants on which it reasonably relied, the Debtor suffered damages in the form of unconscionable, exorbitant and criminally usurious fees and interest and otherwise.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the Retail Capital Defendants, the FBF Defendants and the CapCall Defendants in an amount to be determined at trial and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

ELEVENTH COUNT
USURY, UNJUST ENRICHMENT AND DISGORGEMENT
(QB Defendants)

171. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

172. Pursuant to the QB Loan Documents, the QB Loan is subject to the laws of the State of California.

173. The Debtor was absolutely required to repay the principal of the QB Loan plus the unconscionable and usurious QB Interest to the QB Defendants.

174. In a blatant and transparent attempt to evade state usury laws, QB engaged in a "rent a charter scheme" by retaining BofI, a federally chartered bank, to originate the QB Loan.

175. QB generated, serviced and assumed the risk of nonpayment of the QB Loan and was its true lender.

176. By virtue of the daily ACH withdrawals, the personal guarantee provided by the Debtor's principal and the other protections afforded the QB Defendants, the Debtor understood that the principal and the QB Interest absolutely had to be repaid.

177. In connection with the QB Loan, the QB Defendants charged a criminally usurious interest rate under applicable New Jersey law, including New Jersey Statutes Annotated 2C:21-19(a), exceeding 50%.

178. In connection with the QB Loan, the QB Defendants charged a usurious interest rate under California law exceeding 10%.

179. The QB Loan is usurious *per se*.

180. The QB Defendants willfully intended to enter into a criminally usurious transaction with the Debtor through the QB Loan.

181. The QB Defendants were unjustly enriched by receiving the QB Transfers in connection with the criminally usurious QB Loan.

182. As a matter of equity and public policy, the QB Defendants should not be permitted to receive any amounts in connection with the criminally usurious QB Loan.

183. As a usurious loan under California law, the QB Defendants are required to forfeit any and all interest paid by the Debtor under the QB Loan.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the QB Defendants: (a) declaring that the QB Loan is a loan transaction, criminally usurious and

void under applicable law and or as a matter of public policy; (b) directing the QB Defendants to repay the QB Transfers to the Estate; and (c) awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

TWELFTH COUNT

USURY, UNJUST ENRICHMENT AND DISGORGEMENT

(FBF Defendants)

184. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

185. Pursuant to the FBF Loan Documents, the FBF Loan is subject to the laws of the State of Florida.

186. The Debtor was absolutely required to repay the principal of the FBF Loan plus the unconscionable and usurious FBF Interest.

187. The FBF Defendants did not purchase, dedicate toward the payment of the monies loaned or in any way assume the risks of nonpayment of, the Future Receipts.

188. Although papered as a sale of Future Receipts, the Debtor's transaction with the FBF Defendants was, in substance and in all material respects, a loan.

189. The FBF Loan and the FBF Loan Documents expressly and/or impliedly constitute a loan transaction.

190. By virtue of the daily ACH withdrawals, the personal guarantee of the Debtor's principal and other protections afforded the FBF Defendants, the Debtor and the FBF Defendants understood that the principal and the FBF Interest were to be repaid and there was no substantial risk of the FBF Defendants losing the entire amount of the monies loaned to the Debtor.

191. In connection with the FBF Loan, the FBF Defendants charged a criminally usurious interest rate under applicable New Jersey law, including New Jersey Statutes Annotated

2C:21-19(a), exceeding 50%.

192. In connection with the FBF Loan, the FBF Defendants charged a usurious interest rate under Florida law exceeding 18%.

193. The FBF Loan is usurious *per se*.

194. The FBF Defendants willfully and corruptly intended to enter into a usurious loan transaction with the Debtor through the FBF Loan.

195. The FBF Agreements are null and void as a matter of law.

196. The FBF Defendants were unjustly enriched by receiving the FBF Transfers in connection with the criminally usurious FBF Loan.

197. As a matter of equity and public policy, the FBF Defendants should not be permitted to receive any amounts in connection with the criminally usurious FBF Loan.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the FBF Defendants: (a) declaring that the FBF Loan is a loan transaction, criminally usurious and void under applicable law and or as a matter of public policy; (b) directing the FBF Defendants to repay the FBF Transfers to the Estate; and (c) awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

THIRTEENTH COUNT

USURY, UNJUST ENRICHMENT AND DISGORGEMENT

(Retail Capital Defendants and CapCall Defendants)

198. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

199. Pursuant to their respective Loan Documents, the Retail Capital Loan and the CapCall Loan are subject to the laws of the State of New York.

200. The Debtor was absolutely required to repay the principal of both the Retail Capital Loan and the CapCall Loan plus interest.

201. Neither the Retail Capital Defendants nor the CapCall Defendants purchased, dedicated toward the payment of the monies loaned or in any way assumed the risks of nonpayment of, the Future Receipts or the Future Receivables.

202. Although disguised as a sale of the Future Receipts and the Future Receivables, the Retail Capital Loan and the CapCall Loan were each in substance, and in all material respects, a loan.

203. The Retail Capital Loan, the CapCall Loan and their respective Loan Documents set forth a collateralized loan transaction subject to New Jersey and New York usury laws.

204. In connection with their respective Loans, the Retail Capital Defendants and the CapCall Defendants each charged a criminally usurious interest rate under applicable New Jersey law, including New Jersey Statutes Annotated 2C:21-19(a), exceeding 50%.

205. In connection with their respective Loans, the Retail Capital Defendants and the CapCall Defendants each charged a criminally usurious interest rate under New York law exceeding 25%.

206. The Retail Capital Loan and the CapCall Loan are each usurious *per se*.

207. Through their respective Loans, the Retail Capital Defendants and the CapCall Defendants each willfully intended to enter into a criminally usurious transaction with the Debtor.

208. By exceeding the criminal usury cap, the Retail Capital Loan, the CapCall Loan and all associated transactions thereto are void pursuant to section 5-511 of the New York General Obligations Law.

209. Through the receipt of the Retail Capital Payments and the CapCall Payments, the Retail Capital Defendants and the CapCall Defendants were unjustly enriched.

210. As a matter of equity and public policy, the Retail Capital Defendants and the CapCall Defendants should not be permitted to receive any amounts in connection with their respective Loans.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the Retail Capital Defendants and the CapCall Defendants: (a) declaring that the Retail Capital Loan is a loan, criminally usurious and void under applicable law and or as a matter of public policy; (b) declaring that the CapCall Loan is a loan, criminally usurious and void under applicable law and or as a matter of public policy; (c) directing the Retail Capital Defendants to repay the Retail Capital Transfers to the Estate; (d) directing the CapCall Defendants to repay the CapCall Transfers to the Estate; and (e) awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

FOURTEENTH COUNT

CONSPIRACY

(All Defendants other than Retail Capital Defendants)

211. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

212. Synergy, the QB Defendants, the FBF Defendants and the CapCall Defendants jointly conspired and acted in concert to harm the Debtor by inducing the Debtor to enter into, and/or entering into, the Loans, and violating usury laws and/or undertaking other illegal acts under the laws of New Jersey, California, Florida and/or New York.

213. At all pertinent times, Synergy, the QB Defendants, the FBF Defendants and the CapCall Defendants, for their own pecuniary gain, acted as co-conspirators with respect to the acts or actions taken by the others in connection with the events and transactions detailed or otherwise referred to herein and/or as the agent of the others pursuant to a common scheme to conduct the wrongful conduct alleged herein.

214. As a result of this conspiracy, the Debtor has suffered money damages.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment against the Synergy, the QB Defendants, the FBF Defendants and the CapCall Defendants, jointly and severally, in an amount to be determined at trial and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

FIFTEENTH COUNT
PLEAD IN THE ALTERNATIVE, BREACH OF CONTRACT
(FBF Defendants)

215. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

216. This count is pled in the alternative to the extent the FBF Loan is determined to be a sale of Future Receipts and not a loan.

217. From on after the execution of the FBF Loan Documents through the date on which the last ACH withdrawal was made by the FBF Defendants, the aggregate amount of the Future Receipts generated by the Debtor was $254,700.60.

218. Pursuant to the FBF Loan Documents, the FBF Defendants acquired, and were entitled to collect, only 15% of the Future Receipts, or $38,205.09.

219. Through the FBF Transfers, the FBF Defendants received the aggregate amount of $72,727.26 from the Debtor, which exceeds the permitted amount by $34,522.17.

220. The FBF Defendants' failure return the excess amount collected of $34,522.17 to the Debtor or the Estate constitutes a breach of the FBF Loan Documents.

WHEREFORE, in the alternative and to the extent the FBF Loan is determined to constitute a sale of Future Receipts and not a loan, the Plaintiff respectfully requests the entry of a judgment against the FBF Defendants, jointly and severally, in the amount of $34,522.17 and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

SIXTEENTH COUNT

PLEAD IN THE ALTERNATIVE, BREACH OF CONTRACT

(CapCall Defendants)

221. The Plaintiff realleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

222. This count is pled in the alternative to the extent the CapCall Loan is determined to be a sale of Future Receivables and not a loan.

223. From on after the execution of the CapCall Loan Documents through the date on which the last ACH withdrawal was made by the CapCall Defendants, the aggregate amount of the proceeds from Future Receivables generated by the Debtor was $139,641.09.

224. Pursuant to the CapCall Loan Documents, the CapCall Defendants acquired, and were entitled to collect, only 15% of the Future Receivables, or $20,946.16.

225. Through the CapCall Transfers, the CapCall Defendants received the aggregate

amount of $36,092.76 from the Debtor, which exceeds the permitted amount by $15,146.60.

226. The CapCall Defendants' failure to return the excess amount collected of $15,146.60 to the Debtor or the Estate constitutes a breach of the CapCall Loan Documents.

WHEREFORE, in the alternative and to the extent the CapCall Loan is determined to constitute a sale of Future Receivables and not a loan, the Plaintiff respectfully requests the entry of a judgment against the CapCall Defendants, jointly and severally, in the amount of $15,146.60 and awarding the Plaintiff costs, pre- and post-judgment interest and such other relief the Court deems equitable and just.

SEVENTEENTH COUNT

DISALLOWANCE OF CLAIMS
(11 U.S.C. § 502(d))

(All Defendants)

227. The Plaintiff re-alleges and incorporates by reference the allegations set forth in the preceding paragraphs as if fully set forth herein.

228. To the extent the Defendants are found liable for any of the transfers subject to avoidance and recovery as alleged herein, any claims the Defendants may assert against the Estate pursuant to section 502(h) of the Bankruptcy Code or otherwise must be disallowed unless and until the Defendants pay the Estate the amount of such liability.

WHEREFORE, the Plaintiff respectfully requests the entry of a judgment disallowing any claims held by the Defendants against the Estate and awarding such other relief the Court deems equitable and just.

RESERVATION OF RIGHTS

229. To the extent permitted under applicable law or by agreement, the Plaintiff reserves the right to assert additional claims or causes of action against any third party relating to the subject matter of this adversary proceeding or otherwise.

230. During the course of this adversary proceeding, the Plaintiff may learn (through discovery or otherwise) of additional avoidable and recoverable transfers made to the Defendants other than those identified herein. Because he intends to avoid and recover any and all transfers made by the Debtor to the Defendants as permitted under applicable law, the Plaintiff reserves the right to: (a) amend this Complaint to include and identify additional transfers, information regarding the claims for relief herein, claims or causes of action and/or information regarding or modifications to the name of the Defendants; and (b) have any such amendments relate back to this Complaint.

Dated: March 23, 2017

DILWORTH PAXSON LLP

By: /s/ Scott J. Freedman
Scott J. Freedman (7681)
457 Haddonfield Road, Suite 700
Cherry Hill, New Jersey 08002
Telephone: (856) 675-1962
Facsimile: (856) 663-8855

Attorneys for Daniel E. Straffi, Chapter 7 Trustee

Exhibit A: Payments to Retail Capital LLC, et al. (9/18/2014 to 5/13/2015)		
Payment Date	Payment Method	Payment Amount
9/18/2014	Withheld from Loan Proceeds	$1,350.00
9/18/2014	ACH	$338.00
9/19/2014	ACH	$338.00
9/22/2014	ACH	$338.00
9/23/2014	ACH	$338.00
9/24/2014	ACH	$338.00
9/25/2014	ACH	$338.00
9/26/2014	ACH	$338.00
9/29/2014	ACH	$338.00
9/30/2014	ACH	$338.00
10/1/2014	ACH	$338.00
10/2/2014	ACH	$338.00
10/3/2014	ACH	$338.00
10/6/2014	ACH	$338.00
10/7/2014	ACH	$338.00
10/8/2014	ACH	$338.00
10/9/2014	ACH	$338.00
10/10/2014	ACH	$338.00
10/14/2014	ACH	$338.00
10/15/2014	ACH	$338.00
10/15/2014	ACH	$338.00
10/16/2014	ACH	$338.00
10/17/2014	ACH	$338.00
10/20/2014	ACH	$338.00
10/21/2014	ACH	$338.00
10/22/2014	ACH	$338.00
10/23/2014	ACH	$338.00
10/24/2014	ACH	$338.00
10/28/2014	ACH	$338.00
10/28/2014	ACH	$338.00
10/29/2014	ACH	$338.00
10/30/2014	ACH	$338.00
10/31/2014	ACH	$338.00
11/3/2014	ACH	$338.00
11/4/2014	ACH	$338.00
11/5/2014	ACH	$338.00
11/6/2014	ACH	$338.00
11/7/2014	ACH	$338.00
11/10/2014	ACH	$338.00
11/12/2014	ACH	$338.00
11/13/2014	ACH	$338.00
11/13/2014	ACH	$338.00
11/14/2014	ACH	$338.00
11/17/2014	ACH	$338.00
11/18/2014	ACH	$338.00
11/19/2014	ACH	$338.00
11/20/2014	ACH	$338.00
11/21/2014	ACH	$338.00
11/24/2014	ACH	$338.00
11/25/2014	ACH	$338.00
11/26/2014	ACH	$338.00
11/28/2014	ACH	$338.00
12/1/2014	ACH	$338.00

Payment Date	Payment Method	Payment Amount
12/1/2014	ACH	$338.00
12/2/2014	ACH	$338.00
12/3/2014	ACH	$338.00
12/4/2014	ACH	$338.00
12/5/2014	ACH	$338.00
12/8/2014	ACH	$338.00
12/9/2014	ACH	$338.00
12/10/2014	ACH	$338.00
12/11/2014	ACH	$338.00
12/12/2014	ACH	$338.00
12/12/2014	Quick Bridge Loan Proceeds	$40,258.00
	Total:	**$62,564.00**

Exhibit B: Payments to Quick Bridge LLC, et al. (12/15/2014 to 5/13/2015)			
Payment Date	Payment Method	Payment Amount	90-day Pref. Period
12/15/2014	ACH	$2,640.00	
12/15/2014	ACH	$1,372.38	
12/16/2014	ACH	$1,372.38	
12/17/2014	ACH	$1,372.38	
12/18/2014	ACH	$1,372.38	
12/19/2014	ACH	$1,372.38	
12/22/2014	ACH	$1,372.38	
12/23/2014	ACH	$1,372.38	
12/24/2014	ACH	$1,372.38	
12/26/2014	ACH	$1,372.38	
12/29/2014	ACH	$1,372.38	
12/30/2014	ACH	$1,372.38	
12/31/2014	ACH	$1,372.38	
1/2/2015	ACH	$1,372.38	
1/5/2015	ACH	$1,372.38	
1/6/2015	ACH	$1,372.38	
1/7/2015	ACH	$1,372.38	
1/8/2015	ACH	$1,372.38	
1/9/2015	ACH	$1,372.38	
1/12/2015	ACH	$1,372.38	
1/13/2015	ACH	$1,372.38	
1/14/2015	ACH	$1,372.38	
1/15/2015	ACH	$1,372.38	
1/16/2015	ACH	$1,372.38	
1/20/2015	ACH	$1,372.38	
1/21/2015	ACH	$1,372.38	
1/22/2015	ACH	$1,372.38	
1/23/2015	ACH	$1,372.38	
1/26/2015	ACH	$1,372.38	
1/27/2015	ACH	$1,372.38	
1/28/2015	ACH	$1,372.38	
1/29/2015	ACH	$1,372.38	
1/30/2015	ACH	$1,372.38	
2/2/2015	ACH	$1,372.38	
2/3/2015	ACH	$1,372.38	
2/4/2015	ACH	$1,372.38	
2/5/2015	ACH	$1,372.38	
2/6/2015	ACH	$1,372.38	
2/9/2015	ACH	$1,372.38	
2/10/2015	ACH	$1,372.38	
2/11/2015	ACH	$1,372.38	
2/12/2015	ACH	$1,372.38	$1,372.38
2/13/2015	ACH	$1,372.38	$1,372.38
2/17/2015	ACH	$1,372.38	$1,372.38
2/17/2015	ACH	$1,372.38	$1,372.38
2/18/2015	ACH	$1,372.38	$1,372.38
2/19/2015	ACH	$1,372.38	$1,372.38
2/20/2015	ACH	$1,372.38	$1,372.38
2/23/2015	ACH	$1,372.38	$1,372.38
2/24/2015	ACH	$1,372.38	$1,372.38
2/25/2015	ACH	$1,372.38	$1,372.38
2/26/2015	ACH	$1,372.38	$1,372.38
2/27/2015	ACH	$1,372.38	$1,372.38

Exhibit B: Payments to Quick Bridge LLC, et al. (12/15/2014 to 5/13/2015)			
Payment Date	Payment Method	Payment Amount	90-day Pref. Period
3/2/2015	ACH	$1,372.38	$1,372.38
3/3/2015	ACH	$1,372.38	$1,372.38
3/4/2015	ACH	$1,372.38	$1,372.38
3/5/2015	ACH	$1,372.38	$1,372.38
3/6/2015	ACH	$1,372.38	$1,372.38
3/9/2015	ACH	$1,372.38	$1,372.38
3/10/2015	ACH	$1,372.38	$1,372.38
3/11/2015	ACH	$1,372.38	$1,372.38
3/12/2015	ACH	$1,372.38	$1,372.38
3/13/2015	ACH	$1,372.38	$1,372.38
3/16/2015	ACH	$1,372.38	$1,372.38
3/17/2015	ACH	$1,372.38	$1,372.38
3/18/2015	ACH	$1,372.38	$1,372.38
3/19/2015	ACH	$1,372.38	$1,372.38
3/20/2015	ACH	$1,372.38	$1,372.38
3/23/2015	ACH	$1,372.38	$1,372.38
3/24/2015	ACH	$1,372.38	$1,372.38
3/25/2015	ACH	$1,372.38	$1,372.38
3/26/2015	ACH	$1,372.38	$1,372.38
3/27/2015	ACH	$1,372.38	$1,372.38
3/30/2015	ACH	$1,372.38	$1,372.38
3/31/2015	ACH	$1,372.38	$1,372.38
4/1/2015	ACH	$1,372.38	$1,372.38
4/10/2015	ACH	$300.00	$300.00
4/13/2015	ACH	$300.00	$300.00
4/14/2015	ACH	$300.00	$300.00
4/15/2015	ACH	$300.00	$300.00
4/16/2015	ACH	$300.00	$300.00
4/17/2015	ACH	$300.00	$300.00
4/20/2015	ACH	$300.00	$300.00
4/21/2015	ACH	$300.00	$300.00
4/22/2015	ACH	$300.00	$300.00
4/23/2015	ACH	$300.00	$300.00
4/24/2015	ACH	$300.00	$300.00
4/24/2015	ACH	$300.00	$300.00
4/24/2015	ACH	$25.00	$25.00
	Totals:	**$109,193.50**	**$51,658.30**

Exhibit C: Payments to FB Funding LLC et al. (12/22/2014 to 5/13/2015

Payment Date	Payment Method	Payment Amount	90-day Pref. Period
12/22/2014		$1,275.00	
12/23/2014	EFT	$899.00	
12/23/2014	EFT	$3,000.00	
12/24/2014	EFT	$899.00	
12/26/2014	EFT	$899.00	
12/29/2014	EFT	$899.00	
12/30/2014	EFT	$899.00	
12/31/2014	EFT	$899.00	
1/2/2015	EFT	$899.00	
1/5/2015	EFT	$899.00	
1/6/2015	EFT	$899.00	
1/7/2015	EFT	$899.00	
1/8/2015	EFT	$899.00	
1/9/2015	EFT	$899.00	
1/12/2015	EFT	$899.00	
1/13/2015	EFT	$899.00	
1/14/2015	EFT	$899.00	
1/15/2015	EFT	$899.00	
1/16/2015	EFT	$899.00	
1/20/2015	EFT	$899.00	
1/21/2015	EFT	$899.00	
1/22/2015	EFT	$899.00	
1/23/2015	EFT	$899.00	
1/26/2015	EFT	$899.00	
1/27/2015	EFT	$899.00	
1/28/2015	EFT	$899.00	
1/29/2015	EFT	$899.00	
1/30/2015	EFT	$899.00	
2/2/2015	EFT	$899.00	
2/3/2015	EFT	$899.00	
2/4/2015	EFT	$899.00	
2/5/2015	EFT	$899.00	
2/6/2015	EFT	$899.00	
2/9/2015	EFT	$899.00	
2/10/2015	EFT	$899.00	
2/11/2015	EFT	$899.00	
2/12/2015	EFT	$899.00	$899.00
2/13/2015	EFT	$899.00	$899.00
2/17/2015	EFT	$899.00	$899.00
2/19/2015	EFT	$899.00	$899.00
2/19/2015	EFT	$899.00	$899.00
2/20/2015	EFT	$899.00	$899.00
2/23/2015	EFT	$899.00	$899.00
2/24/2015	EFT	$899.00	$899.00
2/25/2015	EFT	$899.00	$899.00
2/26/2015	EFT	$899.00	$899.00
2/27/2015	EFT	$899.00	$899.00
3/2/2015	EFT	$899.00	$899.00
3/3/2015	EFT	$899.00	$899.00
3/4/2015	EFT	$899.00	$899.00
3/5/2015	EFT	$899.00	$899.00
3/6/2015	EFT	$899.00	$899.00
3/9/2015	EFT	$899.00	$899.00
3/10/2015	EFT	$899.00	$899.00
3/11/2015	EFT	$899.00	$899.00
3/12/2015	EFT	$899.00	$899.00
3/13/2015	EFT	$899.00	$899.00
3/16/2015	EFT	$899.00	$899.00
3/17/2015	EFT	$899.00	$899.00
3/18/2015	EFT	$899.00	$899.00
3/19/2015	EFT	$899.00	$899.00
3/20/2015	EFT	$899.00	$899.00
3/23/2015	EFT	$899.00	$899.00
3/24/2015	EFT	$899.00	$899.00

Exhibit C: Payments to FB Funding LLC et al. (12/22/2014 to 5/13/2015			
Payment Date	Payment Method	Payment Amount	90-day Pref. Period
3/25/2015	EFT	$899.00	$899.00
3/26/2015	EFT	$899.00	$899.00
3/27/2015	EFT	$899.00	$899.00
3/30/2015	EFT	$899.00	$899.00
3/31/2015	EFT	$899.00	$899.00
4/1/2015	EFT	$899.00	$899.00
4/7/2015	EFT	$300.00	$300.00
4/8/2015	EFT	$300.00	$300.00
4/9/2015	EFT	$300.00	$300.00
4/10/2015	EFT	$300.00	$300.00
4/13/2015	EFT	$300.00	$300.00
4/14/2015	EFT	$300.00	$300.00
4/15/2015	EFT	$300.00	$300.00
4/16/2015	EFT	$300.00	$300.00
4/17/2015	EFT	$300.00	$300.00
4/20/2015	EFT	$300.00	$300.00
4/21/2015	EFT	$300.00	$300.00
4/22/2015	EFT	$300.00	$300.00
	Totals:	**$69,007.00**	**$34,166.00**

Exhibit D: Payments to Capital Stack Funding , et al. (2/17/2015 to 5/13/2015)		
Payment Date	Payment Method	Payment Amount
2/17/2015	Withheld from Loan Proceeds	$705.00
2/18/2015	EFT	$799.00
2/19/2015	EFT	$799.00
2/20/2015	EFT	$799.00
2/23/2015	EFT	$799.00
2/24/2015	EFT	$799.00
2/25/2015	EFT	$799.00
2/26/2015	EFT	$799.00
2/27/2015	EFT	$799.00
3/2/2015	EFT	$799.00
3/3/2015	EFT	$799.00
3/4/2015	EFT	$799.00
3/5/2015	EFT	$799.00
3/6/2015	EFT	$799.00
3/9/2015	EFT	$799.00
3/10/2015	EFT	$799.00
3/11/2015	EFT	$799.00
3/12/2015	EFT	$799.00
3/13/2015	EFT	$799.00
3/16/2015	EFT	$799.00
3/17/2015	EFT	$799.00
3/18/2015	EFT	$799.00
3/19/2015	EFT	$799.00
3/20/2015	EFT	$799.00
3/23/2015	EFT	$799.00
3/24/2015	EFT	$799.00
3/25/2015	EFT	$799.00
3/26/2015	EFT	$799.00
3/27/2015	EFT	$799.00
3/30/2015	EFT	$799.00
3/31/2015	EFT	$799.00
4/2/2015	EFT	$399.50
4/3/2015	EFT	$399.50
4/6/2015	EFT	$399.50
4/6/2015	EFT	$135.00
4/7/2015	EFT	$399.50
4/8/2015	EFT	$399.50
4/9/2015	EFT	$399.50
4/10/2015	EFT	$399.50
4/13/2015	EFT	$399.50
4/14/2015	EFT	$399.50
4/15/2015	EFT	$399.50
4/16/2015	EFT	$799.00
4/20/2015	EFT	$399.50
4/21/2015	EFT	$399.50
4/22/2015	EFT	$399.50
	Total:	**$30,802.50**