

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re Phoenix Payment Systems, Inc

Case No. 14-11848-MFW  
Reporting Period: 08/4 – 08/31/14

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/ Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	Yes		
Schedule of Professional Fees Paid	MOR-1b	Yes		
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2	Yes		
Balance Sheet	MOR-3	Yes		
Status of Post-petition Taxes	MOR-4	Yes		
Copies of IRS Form 6123 or payment receipt		Yes		
Copies of tax returns filed during reporting period				
Summary of Unpaid Post-petition Debts	MOR-4	Yes		
Listing of aged accounts payable	MOR-4	Yes		
Accounts Receivable Reconciliation and Aging	MOR-5	Yes		
Debtor Questionnaire	MOR-5	Yes		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

*Michael Jacoby*  
\_\_\_\_\_  
Signature of Authorized Individual\*

*10/17/2014*  
\_\_\_\_\_  
Date

*Michael Jacoby*  
\_\_\_\_\_  
Printed Name of Authorized Individual

*Chief Restructuring Officer*  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

MOR-1 in Re: Phoenix Payment Systems, Inc.  
 Schedule of Cash Receipts and Disbursements  
 Case No. 14-11848-MFW  
 Reporting Period: 08/29/14 - 08/31/14

Week #	Proj		Actual		Variance		%	
	1 thru 4	8/29/14	1 thru 4	8/29/14	1 thru 4	8/29/14	1 thru 4	8/29/14
<b>Week Ending</b>								
<b>Beginning Cash</b>	-	-	(24,342)	(24,342)	-	-	-	-
<b>Outstanding checks carryforward</b>								
<b>Receipts</b>								
Cash receipts from TBBK Credit Card	150,000	-	-	-	(150,000)	-	-100%	-100%
Cash receipts from TBBK ACH	228,000	-	-	-	(228,000)	-	-100%	-100%
Cash receipts from TBBK/QVC ONLY	150,000	-	-	-	(150,000)	-	-100%	-100%
Cash receipts incremental	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Cash receipts from State of DE	490,067	-	362,270	-	(127,797)	-	-26%	-26%
Cash receipts from St. Kitts/CAL/EPS/Other	-	-	185,610	-	185,610	-	#DIV/0!	#DIV/0!
Other Payments / (Repayments)	-	-	17,380	-	17,380	-	#DIV/0!	#DIV/0!
<b>Total Collections</b>	<b>1,018,067</b>	<b>-</b>	<b>565,260</b>	<b>-</b>	<b>(452,807)</b>	<b>-</b>	<b>-44%</b>	<b>-44%</b>
<b>Operational Costs</b>								
Payroll Current	(283,035)	-	(262,771)	-	20,264	-	-7%	-7%
401(K)	(10,800)	-	(10,835)	-	(35)	-	0%	0%
Employee Benefits	(47,819)	-	(6,831)	-	40,988	-	-86%	-86%
MediBank (Flex)	(2,200)	-	(1,203)	-	997	-	-45%	-45%
Concord/Buypass/Fiserv	(115,000)	-	-	-	115,000	-	-100%	-100%
COGS	(16,050)	-	(1,355)	-	14,695	-	-92%	-92%
Direct Debits: Capital/Ins/Tele	(2,795)	-	(611)	-	2,185	-	-78%	-78%
Referral Fees Current	(75,000)	-	-	-	75,000	-	-100%	-100%
Compliance (PCI, SSAE, Mobile App)	(5,000)	-	-	-	5,000	-	-100%	-100%
Capital/Support/IT	(70,226)	-	(6,366)	-	63,860	-	-91%	-91%
Financial Audit/Taxes	(21,145)	-	(6,768)	-	14,377	-	-68%	-68%
Business Insurance	(45,800)	-	-	-	45,800	-	-100%	-100%
Legal Fees Current	(10,344)	-	(994)	-	9,350	-	-90%	-90%
Operating Expenses	-	-	(16,797)	-	(16,797)	-	#DIV/0!	#DIV/0!
Rent	(14,000)	-	(6,791)	-	7,209	-	-51%	-51%
T&E	(1,500)	-	(2,555)	-	(1,055)	-	70%	70%
Utilities & Phone	(22,194)	-	(7,254)	-	14,940	-	-67%	-67%
Miscellaneous	-	-	-	-	-	-	#DIV/0!	#DIV/0!
<b>Total Disbursements (Non-Backlog)</b>	<b>(742,909)</b>	<b>-</b>	<b>(331,131)</b>	<b>-</b>	<b>411,778</b>	<b>-</b>	<b>-55%</b>	<b>-55%</b>
<b>Net Cash Flow Operation</b>	<b>275,158</b>	<b>-</b>	<b>234,129</b>	<b>-</b>	<b>(41,029)</b>	<b>-</b>	<b>-15%</b>	<b>-15%</b>
<b>Cumulative NCF From Operations</b>								
Professional Fees	(90,000)	-	-	-	90,000	-	-100%	-100%
U.S. Trustee Quarterly Fees	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Court Costs	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Referral Aged	(65,000)	-	-	-	65,000	-	-100%	-100%
Post-Petition Deposits	(375,000)	-	(18,294)	-	356,706	-	-95%	-95%
COD Payment to Vendors	(24,485)	-	-	-	24,485	-	-100%	-100%
DIP Interest Expense	-	-	-	-	-	-	#DIV/0!	#DIV/0!
Other	(554,485)	-	(18,294)	-	536,191	-	-97%	-97%
<b>Total Non-Operating Disbursements</b>	<b>(279,327)</b>	<b>-</b>	<b>215,835</b>	<b>-</b>	<b>495,162</b>	<b>-</b>	<b>-177%</b>	<b>-177%</b>
<b>Net Cash Inflow / (Outflow)</b>								
Checks mailed but not cleared	-	-	38,891	-	38,891	-	#DIV/0!	#DIV/0!
Repay Prepetition Debt	(1,500,000)	-	-	-	1,500,000	-	-100%	-100%
<b>Adjusted Net Cash Flow</b>	<b>(1,779,327)</b>	<b>-</b>	<b>254,726</b>	<b>-</b>	<b>2,034,052</b>	<b>-</b>	<b>-114%</b>	<b>-114%</b>
<b>Borrow (Repay)</b>								
<b>Ending Cash</b>	<b>-</b>	<b>-</b>	<b>334,848</b>	<b>-</b>	<b>334,848</b>	<b>-</b>	<b>#DIV/0!</b>	<b>#DIV/0!</b>

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*CASE No: 14-11848-MFW*

**Phoenix Payment Systems Inc, DIP**  
**Reconciliation Detail**

**10200 - Regular Checking Account, Period Ending 08/31/2014**

Type	Date	Num	Name	Clr	Amount	Balance
Bill Pmt -Check	8/22/2014	10918	eSmart		-5,000.00	-5,000.00
Bill Pmt -Check	8/22/2014	10920	Insight Global Finan...		-3,220.40	-8,220.40
Bill Pmt -Check	8/22/2014	10921	Powernet Global		-3,029.60	-11,250.00
Bill Pmt -Check	8/22/2014	10912	Accountemps		-1,152.00	-12,402.00
Bill Pmt -Check	8/22/2014	10923	ICC Solutions		-1,000.00	-13,402.00
Bill Pmt -Check	8/22/2014	10922	UPS		-184.42	-13,586.42
Bill Pmt -Check	8/22/2014	10917	ESC		-95.16	-13,681.58
Bill Pmt -Check	8/22/2014	10924	Janet Worthen		-12.00	-13,693.58
Bill Pmt -Check	8/27/2014	10935	XO		-7,253.57	-20,947.15
Bill Pmt -Check	8/27/2014	10930	Insight Global Finan...		-4,822.47	-25,769.62
Bill Pmt -Check	8/27/2014	10926	Accountemps		-2,880.00	-28,649.62
Bill Pmt -Check	8/27/2014	ACH0...	Trish D'Antonio		-1,750.00	-30,399.62
Bill Pmt -Check	8/27/2014	10928	Central Parking		-1,019.06	-31,418.68
Bill Pmt -Check	8/27/2014	10932	Marlin Business Ba...		-898.71	-32,317.39
Bill Pmt -Check	8/27/2014	10933	SHI Int'l		-452.32	-32,769.71
Bill Pmt -Check	8/27/2014	10929	DE Div of Child Sup...		-219.69	-32,989.40
Bill Pmt -Check	8/27/2014	10931	Marlin Business Bank		-192.79	-33,182.19
Bill Pmt -Check	8/27/2014	10934	UPS		-175.99	-33,358.18
Bill Pmt -Check	8/27/2014	10927	BCBS - Spending A...		-157.99	-33,516.17
Bill Pmt -Check	8/27/2014	10936	Joan Shutt		-13.94	-33,530.11
General Journal	8/31/2014	110			-1,196,284.59	-1,229,814.70
Total Checks and Payments					-1,229,814.70	-1,229,814.70
<b>Deposits and Credits - 3 items</b>						
General Journal	8/31/2014	108			73,827.36	73,827.36
General Journal	8/31/2014	108			571,207.68	645,035.04
General Journal	8/31/2014	109			784,311.45	1,429,346.49
Total Deposits and Credits					1,429,346.49	1,429,346.49
Total Uncleared Transactions					199,531.79	199,531.79
Register Balance as of 08/31/2014					534,379.75	534,379.75
<b>New Transactions</b>						
<b>Checks and Payments - 100 items</b>						
Bill Pmt -Check	9/1/2014	10925	3300 Tower ASRS		-19,172.42	-19,172.42
Bill Pmt -Check	9/2/2014	10940	BCBS		-44,124.83	-63,297.25
Bill Pmt -Check	9/2/2014	10938	1201 North Market		-24,761.24	-88,058.49
Bill Pmt -Check	9/2/2014	10945	Highwinds/Puregig		-19,981.36	-108,039.85
Bill Pmt -Check	9/2/2014	10942	Colonial Parking		-3,387.50	-111,427.35
Bill Pmt -Check	9/2/2014	10946	MetLife		-3,198.09	-114,625.44
Bill Pmt -Check	9/2/2014	10955	Verizon - cell phones		-2,715.84	-117,341.28
Bill Pmt -Check	9/2/2014	ACH0...	Trish D'Antonio		-2,370.98	-119,712.26
Bill Pmt -Check	9/2/2014	10956	Verizon - Data Cent...		-1,602.49	-121,314.75
Bill Pmt -Check	9/2/2014	10948	Oracle		-1,310.18	-122,624.93
Bill Pmt -Check	9/2/2014	10941	CNA		-1,204.01	-123,828.94
Bill Pmt -Check	9/2/2014	10951	Sun Life		-1,160.49	-124,989.43
Bill Pmt -Check	9/2/2014	10939	Accountemps		-1,152.00	-126,141.43
Bill Pmt -Check	9/2/2014	10947	MetLife - Vol Disabil...		-951.57	-127,093.00
Bill Pmt -Check	9/2/2014	10949	Paetec/Cavalier - T...		-741.83	-127,834.83
Bill Pmt -Check	9/2/2014	10954	VB of A		-238.04	-128,072.87
Bill Pmt -Check	9/2/2014	10944	GCF		-215.62	-128,288.49
Bill Pmt -Check	9/2/2014	10943	Comcast		-167.35	-128,455.84
Bill Pmt -Check	9/2/2014	10953	USPS		-100.00	-128,555.84
Bill Pmt -Check	9/2/2014	10950	Shred-it		-80.77	-128,636.61
Bill Pmt -Check	9/2/2014	10952	Unum Provident		-63.66	-128,700.27
Bill Pmt -Check	9/8/2014	10957	Hartford		-1,003.30	-129,703.57
Bill Pmt -Check	9/9/2014	10958	PMCM, LLC		-82,239.78	-211,943.35
General Journal	9/12/2014	13			-131,865.12	-343,808.47
Bill Pmt -Check	9/12/2014	10970	Oracle Credit Corp		-21,913.85	-365,722.32
Bill Pmt -Check	9/12/2014	10975	Soaring Ventures (...)		-15,000.00	-380,722.32
Bill Pmt -Check	9/12/2014	10966	Don Krasnosky		-10,000.00	-390,722.32
Bill Pmt -Check	9/12/2014	ACH0...	Trish D'Antonio		-8,221.80	-398,944.12
Bill Pmt -Check	9/12/2014	10964	Control Scan		-2,273.10	-401,217.22
Bill Pmt -Check	9/12/2014	10971	Phoenix Group		-1,656.00	-402,873.22
Bill Pmt -Check	9/12/2014	10967	G2 Web Services		-1,642.06	-404,515.28
Bill Pmt -Check	9/12/2014	10969	Greg Sackenheim		-1,228.02	-405,743.30
Bill Pmt -Check	9/12/2014	10962	CenturyLink - Basic...		-1,096.09	-406,839.39

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Total Uncleared Transactions					199,531.79	199,531.79
Register Balance as of 08/31/2014					534,379.75	534,379.75



In re Phoenix Payment Systems, IncCase No. 14-11848-MFW

**MOR -2**  
**Electronic Payment Exchange**  
**Profit & Loss**  
**For The Period 08/04/14 - 08/31/14**

Reporting Period: 08/4 /14- 08/31/14

	<b>AUG</b>
<b>Revenues:</b>	
Interchange Revenue	8,923,784
Credit Card Revenue	590,438
ACH EPX Revenue	69,395
<b>Total Gross Income</b>	<b>9,583,617</b>
Visa Interchange & Assessment	5,472,141
MasterCard Interchange & Assess	3,010,460
Discover Interchange & Assess	120,071
Debit Networks Interchange&Asse	91,660
<b>Net Revenue</b>	<b>889,285</b>
Terminal Equipment	7,499
Sponsorship Fees	37,416
CC Transaction Fees	1,324
TSYS Transaction Fees	13,778
COS Interchange Funding	0
ACH Cost	7,605
Debit Fees - BuyPass	1,865
Referral Commission	47,770
<b>Total Cost of Sales</b>	<b>117,257</b>
<b>Gross Profit</b>	<b>772,028</b>
<b>Gross Profit %</b>	<b>86.8%</b>
<b>Operating Expenses:</b>	
Salary	268,349
Payroll Tax	16,140
Recruiting/Contract	5,149
Benefits	37,206
Legal, Professional & Marketing	5,297
Rent & Building	55,657
Travel & Entertainment Expense	3,030
Visa/MasterCard Expense	45,944
Bank & Interest Expense	(733)
Bus Ins, Tele,Support, Internet & Network Ex	49,702
Other Misc. Expense	7,815
Mis Non Operating Income	
<b>Total Operating Expenses</b>	<b>493,556</b>
<b>EBITDA</b>	<b>278,472</b>
Interest Expense	4,187
Amortization/Depreciation	18,719
<b>REORGANIZATION ITEMS</b>	
Professional Fees	260,692
US Trustee Quarterly Fees	
Interest Earned on Accumulated Cash	
Gain (Loss) from Sale of Equipment	
Other Reorg Expenses	
<b>Total Reorganization Expenses</b>	<b>260,692</b>
<b>Adjusted Net Income</b>	<b>(5,126)</b>

In re Phoenix Payment Systems, Inc

MOR-3

**Electronic Payment Exchange  
Balance Sheet**

Reporting Period: 08/04/14 - 08/31/14

<u>ASSETS</u>	<u>3-AUG</u>	<u>31-AUG</u>
<b>Current assets:</b>		
Checking/Savings	125	534,505
Restricted Cash	-	-
Long Term Deposit	158,083	158,088
Accounts Receivable	2,262,560	3,093,745
Inventory	54,251	51,723
Prepaid Expenses	531,785	430,987
<b>Total current assets</b>	<b>3,006,804</b>	<b>4,269,048</b>
Fixed Assets	2,421,626	2,421,626
Less: Accumulated Depreciation	(2,031,048)	(2,052,172)
<b>Net fixed assets</b>	<b>390,578</b>	<b>369,455</b>
Long Term Receivable	3,422,813	3,423,584
Other Assets	42,370	42,370
<b>TOTAL ASSETS</b>	<b>6,862,566</b>	<b>8,104,457</b>

**LIABILITIES & EQUITY**

<b>Current liabilities:</b>		
Accounts Payable	-	458,793
A/P Capital Lease	-	-
Merchant Services Payable	-	1,058,729
TBBK Pre-Funding	-	-
TBBK DIP Loan	-	1,580,122
Accrued Expenses	-	729,478
Deferred Rent	-	-
Reserve/Settlement Liability	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>3,827,123</b>
<b>Long Term Liabilities</b>		
Long Term - Investors	-	-
Capital Lease - LT	-	-
Long Term - Deferred Rent	-	-
<b>Total Long Term Liabilities</b>	<b>-</b>	<b>-</b>
<b>Liabilities subject to Compromise</b>		
Secured Debt	5,905,825	4,392,080
Priority Debt	67,908	67,908
Unsecured Debt	9,209,180	8,142,815
<b>Total Pre-Petition Liabilities</b>	<b>15,182,913</b>	<b>12,602,804</b>
<b>TOTAL LIABILITIES</b>	<b>15,182,913</b>	<b>16,429,927</b>

<b>Equity:</b>		
Common Stock	2,323	2,323
Paid-in Capital	11,305,045	11,305,045
Preferred Stock	7,504	7,504
Other Equity	6,500,000	6,500,000
Retained Earnings	(21,497,505)	(26,135,220)
Net Income	(4,637,714)	(5,123)
<b>Total Equity</b>	<b>(8,320,348)</b>	<b>(8,325,471)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>6,862,566</b>	<b>8,104,456</b>

In re Phoenix Payment Systems, Inc  
Debtor

Case No. 14-11848-MFW  
Reporting Period: 08/04 – 08/31/14

**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero. Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes. Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Withholding	0	39,825.27	See Attached	See Attached		
FICA-Employee	0	4,132.23				
FICA-Employer	0	3,802.67				
Unemployment	0	5.25				
Income	0					
Other:	0	569.00				
Total Federal Taxes	0	48,334.43				
<b>State and Local</b>						
Withholding	0	11,448.43				
Sales	0	0				
Excise	0	0				
Unemployment	0	42.08				
Real Property	0					
Personal Property	0					
Other:	0					
Total State and Local	0	11,490.51				
<b>Total Taxes</b>	0	59,824.93				

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable	154,399.21					
Wages Payable						
Taxes Payable	569.00					
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees	303,825.24					
Amounts Due to Insiders*						
Other:						
Other:						
<b>Total Postpetition Debts</b>	458,793.45					

Explain how and when the Debtor intends to pay any past-due postpetition debts.



\*“Insider” is defined in 11 U.S.C. Section 101(31).



In re Phoenix Payment Systems, Inc  
Debtor

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>	
Total Accounts Receivable at the beginning of the reporting period	2,262,559.93	
+ Amounts billed during the period	2,815,260.27	
- Amounts collected during the period	(1,984,074.85)	
Total Accounts Receivable at the end of the reporting period	3,093,745.35	
<b>Accounts Receivable Aging</b>	<b>Amount</b>	
0 - 30 days old	3,008,785.60	
31 - 60 days old	81,264.33	
61 - 90 days old	190.06	
91+ days old	3,505.36	
Total Accounts Receivable	3,093,745.35	
Amount considered uncollectible (Bad Debt)	0	
Accounts Receivable (Net)	3,093,745.35	

### DEBTOR QUESTIONNAIRE

<b>Must be completed each month</b>	<b>Yes</b>	<b>No</b>
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.: Payroll Account	X	
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	N/A	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.	X See attached.	

2809 VPDF  
PHOENIX PAYMENT SYSTEMS, INC  
ELECTRONIC PAYMENT EXCHANGE  
1201 N. MARKET STREET  
SUITE # 701  
WILMINGTON, DE 19801

NAME ON BUILDING:  
ELECTRONIC PAYMENT EXCHANGE

**Quarterly Tax Liability**

NAME OF TAX	Quarterly Tax Amount	Quarterly Taxable Wages	Number of Taxable Employees	Tax Rate	Year to Date Tax Amount	Year to Date Taxable Wages	TAX ID NUMBER
FEDERAL WITHHOLDING	138338.63	884573.87	44		440743.98	2863155.89	14-1901461
SOCIAL SECURITY TAX 6.20%	43454.79	700883.61	44	6.2000	165617.81	2671255.35	14-1901461
EMPLOYER SOC. SEC. 6.20%	43454.79	700883.61	44	6.2000	165617.81	2671255.35	14-1901461
FICA MEDICARE TAX	14155.29	920185.67	44	1.4500	43958.94	2975609.46	14-1901461
EMPLOYER MEDICARE 1.45%	13342.70	920185.67	44	1.4500	43146.35	2975609.46	14-1901461
* TOTAL FEDERAL TAX	252746.20				859084.89		
FEDERAL UNEMPLOYMENT .6%	60.25	10042.23	44	0.6000	2532.39	422066.12	14-1901461
* TOTAL FUTA	60.25				2532.39		
ARIZONA STATE TAX	12687.14	416776.64	20		36933.66	1212278.98	14-1901461
CALIFORNIA STATE TAX					749.40	20732.93	296 1222 3
DELAWARE STATE TAX	20459.41	415280.94	22		69385.67	1423543.82	1-141901461-001
OHIO STATE TAX	2231.59	52516.29	2		6950.83	167710.42	52-758474 2
VIRGINIA STATE TAX					888.74	17898.83	30-141901461F-001
* TOTAL STATE INCOME TAX	35378.14				114908.30		
ARIZONA TRAINING TAX	1.98	1980.00	20	0.1000	152.29	152295.00	5807890 9
AZ EMPLOYER UNEMPL \$7000	25.54	1980.00	20	1.2900	1964.60	152295.00	5807890 9
CALIF. TRAINING TAX					7.00	7000.00	296 1222 3
CA EMPLOYER UNEMPL \$7000					238.00	7000.00	296 1222 3
DE EMPLOYER UNEMPL \$18500	401.55	16062.18	22	2.5000	13806.34	552253.66	52421-2
FL EMPLOYER UNEMPL \$8000					216.00	8000.00	2667978
OH EMPLOYER UNEMPL \$9000					342.00	18000.00	1508875-00-0
VA EMPLOYER UNEMPL \$8000					41.60	8000.00	0009168680
* TOTAL EMPLOYER UNEMPL TAX	429.07				16767.83		
CALIF. DISAB. INS. 1.00%					207.33	20732.93	296 1222 3
* TOTAL EMPLOYEE DISAB TAX					207.33		
WILMINGTON CITY TAX 1.25%	4636.96	370955.12	13	1.2500	15156.97	1212563.83	169770
* TOTAL CITY TAX	4636.96				15156.97		

# Local Tax Report - DEWILM WILM

Community of - WILMINGTON CITY WAGE TAX

169770

PHOENIX PAYMENT SYSTEMS, INC  
 ELECTRONIC PAYMENT EXCHANGE  
 1201 N. MARKET STREET SUITE # 701  
 WILMINGTON, DE 19801

Quarter Ending: SEP 30, 2014

Employee Address

----- Quarter to Date -----  
 Local Wages Local Tax Local Wages Local Tax

Year to Date	Local Tax	Local Wages	Local Tax	Local Wages	Local Tax
652.45	228.20	18254.18	228.20	52194.58	652.45
509.75	178.21	14255.67	178.21	40780.98	509.75
509.25	174.30	13945.19	174.30	40744.03	509.25
967.33	337.40	26994.38	337.40	77393.02	967.33
818.05	286.16	22892.94	286.16	65445.39	818.05
936.11	330.47	26439.07	330.47	74891.04	936.11
183.48	46.16	3692.32	46.16	14677.26	183.48
1270.53	443.52	35480.55	443.52	101639.22	1270.53
1892.48	661.15	52891.02	661.15	151396.92	1892.48
3220.73	1157.52	92602.58	1157.52	257661.37	3220.73
750.80	262.78	21020.58	262.78	60058.80	750.80
713.36	246.82	19745.88	246.82	57070.92	713.36
803.32	284.27	22740.76	284.27	64263.89	803.32
13227.64	4636.96	370955.12	4636.96	1058217.42	13227.64
13,227.64	4,636.96	370955.12	4,636.96	1058217.42	13,227.64

\*\* Company Totals

END OF QUARTER DATE - SEP 30, 2014

2809 - PHOENIX PAYMENT SYSTEMS, INC

PROC - 025

QTR - 3

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Form **941 for 2014: Employer's QUARTERLY Federal Tax Return** 1262  
 (Rev. January 2014) Department of the Treasury -- Internal Revenue Service

770114

OMB No. 1545-0029

Employer identification number (EIN) 14-1901461

Name (not your trade name) PHOENIX PAYMENT SYSTEMS, INC

Trade name (if any) ELECTRONIC PAYMENT EXCHANGE

Address 1201 N. MARKET STREET  
SUITE # 701  
WILMINGTON, DE 19801

**Report for this Quarter of 2014**  
 (Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Instructions and prior year forms are available at [www.irs.gov/form941](http://www.irs.gov/form941).

Read the separate instructions before you complete Form 941. Type or print within the boxes.

**Part 1: Answer these questions for this quarter.**

- 1 Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4) ... 1
- 2 Wages, tips, and other compensation. .... 2
- 3 Federal income tax withheld from wages, tips, and other compensation. .... 3
- 4 If no wages, tips, and other compensation are subject to social security or Medicare tax. ....  Check and go to line 6.

	Column 1		Column 2
5a Taxable social security wages. ....	<input type="text" value="700,883.61"/>	x .124 =	<input type="text" value="86,909.57"/>
5b Taxable social security tips. ....	<input type="text" value="0.00"/>	x .124 =	<input type="text" value="0.00"/>
5c Taxable Medicare wages & tips. ....	<input type="text" value="920,185.67"/>	x .029 =	<input type="text" value="26,685.38"/>
5d Taxable wages & tips subject to Additional Medicare Tax withholding ...	<input type="text" value="90,288.71"/>	x .009 =	<input type="text" value="812.60"/>

- 5e Add Column 2 from lines 5a, 5b, 5c, and 5d. .... 5e
- 5f Section 3121(q) Notice and Demand--Tax due on unreported tips (see instructions). .... 5f
- 6 Total taxes before adjustments. Add lines 3, 5e, and 5f. .... 6
- 7 Current quarter's adjustment for fractions of cents. .... 7
- 8 Current quarter's adjustment for sick pay. .... 8
- 9 Current quarter's adjustments for tips and group-term life insurance. .... 9
- 10 Total taxes after adjustments. Combine lines 6 through 9. .... 10
- 11 Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), 944-X, 944-X (PR), or 944-X (SP) filed in the current quarter. .... 11
- 12 Balance due. If line 10 is more than line 11, enter the difference and see instructions. .... 12

13 Overpayment. If line 11 is more than line 10, enter the difference  Check one:  Apply to next return.  Send a refund.

► You MUST complete both pages of Form 941 and SIGN it. Next ►  
 For Privacy Act and Paperwork Reduction Act Notice, see the Payment Voucher. Form **941** (Rev. 1-2014)

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970214

Form 941 (Rev. 1-2014) Page 2

Name (not your trade name) PHOENIX PAYMENT SYSTEMS, INC	Employer identification number (EIN) 14-1901461
--	--

Part 2: Tell us about your deposit schedule and tax liability for this quarter.

If you are unsure about whether you are a monthly schedule depositor or a semiweekly schedule depositor, see Pub. 15 (Circular E), section 11.

- 14 Check one:  Line 10 on this return is less than \$2,500 or line 10 on the return for the prior quarter was less than \$2,500, and you did not incur a \$100,000 next-day deposit obligation during the current quarter. If line 10 for the prior quarter was less than \$2,500 but line 10 on this return is \$100,000 or more, you must provide a record of your federal tax liability. If you are a monthly schedule depositor, complete the deposit schedule below; if you are a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.
- You were a monthly schedule depositor for the entire quarter. Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax liability: Month 1

Month 2

Month 3

Total liability for quarter

Total must equal line 10.

- You were a semiweekly schedule depositor for any part of this quarter. Complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to Form 941.

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

- 15 If your business has closed or you stopped paying wages.  Check here, and enter the final date you paid wages .
- 16 If you are a seasonal employer and you do not have to file a return for every quarter of the year  Check here.

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See instructions for details.

Yes. Designee's name and phone number

Select a 5-digit Personal Identification Number (PIN) to use when talking to the IRS.

No.

Part 5: Sign here. You MUST complete both pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Sign your name here**

Print your name here

Print your title here

Date

Best daytime phone

4 9412 NTF 2578850 B149412 Copyright 2014 Greatland/Nelco - Forms Software Only

Paid Preparer Use Only

Check if you are self-employed

Preparer's name	<input type="text"/>	PTIN	<input type="text"/>
Preparer's signature	<input type="text"/>	Date	<input type="text"/>
Firm's name (or yours if self-employed)	<input type="text"/>	EIN	<input type="text"/>
Address	<input type="text"/>	Phone	<input type="text"/>
City	<input type="text"/>	State	<input type="text"/>
		ZIP code	<input type="text"/>



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Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors

Calendar Year 2014

Department of the Treasury -- Internal Revenue Service

OMB No. 1545-0029

970311

Employer identification number 14-1901461

Name (not your trade name) PHOENIX PAYMENT SYSTEMS, INC

Report for this Quarter

- 1: January, February, March
2: April, May, June
[X] 3: July, August, September
4: October, November, December

Use this schedule to show your TAX LIABILITY for the quarter; DO NOT use it to show your deposits. When you file this form with Form 941 or Form 941-SS, DO NOT change your tax liability by adjustments reported on any Forms 941-X or 944-X. You must fill out this form and attach it to Form 941 or Form 941-SS if you are a semiweekly schedule depositor or became one because your accumulated tax liability on any day was \$100,000 or more. Enter your daily tax liability on the numbered space that corresponds to the date wages were paid. See Section 11 in Pub. 15 (Circular E), Employer's Tax Guide, for details.

Month 1

Table with 8 rows and 4 columns for dates 1-31. Values: 36,740.66 (line 18), 37,475.66 (line 3).

Tax liability for Month 1
74,216.32

Month 2

Table with 8 rows and 4 columns for dates 1-31. Values: 35,922.82 (line 1), 37,210.47 (line 29), 35,128.58 (line 15).

Tax liability for Month 2
108,261.87

Month 3

Table with 8 rows and 4 columns for dates 1-31. Values: 34,708.76 (line 26), 35,559.25 (line 12).

Tax liability for Month 3
70,268.01

Fill in your total liability for the quarter (Month 1 + Month 2 + Month 3) >

Total liability for the quarter
252,746.20

Total must equal line 10 on Form 941 or Form 941-SS.

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UC-018 (8-11)

**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**  
**PO BOX 52027**  
**PHOENIX, AZ 85072-2027**  
**Telephone (602) 771-6601**

ARIZONA ACCOUNT NUMBER 5807890 9  
 CALENDAR QUARTER ENDING 09/30/2014  
 TO AVOID PENALTY MAIL BY 10/31/2014  
 FEDERAL ID NO. 141901461

580789091430001 8 0129



**MAKE SURE FEDERAL ID NO. IS CORRECT!**

PHOENIX PAYMENT SYSTEMS, INC  
 1201 N. MARKET STREET SUITE # 70  
 WILMINGTON, DE 19801

**TYPE OR USE BLACK INK ONLY**

**UNEMPLOYMENT TAX AND WAGE REPORT**

**A. NUMBER OF EMPLOYEES --**

Report for each month, the number of full and part-time covered workers who worked during or received pay subject to UI Taxes for the payroll period which includes the 12th of the month.

JULY	20
AUGUST	20
SEPTEMBER	19

**B. WAGES --** List all employees in Social Security number order, or alphabetically by last name. For additional employees use white paper in the same format, or form UC-020. Filing via the internet at [www.azuitax.com](http://www.azuitax.com) is preferred for reporting up to 999 employees. Magnetic Media filing via compact disk is preferred for reporting 1,000 or more employees, see the Arizona Magnetic Media Reporting (PAU-430) publication at the above website for specifications and application instructions.

**C. WAGE SUMMARY --** See instructions

<b>1. TOTAL WAGES PAID IN QUARTER</b>	426817.72
From Section B. Wage Listing	
<b>2. SUBTRACT EXCESS WAGES</b>	424837.72
Cannot exceed Line 1 -- See instructions	
<b>3. TAXABLE WAGES PAID</b>	1980.00
Up to \$7,000 per Employee -- Line 1 minus Line 2	
<b>4. TAX DUE</b>	25.54
Line 3 X Tax Rate of 1.29%	
The decimal equivalent = .0129	
<b>5. ADD INTEREST DUE</b>	0.00
1% of Tax Due for each month payment is late	
<b>6. ADD PENALTY FOR LATE REPORT</b>	0.00
0.10% of Line 1 (\$35 min / \$200 max)	
<b>7. ADD SURCHARGE DUE</b>	1.98
0.10% of Line 3 -- see instructions.	
<b>8. TOTAL PAYMENT DUE</b>	27.52
If the sum of lines 4 and 7 is equal to or less than \$9.99, payment of the tax and surcharge due is not required.	
<b>9. SUBTRACT ANY CREDIT BALANCE</b>	0.00
If balance is listed, subtract from Line 8.	
<b>10. AMOUNT PAID</b>	27.52
Make check payable to DES Unemployment Tax	

**LIEN MAY BE FILED WITHOUT FURTHER NOTICE ON DELINQUENT TAXES.**

1. Employee's Social Security Number	2. Employee's Name (Last, First)	3. Total Wages Paid in Quarter
	SEE ATTACHED LISTING	

TOTAL WAGES THIS PAGE	
TOTAL WAGES ALL PAGES	426817.72

Signature: \_\_\_\_\_ Title: Agent in Fact Prepared by: PAY USA INC  
 Date: 10/03/2014 Telephone No. and area code: (610) 337-3000

**PHOTO COPY FOR YOUR RECORDS**

See instructions for EOE/ADA/LEP disclosure

PLEASE RETURN ORIGINAL

Arizona Form A1-QRT

Arizona Quarterly Withholding Tax Return

Arizona Department of Revenue  
 PO Box 29009  
 Phoenix AZ 85038-9009

EIN	14-1901461	
QUARTER AND YEAR*:	3	2014

\* Quarter (1, 2, 3 or 4) and four digits of year

I. Taxpayer Information

Name PHOENIX PAYMENT SYSTEMS, INC
Number and street or PO Box 1201 N. MARKET STREET
City or town, state and ZIP Code WILMINGTON, DE 19801
Business telephone number (with area code)

For these months:	Enter this number for the quarter:
January, February, March	1
April, May, June	2
July, August, September	3
October, November, December	4

Check box if:  Amended Return  Address Changed  Final Return (CANCEL ACCOUNT)  Software Vendor

If this is your final return, the department will cancel your withholding account. Complete the explanation section on page 2. (See instructions.)

Enter date final wages paid. ....  
 Total Arizona payroll for this quarter ..... \$ 41677664

Total number of Arizona employees for this quarter ..... 0

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81<sup>PM</sup> 66<sup>RCVD</sup>

II. Tax Liability Schedule

Complete either line A1 or lines B1 through B4. Do NOT complete both. See instructions.

A. Quarterly Tax Liability		B. Monthly Tax Liability	
A1 Tax Liability. Enter this amount on line 1 in Part III ..... A1		B1 Month 1 Liability ..... B1	365273
		B2 Month 2 Liability ..... B2	543617
		B3 Month 3 Liability ..... B3	359824
		B4 Total. Enter this amount on line 1 in Part III ..... B4	1268714

Taxpayers who incurred a semi-weekly or next-day tax liability during the quarter must complete the Daily Tax Liability Schedule on page 2, AND CHECK THIS BOX.

III. Tax Computation (See instructions.)

1 Liability: Enter the amount from line A1 or line B4. ....	1	1268714
2 Prior payments made for this quarter. Do NOT include the payment made with or for this return. ....	2	1268714
3 Total Amount Due: Subtract line 2 from line 1. Enter the difference. Use a minus sign to indicate a negative amount. ....	3	

- Make check payable to: Arizona Department of Revenue and include EIN on payment.
- Send return and payment to: Arizona Department of Revenue, PO Box 29009, Phoenix, AZ 85038-9009

Declaration	Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is a true, complete and correct return.		
	Please Sign Here		
Paid Preparer's Use Only	TAXPAYER'S SIGNATURE	DATE	BUSINESS TELEPHONE NUMBER
	PAID PREPARER'S SIGNATURE	DATE	PAID PREPARER'S PTIN
	PAY USA INC	10/03/2014	
	FIRM'S NAME (OR PAID PREPARER'S NAME, IF SELF-EMPLOYED)		FIRM'S <input type="checkbox"/> EIN OR <input type="checkbox"/> SSN
	FIRM'S STREET ADDRESS		FIRM'S TELEPHONE NUMBER
	680 AMERICAN AVE KING OF PRUSSIA PA 19406-0000	(610) 337-3000	
	CITY	STATE	ZIP CODE

COMPANY COPY - DO NOT FILE

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AZ Form A1-QRT (2013)

Page 2

Name (as shown on page 1) <p style="text-align: center;">PHOENIX PAYMENT SYSTEMS, INC</p>	EIN <p style="text-align: center;">14-1901461</p>
--	--

IV. Daily Tax Liability Schedule

A. Daily Tax Liability -- 1st Month of Quarter (Semi-Weekly or One-Banking Day)										
1			8		15		22		29	
2			9		16		23		30	
3		182606	10		17		24		31	
4			11		18	182667	25			
5			12		19		26			Check gray boxes for one-banking day withholding obligations only.
6			13		20		27			
7			14		21		28			

Month 1 Liability -- Enter total here and on Part II, line B1 ..... 365273

B. Daily Tax Liability -- 2nd Month of Quarter (Semi-Weekly or One-Banking Day)										
1		181905	8		15	181180	22		29	180532
2			9		16		23		30	
3			10		17		24		31	
4			11		18		25			Check gray boxes for one-banking day withholding obligations only.
5			12		19		26			
6			13		20		27			
7			14		21		28			

Month 2 Liability -- Enter total here and on Part II, line B2 ..... 543617

C. Daily Tax Liability -- 3rd Month of Quarter (Semi-Weekly or One-Banking Day)										
1			8		15		22		29	
2			9		16		23		30	
3			10		17		24		31	
4			11		18		25			Check gray boxes for one-banking day withholding obligations only.
5			12	180071	19		26	179753		
6			13		20		27			
7			14		21		28			

Month 3 Liability -- Enter total here and on Part II, line B3 ..... 359824

**Amended Return Information:**

Explain why an amended return is being filed. Attach additional sheets, if necessary.

---



---



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**Reason for cancellation of employer's withholding account (check the applicable box):**

- 1 Reorganization or change in business entity (example: from corporation to partnership).
- 2 Business sold.
- 3 Business stopped paying wages and will not have any employees in the future.
- 4 Business permanently closed.
- 5 Business has only leased or temporary agency employees.
- 6 Other (specify reason): \_\_\_\_\_

ADOR 10888 (12)

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**READ INSTRUCTIONS BEFORE COMPLETING THIS REPORT**

**DO NOT USE THIS REPORT TO MAKE CORRECTIONS**

(Cut Here)

**STATE OF DELAWARE UNEMPLOYMENT INSURANCE**

PHOENIX PAYMENT SYSTEMS, INC  
 ELECTRONIC PAYMENT EXCHANGE  
 1201 N. MARKET STREET  
 SUITE # 701  
 WILMINGTON, DE 19801

Reporting Period (Yr/Qtr) 14/3  
 Due Date 10/31/14  
 Account No. 52421-2  
 Federal ID Number 14-1901461  
 Tax Rate 2.50

1. For each month, report the number of covered workers who worked during or received pay for the payroll period which includes the 12th of the month.	1st Month	2nd Month	3rd Month
	20	19	19
2. Gross covered wages paid this quarter (Enter total from UC-8A, line 33.) If you had no covered wages this Quarter, enter 0; sign and return.		459436	55
3. Excess wages (Wages included in line 2 that exceed \$18,500 annually per employee)		443374	37
4. Taxable Wages (Line 2 less line 3)		16062	18
5. Tax due (Multiply line 4 by 0.0250 )		401	55
6. Approved credit (See instructions.)			
7. Net tax due (Line 5 less line 6)		401	55
8. Interest (See instructions.)			
9. Penalty (\$17.25 for late reporting)			
10. Payment due (Total of lines 7, 8 and 9)		401	55

I certify, to the best of my knowledge, this report and the attached payroll reports are true and correct.

**X** PAY USA INC  
 Signature of owner or duly authorized representative  
Agent in Fact 10/03/2014  
 Title Date

Make check payable to:  
 Delaware Unemployment  
 Compensation Fund (DUCF)  
 Write account number on  
 check and return with  
 Payment Coupon.

Form UC-8 Doc. No. 60-06/00/03/08

**QUARTERLY TAX REPORT**  
 COMPANY COPY - DO NOT FILE

AGENCY COPY  
 4DEDEU8

REMOVE BEFORE INSERTING INTO ENVELOPE



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Ohio Income Tax Withholding Report  
Quarterly Reconciliation

PHOENIX PAYMENT SYSTEMS, INC  
ELECTRONIC PAYMENT EXCHANGE  
1201 N. MARKET STREET  
SUITE # 701  
WILMINGTON, DE 19801

Federal Id : 14-1901461  
State Id : 52-758474 2  
Quarter : 3  
Quarter End: 9/30/2014

Subject Wages Paid this Quarter. . . . . : 52,516.29  
Total number of covered Employees. . . . . : 2  
Total Income Tax Withheld this quarter . . . . . : 2,231.59  
Tax Liability previously Over/Understated. . . . . : 0.00  
Total Tax Liability due this quarter . . . . . : 2,231.59  
Credit carried over last quarter . . . . . : 0.00  
Total Deposits for Month 1 . . . . . : 0.00  
Total Deposits for Month 2 . . . . . : 0.00  
Total Deposits for Month 3 . . . . . : 0.00  
Total Deposits and Credits . . . . . : 2,231.59  
Net Tax Liability Over/Underpaid . . . . . : 0.00  
Penalty (if any) . . . . . : 0.00  
Interest (if any). . . . . : 0.00  
Total Payment Due. . . . . : 0.00

Quarterly Record

Liabilities - Month 1		Liabilities - Month 2		Liabilities - Month 3	
7/03/2014	309.91	8/01/2014	251.14	9/12/2014	401.94
7/18/2014	238.57	8/15/2014	253.07	9/26/2014	236.76
		8/29/2014	540.20		
Additional _____		Additional _____		Additional _____	
Total	548.48	Total	1044.41	Total	638.70
Tax Payment - Month 1		Tax Payment - Month 2		Tax Payment - Month 3	
Additional _____		Additional _____		Additional _____	
Total		Total		Total	

**\*\* Ohio requires electronic reporting of Withholding Taxes \*\***

If your Service Bureau provides tax filing service for you, this electronic web reporting has been done for you.

COMPANY COPY - DO NOT FILE



**SIGNATURE CARD**

MEMBER FDIC  
EQUAL HOUSING LENDER

<b>PART 1: Account Information</b>		Please Fill Out Completely
Account Number: 0131036335	Date: 8-5-2014	
Account Title: Phoenix Payment Systems Inc	SSN/Tax ID#: 14-1901461	
Account Title FBO Phoenix Payments Bankruptcy Debtor in Possession DIP Loan Account		
Permanent Address: 1201 Market St Suite 701, Wilmington DE 19801		
Mobile Phone	Phone: 302-288-0545	
Account Types: Business Checking	Number of Required Signatures:	

**PART 2: I/We have read and agreed to the Terms set forth on the second page of the Signature Card**

<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	Facsimile Signature Allowed <input type="checkbox"/>
<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	Facsimile Signature Allowed <input type="checkbox"/>
<input type="checkbox"/> _____	Facsimile Signature Allowed <input type="checkbox"/>
<input type="checkbox"/> _____	Facsimile Signature Allowed <input type="checkbox"/>

**PART 3: Required Signatures**

This deposit account is subject to all applicable rules and regulations adopted by The Bancorp Bank. My signature acknowledges my acceptance of the Truth in Savings Disclosure governing these accounts. The Truth in Savings Disclosure is available at [www.TheBancorp.com](http://www.TheBancorp.com). The Bancorp Bank may order a consumer report from a credit-reporting agency in order to evaluate whether to issue a Debit Card for those consumers who have applied.

Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
<input checked="" type="checkbox"/> _____	/ /		/ /

Under penalties of perjury, I certify that: 1. the number shown on this form is my correct taxpayer identification number (TIN) (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding under Internal Revenue Service (IRS) regulations, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the Internal Revenue Service has notified me that I am no longer subject to backup withholding. 3. I am a U.S. person (including a U.S. resident alien).

**CERTIFICATION INSTRUCTIONS** – You must cross out item 2 above if you have been notified by the Internal Revenue Service that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATION REQUIRED TO AVOID BACKUP WITHHOLDING.

Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	8/6/14		/ /





**SIGNATURE CARD**

MEMBER FDIC  
EQUAL HOUSING LENDER

**PERSONAL ACCOUNTS**

The authorized individual(s) signing above agree(s), jointly and severally if multiple signers, to the terms set forth in the Deposit Account Agreement and Disclosure, the Rate and Fee Schedule, the Certificate of Deposit Agreement (if applicable), the Funds Availability Policy Disclosure, and the Electronic Funds Transfer Agreement and Disclosure as amended by the Financial Institution from time to time. Each of the authorized individual(s) signing also acknowledge that the Financial Institution provided at least one copy of these deposit account documents. In the event more than one person is designated as a depositor the said joint depositors hereby agree with each other and with The Bancorp Bank that: (1) All sums now or hereafter on deposit to the credit of this joint account, whether deposited by any or all of them, and all accumulations thereon, are and shall be owned by them, if husband and wife, as tenants by the entireties, and otherwise as joint tenants with the right of survivorship and not as tenants in common, and in the event of death of any one of them, the Bank is directed to deal with the survivor or survivors as the sole owner or owners thereof, (2) Orders or checks may be drawn against the account by any one of them or the survivor or survivors of them, (3) Each of the undersigned and the Bank, is hereby authorized to endorse and deposit to this joint account any check or other instrument for the payment of money which may be drawn or endorsed to the order of any one or more or all of them, (4) The power and authority of the Bank hereunder shall continue until written notice of termination thereof is received by Bank from any one of them.

**CORPORATE ACCOUNTS**

The authorized Agent(s) signing above agree(s), that the Corporation's Account(s) will be governed set forth in the Deposit Account Agreement and Disclosure, the Rate and Fee Schedule, the Certificate of Deposit Agreement (if applicable), the Funds Availability Policy Disclosure and the Electronic Funds Transfer Agreement and Disclosure as amended by the Financial Institution from time to time. Each of the authorized Agent(s) also acknowledge that they have received at least one copy of these deposit account documents.

**PARTNERSHIP AND OTHER ORGANIZATIONAL ACCOUNTS**

The authorized Agent(s) signing above agree(s), that the Account Holder's Account(s) will be governed by the terms set forth in the Deposit Account Agreement and Disclosure, the Rate and Fee Schedule, the Certificate of Deposit Agreement (if applicable), the Funds Availability Policy Disclosure and the Electronic Funds Transfer Agreement and Disclosure as amended by the Financial Institution from time to time. Each of the authorized Agent(s) also acknowledge that they have received at least one copy of these deposit account documents.



**SIGNATURE CARD**

MEMBER FDIC  
EQUAL HOUSING LENDER

PART 1: Account Information		Please Fill Out Completely
Account Number: 0131036343	Date 8-5-2014	
Account Title: Phoenix Payment Systems Inc	SSN/Tax ID#: 14-1901461	
Account Title FBO Phoenix Payments Bankruptcy Debtor in Possession Utility Deposit Account		
Permanent Address: 1201 Market St Suite 701, Wilmington DE 19801		
Mobile Phone	Phone: 302-288-0545	
Account Types: Business Checking	Number of Required Signatures:	

**PART 2: I/We have read and agreed to the Terms set forth on the second page of the Signature Card.**

- X Nancy Reilly Facsimile Signature Allowed
- X Nancy Reilly Facsimile Signature Allowed
- X \_\_\_\_\_ Facsimile Signature Allowed
- X \_\_\_\_\_ Facsimile Signature Allowed

**PART 3: Required Signatures**

This deposit account is subject to all applicable rules and regulations adopted by The Bancorp Bank. My signature acknowledges my acceptance of the Truth in Savings Disclosure governing these accounts. The Truth in Savings Disclosure is available at [www.TheBancorp.com](http://www.TheBancorp.com). The Bancorp Bank may order a consumer report from a credit-reporting agency in order to evaluate whether to issue a Debit Card for those consumers who have applied.

Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
X	/ /		/ /

Under penalties of perjury, I certify that: 1. the number shown on this form is my correct taxpayer identification number (TIN) (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding under Internal Revenue Service (IRS) regulations, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the Internal Revenue Service has notified me that I am no longer subject to backup withholding. 3. I am a U.S. person (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS – You must cross out item 2 above if you have been notified by the Internal Revenue Service that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATION REQUIRED TO AVOID BACKUP WITHHOLDING.

Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
X <u>Nancy Reilly</u>	8/6/14		/ /



**SIGNATURE CARD**

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**PERSONAL ACCOUNTS**

The authorized individual(s) signing above agree(s), jointly and severally if multiple signers, to the terms set forth in the Deposit Account Agreement and Disclosure, the Rate and Fee Schedule, the Certificate of Deposit Agreement (if applicable), the Funds Availability Policy Disclosure, and the Electronic Funds Transfer Agreement and Disclosure as amended by the Financial Institution from time to time. Each of the authorized individual(s) signing also acknowledge that the Financial Institution provided at least one copy of these deposit account documents. In the event more than one person is designated as a depositor the said joint depositors hereby agree with each other and with The Bancorp Bank that: (1) All sums now or hereafter on deposit to the credit of this joint account, whether deposited by any or all of them, and all accumulations thereon, are and shall be owned by them, if husband and wife, as tenants by the entireties, and otherwise as joint tenants with the right of survivorship and not as tenants in common, and in the event of death of any one of them, the Bank is directed to deal with the survivor or survivors as the sole owner or owners thereof, (2) Orders or checks may be drawn against the account by any one of them or the survivor or survivors of them, (3) Each of the undersigned and the Bank, is hereby authorized to endorse and deposit to this joint account any check or other instrument for the payment of money which may be drawn or endorsed to the order of any one or more or all of them, (4) The power and authority of the Bank hereunder shall continue until written notice of termination thereof is received by Bank from any one of them.

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The authorized Agent(s) signing above agree(s), that the Account Holder's Account(s) will be governed by the terms set forth in the Deposit Account Agreement and Disclosure, the Rate and Fee Schedule, the Certificate of Deposit Agreement (if applicable), the Funds Availability Policy Disclosure and the Electronic Funds Transfer Agreement and Disclosure as amended by the Financial Institution from time to time. Each of the authorized Agent(s) also acknowledge that they have received at least one copy of these deposit account documents.



**SIGNATURE CARD**

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**PART 1: Account Information** Please Fill Out Completely

Account Number: 0131036327	Date 8-5-2014	
Account Title: Phoenix Payment Systems Inc	SSN/Tax ID#: 14-1901461	
Account Title FBO Phoenix Payments Bankruptcy Debtor in Possession Operating Account		
Permanent Address: 1201 Market St Suite 701, Wilmington DE 19801		
Mobile Phone	Phone: 302-288-0545	
Account Types: Business Checking	Number of Required Signatures:	

**PART 2: I/We have read and agreed to the Terms set forth on the second page of the Signature Card.**

<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	Facsimile Signature Allowed <input type="checkbox"/>
<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	Facsimile Signature Allowed <input type="checkbox"/>
<input type="checkbox"/>	Facsimile Signature Allowed <input type="checkbox"/>
<input type="checkbox"/>	Facsimile Signature Allowed <input type="checkbox"/>

**PART 3: Required Signatures**

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Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
<input checked="" type="checkbox"/>	/ /		/ /

Under penalties of perjury, I certify that: 1. the number shown on this form is my correct taxpayer identification number (TIN) (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding under Internal Revenue Service (IRS) regulations, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the Internal Revenue Service has notified me that I am no longer subject to backup withholding. 3. I am a U.S. person (including a U.S. resident alien).

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Primary Applicant – Signature Required	Date:	Joint Applicant – Signature Required	Date:
<input checked="" type="checkbox"/> <u>Nancy Reilly</u>	8/6/14		/ /



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