

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
BROWARD DIVISION**

In re:

Chapter 11

Black Square Financial, LLC,

Case No.: 17-23562-JKO

Debtor.

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**DISCLOSURE STATEMENT FOR  
CHAPTER 11 PLAN OF REORGANIZATION  
PROPOSED BY BLACK SQUARE FINANCIAL, LLC.**

January 5, 2018

Respectfully submitted,

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**ATTORNEYS FOR DEBTOR**

**EXHIBIT INDEX**

**EXHIBIT A:** Chapter 11 Plan

**EXHIBIT B:** Liquidation Analysis

**EXHIBIT C:** List of Equity Security Holders

**EXHIBIT D:** List of Transfers Made to Ordinary Creditors within Ninety (90) Days Prior to the Petition Date

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**DISCLOSURE STATEMENT FOR  
CHAPTER 11 PLAN OF REORGANIZATION PROPOSED BY  
BLACK SQUARE FINANCIAL, LLC**

**DEBTOR RESERVES THE RIGHT TO AMEND OR SUPPLEMENT THIS PROPOSED  
DISCLOSURE STATEMENT AT OR BEFORE THE CONFIRMATION HEARING.**

**I. INTRODUCTION**

Black Square Financial, LLC (the “Debtor”) provides this Disclosure Statement (the “Disclosure Statement”) to all of Debtor’s Creditors and Equity Security Holders in order to permit such creditors and Equity Security Holders to make an informed decision in voting to accept or reject the Chapter 11 Plan Proposed By Debtor, attached hereto as Exhibit “A”, that was filed on January 4, 2018 with the United States Bankruptcy Court for the Southern District of Florida, Broward Division (the “Bankruptcy Court”) in connection with the above-captioned case (the “Chapter 11 Case”). Capitalized terms used herein but not otherwise defined have the meanings assigned to such terms in the Plan. Whenever the words “include,” “includes” or “including” are used in this Disclosure Statement, they are deemed to be followed by the words “without limitation.”

The Disclosure Statement is presented to certain holders of Claims against or Equity Security in Debtor in accordance with the requirements of section 1125 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the “Bankruptcy Code”). Section 1125 of the Bankruptcy Code requires that a disclosure statement provide information sufficient to enable a hypothetical and reasonable investor, typical of the Debtor’s creditors and stockholders, to make an informed judgment whether to accept or reject the Plan. The Disclosure Statement may not be relied upon for any purpose other than that described above.

**THE DISCLOSURE STATEMENT AND THE PLAN ARE AN INTEGRAL PACKAGE, AND THEY MUST BE CONSIDERED TOGETHER FOR THE READER TO BE ADEQUATELY INFORMED. THIS INTRODUCTION IS QUALIFIED IN ITS ENTIRETY BY THE REMAINING PORTIONS OF THIS DISCLOSURE STATEMENT, AND THIS DISCLOSURE STATEMENT IN TURN IS QUALIFIED, IN ITS ENTIRETY, BY THE PLAN.**

**NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO THE VALUE OF ITS PROPERTY) ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT AND ITS EXHIBITS. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OF THE PLAN OTHER THAN AS CONTAINED IN THE DISCLOSURE STATEMENT AND ITS EXHIBITS SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR DEBTOR, WHO WILL IN TURN DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE APPROPRIATE.**

**THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, INCLUDING ANY EXHIBITS CONCERNING THE FINANCIAL CONDITION OF THE DEBTOR AND THE OTHER INFORMATION CONTAINED HEREIN, HAS NOT BEEN SUBJECT TO AN AUDIT OR INDEPENDENT REVIEW EXCEPT AS EXPRESSLY SET FORTH HEREIN. ACCORDINGLY, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONCERNING DEBTOR OR ITS FINANCIAL CONDITION IS ACCURATE OR COMPLETE. THE PROJECTED INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PRESENTED FOR ILLUSTRATIVE PURPOSES ONLY, AND, BECAUSE OF THE UNCERTAINTY AND RISK FACTORS INVOLVED, THE DEBTOR'S ACTUAL RESULTS MAY NOT BE AS PROJECTED HEREIN.**

**ALTHOUGH AN EFFORT HAS BEEN MADE TO BE ACCURATE, THE DEBTOR DOES NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND ITS EXHIBITS IS CORRECT. THE DISCLOSURE STATEMENT CONTAINS ONLY A SUMMARY OF THE PLAN. EACH CREDITOR AND STOCKHOLDER IS STRONGLY URGED TO REVIEW THE PLAN PRIOR TO VOTING ON IT.**

**THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE OF THE DISCLOSURE STATEMENT UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS NOT BEEN ANY CHANGE IN THE FACTS SET FORTH SINCE THE DATE OF THE DISCLOSURE STATEMENT.**

**A STATEMENT OF THE ASSETS AND LIABILITIES OF THE DEBTOR AS OF THE DATE OF THE COMMENCEMENT OF THE CHAPTER 11 CASE IS ON FILE WITH THE CLERK OF THE BANKRUPTCY COURT AND MAY BE INSPECTED BY INTERESTED PARTIES DURING REGULAR BUSINESS HOURS.**

**THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER APPLICABLE NON-BANKRUPTCY LAW. ENTITIES HOLDING OR TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING CLAIMS AGAINST, INTERESTS IN OR SECURITIES OF, THE DEBTOR SHOULD EVALUATE THIS DISCLOSURE STATEMENT ONLY IN LIGHT OF THE PURPOSE FOR WHICH IT WAS PREPARED.**

**THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS SUCH COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.**

**THIS DISCLOSURE STATEMENT WILL NOT BE CONSTRUED TO BE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN.**

**EACH CREDITOR SHOULD, THEREFORE, CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL AND TAX ADVISERS AS TO ANY SUCH MATTERS CONCERNING THE SOLICITATION, THE PLAN OR THE TRANSACTIONS CONTEMPLATED THEREBY.**

Pursuant to the Bankruptcy Code, the Debtor filed a plan of reorganization with the Bankruptcy Court on January 4, 2018 and this disclosure statement was filed thereafter. The Bankruptcy Court will schedule a hearing to consider approval of this Disclosure Statement and on Confirmation of the Plan (the "Confirmation Hearing") to be held at the United States Bankruptcy Court for the Southern District of Florida, Broward Division, located at 299 East Broward Blvd, Fort Lauderdale, FL 33301. At the Confirmation Hearing, the Bankruptcy Court will consider whether this Disclosure Statement and the Plan satisfy the requirements of the Bankruptcy Code, including whether the Plan is in the best interests of the claimants.

To obtain, at your cost, additional copies of this Disclosure Statement or of the Plan, please contact Shraiberg Landau, & Page, P.A., 2385 NW Executive Center Drive, Ste. 300, Boca Raton, FL 33431, Phone: (561) 443-0800, Facsimile: (561) 998-0047.

**A. Overview of the Plan**

**THE FOLLOWING IS A BRIEF SUMMARY OF THE TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN. THE DESCRIPTION OF THE PLAN SET FORTH BELOW CONSTITUTES A SUMMARY ONLY AND IS QUALIFIED, IN ITS ENTIRETY, BY THE PLAN AND THE PLAN DOCUMENTS. CREDITORS AND OTHER PARTIES IN INTEREST ARE URGED TO REVIEW THE MORE DETAILED DESCRIPTION OF THE PLAN CONTAINED IN SECTION IV OF THIS DISCLOSURE STATEMENT AND THE PLAN ITSELF. THE PLAN IS ATTACHED AS EXHIBIT B TO THIS DISCLOSURE STATEMENT. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN, THE PLAN CONTROLS.**

Chapter 11 is the chapter of the Bankruptcy Code primarily used for business reorganization. The fundamental purpose of a chapter 11 case is to formulate a plan to restructure a debtor's finances so as to maximize recoveries to its creditors. With this purpose in mind, businesses sometimes use chapter 11 as a means to conduct asset sales and other forms of liquidation. Whether the aim is reorganization or liquidation, a chapter 11 plan sets forth and governs the treatment and rights to be afforded to creditors and stockholders with respect to their Claims against and Equity Securities in a debtor's bankruptcy Estate.

The Plan divides the Claims against and Equity Securities in the Debtor into Classes. Certain Claims, in particular, Administrative Claims, remain unclassified in accordance with section 1123(a)(1) of the Bankruptcy Code. The Plan assigns all other Claims and Interests as described below and as defined in the Plan.

<u>Class</u>	<u>Description</u>	<u>Status</u>	<u>Voting Status</u>
Class 1	Allowed Secured Claim of Settlement Association, LLC	Impaired.	Yes.
Class 2	Allowed Secured Claim of Pawnee Leasing Corp	Impaired	Yes.
Class 3	Allowed Unsecured Priority Claim of IRS	Impaired.	Yes.
Class 4	Allowed Unsecured Claim of Client First Settlement Funding, LLC	Impaired.	Yes.
Class 5	Allowed General Unsecured Claim(s)	Impaired.	Yes.
Class 6	Allowed Equity Securities	Impaired	No. Deemed Rejected.

## **B. Voting Instructions**

The Bankruptcy Code entitles only holders of Impaired Claims or Equity Securities who receive some Distribution under a proposed plan to vote to accept or reject that plan. Claims in Classes 1, 2, 3, 4, 5 and 6 are Impaired under this Plan. Holders of Claims or Equity Securities that are Unimpaired under a proposed plan are conclusively presumed to have accepted that plan and are not entitled to vote on it. Holders of classes of Claims or Equity Securities that will receive no Distributions under a proposed plan are conclusively presumed to reject that plan and, therefore, also not entitled to vote on it.

The holders of Class 6 claims are Insiders, and thus are not entitled to vote on the Debtor's Plan. Additionally, the holders of Claims in Class 6 are deemed rejected. Therefore, there is no need for the Debtor to solicit votes under the Plan for Class 6 Claimholders.

Any Ballot not filed in accordance with the filing instructions on the Ballot pertaining to this Plan and not submitted by the Ballot Deadline shall not be counted for voting purposes.

## **II. BACKGROUND OF DEBTOR**

### **A. Commencement of the Chapter 11 Case**

The Debtor is a structured settlement firm that provides liquidity to its clients by arranging for the purchase of a client's right to receive future installment payments awarded in a settlement agreement, or in the case of clients that previously purchased an annuity plan, the right to receive future annual disbursements paid to the client pursuant to the plan. The Debtor arranges for the purchase of these rights from its clients at a discount, offering them a one-time lump sum payment that allows the client to gain immediate access to settlement or annuity proceeds they otherwise would have to wait to receive. The Debtor filed for Chapter 11 in order

to restructure its financial arrangements with its creditors and make the company more profitable.

## **B. Retained Professional**

On November 10, 2017, the Debtor filed an application to employ Philip Landau, Esquire and Shraiberg, Landau & Page, PA (“SLP”) as its general bankruptcy counsel, which was approved by this Court. *See* D.E. 5 and 23. On December 27, 2017, the Debtor filed an application to employ Robin I. Frank (“Frank”) and Shapiro Blasi Wasserman Hermann (“Shapiro Blasi”) to serve as special litigation counsel. *See* D.E. 31. The Debtor’s business operations call for employment of numerous attorneys who are responsible for making appearances at hearings on the Debtor’s behalf, for the purpose of obtaining court approval of the purchase of the structured settlement agreements (together the “Structured Settlement Attorneys”). On January 4, 2018 the Debtor filed applications to employ the Structured Settlement Attorneys. *See* D.E. 39–46.

## **C. The Claims Process**

The Bankruptcy Code provides a procedure for all Persons who believe they have a claim against a debtor to assert such claims, so that such claimant can receive Distributions from the debtor’s bankruptcy case. The bankruptcy court establishes a Claims Bar Date, the date by which creditors must file their claims, or else such creditors will not participate in the bankruptcy case or any Distribution. After the filing of all claims, the debtor evaluates such claims and can raise objections to them. These claims objections allow the debtor to minimize claims against it, and thereby maximize the recovery to creditors.

The deadline for filing proofs of Claims or Equity Securities against the Debtor is March 7, 2018. To date, one proof of claim has been asserted in the Chapter 11 Case. Nonetheless, additional claims may be asserted against the Debtor and the Creditors may thereafter amend their proofs of claims prior to the Confirmation of the Debtor’s Plan and the actual ultimate aggregate amount of Allowed Claims may differ significantly from the amounts used for the purposes of Debtor’s estimates. Accordingly, the Distribution amount that will ultimately be received by any particular holder of an Allowed Claim may be adversely affected by the outcome of the claims resolution process.

## **D. Significant Events that have Occurred During this Case**

Since the Petition Date, the Debtor has filed its Plan and has obtained authority to pay prepetition wages by way of the Court’s *Final Order Granting Debtor’s Expedited Motion for Order Authorizing Debtor to Pay Prepetition Employee and Independent Contractor Compensation Nunc Pro Tunc to November 8, 2017*.

### **III. CHAPTER 11 PLAN**

**THE FOLLOWING IS A BRIEF SUMMARY OF CERTAIN OF THE MORE SIGNIFICANT MATTERS CONTEMPLATED BY OR IN CONNECTION WITH THE CONFIRMATION OF THE PLAN. THUS, THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE PLAN, WHICH IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT B. THIS SUMMARY ONLY HIGHLIGHTS CERTAIN SUBSTANTIVE PROVISIONS OF THE PLAN. CONSIDERATION OF THIS SUMMARY WILL NOT, NOR IS IT INTENDED TO, YIELD A THOROUGH UNDERSTANDING OF THE PLAN. SUCH CONSIDERATION IS NOT A SUBSTITUTE FOR A FULL AND COMPLETE READING OF THE PLAN. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO REVIEW THE PLAN CAREFULLY. THE PLAN, IF CONFIRMED, WILL BE BINDING ON DEBTOR AND ALL HOLDERS OF CLAIMS AND INTERESTS.**

#### **A. Unclassified Claims**

##### **1. Allowed Administrative Claims.**

###### **(a) Ordinary Course Claims**

Allowed Administrative Claims representing liabilities incurred in the ordinary course of business by the Debtor shall be paid in full and performed by the Reorganized Debtor in the ordinary course of business consistent with past practices and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions. At this time, the Debtor does not believe it has any Allowed Administrative Claims, other than those described below.

###### **(b) Professional Fees and Expense Claims**

Compensation of Professionals and reimbursement of expenses incurred by Professionals are Administrative Claims pursuant to sections 503(b)(2), 503(b)(3), 503(b)(4) and 503(b)(5) of the Code (the "Professional Fees and Expenses Claims"). Debtor estimates that SLP's fees and expenses from its retention through Confirmation will total approximately \$75,000.00. All payments to Professionals for Professional Fees and Expenses Claims will be made in accordance with the procedures established by the Code, the Rules and the Court relating to the payment of interim and final compensation for services rendered and reimbursement of expenses. The Court will review and determine all applications for compensation for services rendered and reimbursement of expenses. The payment of fees and expenses to the Structured Settlement Attorneys shall be made in accordance with this Court's orders employing these attorneys.

All entities seeking an award by the Court of Professional Fees and Expenses shall file their respective final applications for allowance of compensation for services rendered and reimbursement of expenses incurred through the Effective Date pursuant to section 330 of the Code and Rule 2016 by the date that is fifteen (15) days after the Effective Date or such other date as may be fixed by the Court.



The time for filing objections to applications for allowance and payment of Professional Fees and Expenses, and the date and time for a hearing in respect of such applications and the related objections, if any, shall be set forth in the Confirmation Order or other order of the Court.

Notwithstanding anything herein to the contrary, all Professional Fees and Expenses that are awarded by the Court shall become Allowed Administrative Claims and shall be paid in full on the later of the Effective Date of the Plan, the date on which such Professional Fees and Expense Claim becomes an Allowed Administrative Claim by Final Order of the Court, as soon thereafter as is reasonably practicable, or upon agreement reached between the Debtor and each respective Professional.

## **2. Priority Tax Claims**

Each holder of an Allowed Priority Tax Claim shall receive deferred Cash payments over a period not to exceed five years following the Order for Relief, of a value, as of the Effective Date of the Plan, equal to the amount of the Allowed Priority Tax Claim, except to the extent that a holder of an Allowed Priority Tax Claim under section 507(a)(8) of the Code has been paid by the Debtor prior to the Effective Date or agrees to a different treatment. Prior to the Effective Date, the Debtor shall have the right, in its sole discretion, to prepay at any time, in whole or in part, and Allowed Priority Tax Claim without premium or penalty of any sort or nature.

## **3. United States Trustee's Fees**

The Debtor or Reorganized Debtor shall pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) through Confirmation on the Effective Date. The Debtor or the Reorganized Debtor shall further pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. §1930(a)(6) for post-confirmation periods within the time periods set forth in 28 U.S.C. §1930(a)(6), until the earlier of the closing of this Case by the issuance of a Final Decree by the Court, or upon entry of an order of this Court dismissing this Case, or converting this Case to another chapter under the Code, and the Reorganized Debtor shall provide to the United States Trustee upon the payment of each post-Confirmation payment an appropriate affidavit indicating disbursement for the relevant periods, which shall also be filed with the Court.

## **B. Treatment of Claims and Interests**

### **1. Class 1. Allowed Secured Claim of Settlement Association, LLC.**

(a) Description. Class 1 consists of the Allowed Secured Claim of Settlement Association, LLC, the entity responsible for financing the Debtor's settlement leads. The Debtor estimates the total amount of the unpaid Allowed Secured Claim is \$50,000.00. Thus, a total of \$50,000.00 is due and owing to Class 1 Claimholders.

(b) Treatment. Except to the extent that the holder of the Allowed Secured Claim has been paid by the Debtor or some other party prior to the Effective Date or agrees to a different treatment, the Class 1 Claimholder shall be paid 100% of the Allowed Amount of its Allowed

Claim. The Class 1 Claimholder shall receive \$50,000.00 with interest accruing at a rate of five percent (5%) per annum, over a period of sixty (60) months.

(c) Impairment. The Class 1 Claims are Impaired and Class 1 Claimholders are entitled to vote to accept or reject the Plan.

**2. Class 2. Allowed Secured Claim of Pawnee Leasing Corporation**

(a) Description. Class 2 consists of the Allowed Secured Claim of Pawnee Leasing Corporation as the holder and owner of a promissory note and security agreement on the Debtor's electronic equipment and office furniture. The Pre-Petition balance is \$31,078.89 ("Pre-Petition Debt").

(b) Treatment. Except to the extent that Pawnee Leasing Corporation has been paid prior to the Effective Date, or agrees to a different treatment, in full satisfaction, settlement and release of Pawnee Leasing's claims against the Debtor, the Debtor shall make equal monthly payments of principal and interest for a period of sixty (60) months from the Effective Date of Confirmation of the Debtor's Plan, with interest on the debt accruing at a rate of 5% per annum.

(c) Impairment. The Class 2 Claim is Impaired and is entitled to vote to accept or reject the Plan.

**3. Class 3. Allowed Unsecured Priority Claim(s)**

(a) Description. Class 3 consists of the Allowed Unsecured Priority Claims of Internal Revenue Service in the amount of approximately \$9,430, based on the proof of claim filed by the IRS.

(b) Treatment. The holders of Allowed Unsecured Priority Claims shall be paid the full amount of their Allowed Claim in twenty-four (24) equal monthly payments commencing within thirty (30) days of the Effective Date, unless the holder of the Allowed Unsecured Priority Claim has been paid prior to the Effective Date or agrees to a different treatment. There shall be no prepayment penalty and the Distributions to Class 3 Claimholders shall be in full satisfaction, settlement and release of all Class 3 Claims.

(c) Impairment. The Class 3 Claims are Impaired and are entitled to vote to accept or reject the Plan.

**4. Class 4. Allowed Unsecured Claim of Client First Settlement Funding, LLC**

(a) Description. Class 4 consists of the Allowed Unsecured Claim of Client First Settlement Funding, LLC. Pursuant to the Debtor's Schedules, as of the Petition Date, the Debtor estimates the aggregate amount of the unsecured non-priority Claim is approximately \$425,000.

(b) Treatment. The holders of non-Insider Allowed General Unsecured Claims shall be paid the full amount of their Allowed Claim over a period of eighty-four (84) months with interest accruing at a rate of five percent (5%) per annum, amortized over a period of ten (10)

years with the Debtor making a balloon payment for the remaining balance at the end of the 84 months, unless the holder of the Allowed General Unsecured Claim has been paid prior to the Effective Date or agrees to a different treatment.

(c) Impairment. The Class 4 Claims are Impaired and are entitled to vote to accept or reject the Plan.

**5. Class 5. Allowed General Unsecured Claim(s)**

(a) Description. Class 5 consists of the Allowed General Unsecured Claims other than the Class 4 Claim of Client First Settlement Funding, LLC. Pursuant to the Debtor's Schedules, as of the Petition Date, the Debtor estimates the aggregate amount of unsecured non-priority Claims are approximately \$36,194.61.

(b) Treatment. The holders of Class 5 Allowed General Unsecured Claims shall be paid the full amount of their Allowed Claim plus five percent (5%) in twenty-four (24) equal monthly payments, with interest accruing at a rate of 5% per annum, commencing within thirty (30) days of the Effective Date, unless the holder of the non-Insider Allowed General Unsecured Claim has been paid prior to the Effective Date or agrees to a different treatment.

(c) Impairment. The Class 5 Claims are Impaired and are entitled to vote to accept or reject the Plan.

**6. Class 6. Allowed Equity Securities**

(a) Description. Class 6 consists of the Allowed Equity Securities, which includes interest in any share of preferred stock, common stock or other instrument evidencing ownership interest in the Debtor, whether or not transferable, and any option, warranty, right, contractual or otherwise, to acquire any such interest.

(b) Treatment. Other than retaining their interests in the Reorganized Debtor, the holders of Allowed Equity Securities shall not be entitled to receive any Distribution under the Plan on account of such Equity Securities.

(c) Impairment. The Class 6 Claims are impaired since the Class 6 Claimholders are receiving no Distribution on account of their Allowed Equity Securities, but the Class 6 Claimholders are not entitled to vote to accept or reject the Plan, as Class 6 Claimholders shall be deemed to have rejected the Plan.

**C. Distributions Under the Plan**

Subject to Rule 9010, and except as otherwise provided in the Plan, all Distributions under the Plan shall be made by the Reorganized Debtor to the holder of each Allowed Claim or Allowed Equity Security at the address of such holder as listed on the Schedules and/or proof of Claim as of the Effective Date unless the Debtor or Reorganized Debtor has been notified in writing of a change of address, including by the filing of a proof of Claim by such holder that provides an address different from the address reflected on the Schedules.

Any payment of Cash made by the Reorganized Debtor pursuant to the Plan shall be made by check drawn on a domestic bank or by wire transfer.

Any payment or Distribution required to be made under the Plan on a day other than a Business Day shall be made on the next succeeding Business Day.

No payment of Cash less than One Hundred 00/100 Dollars (\$100.00) shall be made by the Reorganized Debtor to any holder of a Claim unless a request therefor is made in writing to the Reorganized Debtor, or unless the Distribution is a final Distribution.

When any Distribution on account of an Allowed Claim pursuant to the Plan would otherwise result in a Distribution that is not a whole number, the actual distribution shall be rounded as follows: fractions of  $\frac{1}{2}$  or greater shall be rounded to the next higher whole number and fractions of less than  $\frac{1}{2}$  shall be rounded to the next lower whole number. Cash to be distributed pursuant to the Plan shall be adjusted as necessary to account for the rounding provided in Article V of the Plan.

Any Distributions of Cash or other property under the Plan that is unclaimed for a period of six (6) months after the Distribution Date shall constitute Unclaimed Funds and any entitlement of any holder of any Claim to such Distributions shall be extinguished and forever barred.

Unless otherwise provided herein, all initial Distributions and deliveries to be made on the Effective Date shall be made on the initial Distribution Date. Subsequent Distributions shall be made in accordance with the terms set forth in the Plan.

At the close of business on the Effective Date, the claims register shall be closed, and there shall be no further changes in the record holders of any Claims. The Debtor shall have no obligation to recognize any transfer of any Claims occurring after the Effective Date; *provided, however,* that the foregoing will not be deemed to prohibit the sale or transfer of any Claim subsequent to the Effective Date. The Debtor shall instead be entitled to recognize and deal for all purposes under the Plan with only those record holders as of the close of business on the Effective Date.

**D. Executory Contracts and Unexpired Leases – Rejection of Agreements with Client First Settlement Funding, LLC**

The Code grants the Debtor the power, subject to the approval of the Court, to assume or reject Executory Contracts and unexpired leases. If an Executory Contract or unexpired lease is rejected, the other party to the agreement may file a claim for damages incurred by reason of the rejection. In the case of rejection of leases of real property, such damage claims are subject to certain limitations imposed by the Code.

Pursuant to sections 365(a) and 1123(b)(2) of the Code, all Executory Contracts and unexpired leases between the Debtor and any Person shall be deemed rejected by the Reorganized Debtor as of the Effective Date, except for any Executory Contract or unexpired lease (i) which previously has been assumed or rejected pursuant to an order of the Court entered

prior to the Effective Date, (ii) as to which a motion for approval of the assumption or rejection of such Executory Contract or unexpired lease has been filed and served prior to the Effective Date or (iii) which is listed on an Assumption List which shall be filed with the Court and served on the affected parties by no later than twenty (20) days prior to the deadline to submit Ballots; *provided, however*, that the Debtor or Reorganized Debtor shall have the right, on or prior to the Confirmation Date, to amend the Assumption List to delete any Executory Contract or unexpired lease therefrom or add any Executory Contract or unexpired lease thereto, in which event such Executory Contract(s) or unexpired lease(s) shall be deemed, respectively, assumed or rejected. The Debtor or Reorganized Debtor shall provide notice of any amendments to the Assumption List to the non-debtor parties to the Executory Contracts and unexpired leases affected thereby. The listing of a document on the Assumption List shall not constitute an admission by the Debtor or Reorganized Debtor that such document is an Executory Contract or an unexpired lease or that the Debtor or Reorganized Debtor have any liability thereunder.

**Entry of the Confirmation Order shall constitute the approval, pursuant to sections 365(a) and 1123(b)(2) of the Code, of the rejection of any and all contracts and agreements between the Debtor and Client First Settlement Funding, LLC (including, but not limited to, the Loan and Participation Agreement dated February 19, 2016, ) *nunc pro tunc* to the Petition Date.**

Subject to the occurrence of the Effective Date, entry of the Confirmation Order shall constitute (i) the approval, pursuant to sections 365(a) and 1123(b)(2) of the Code, of the assumption of the Executory Contracts and unexpired leases assumed pursuant to Article VI of the Plan and (ii) the approval, pursuant to sections 365(a) and 1123(b)(2) of the Code, of the rejection of the Executory Contracts and unexpired leases rejected pursuant to the Plan.

**a. Cure of Defaults**

To the extent that cure payments are due with respect to an Executory Contract or unexpired lease to be assumed pursuant to the Plan, the amount of such cure payment shall be listed in the Plan Supplement. To the extent that the non-debtor party to any Executory Contract or unexpired lease disagrees with the cure amount listed in the Plan Supplement, such party must file a notice of dispute with the Court and serve such notice on the Debtor by no later than five (5) days prior to the Confirmation Hearing. Except as may otherwise be agreed to by the parties or provided herein, within ninety (90) days after the Effective Date, the Reorganized Debtor shall cure any and all undisputed defaults under any Executory Contract or unexpired lease assumed pursuant to the Plan in accordance with section 365(b)(1) of the Code. Except as otherwise provided herein, all disputed defaults that are required to be cured shall be cured either within ninety (90) days of the entry of a Final Order determining the amount, if any, of the Debtor's or Reorganized Debtor's liability with respect thereto, or as may otherwise be agreed to by the parties. If there are any objections filed, the Court shall hold a hearing. In the event the Court determines that the cure amount is greater than the cure amount listed by the Debtor, the Reorganized Debtor may elect to reject the contract or unexpired lease and not pay such greater cure amount.

**b. Bar Date for Filing Proofs of Claim Relating to Executory Contracts and Unexpired Leases Rejected Pursuant to the Plan**

Claims arising out of the rejection of an Executory Contract or unexpired lease pursuant to the Plan must be filed with the Court and/or served upon the Debtor or Reorganized Debtor or as otherwise may be provided in the Confirmation Order, by no later than thirty (30) days after the later of (i) notice of entry of an order approving the rejection of such Executory Contract or unexpired lease, (ii) notice of entry of the Confirmation Order and (iii) notice of an amendment to the Assumption List. Any Claim not filed within such time will be forever barred from assertion against the Debtor, its Estate, the Reorganized Debtor and its property. Unless otherwise ordered by the Court, all Claims arising from the rejection of Executory Contracts and unexpired leases shall be treated as Unsecured Claims under the Plan.

**c. Indemnification Obligations**

For purposes of the Plan, the obligations of the Debtor to defend, indemnify, reimburse, or limit the liability against any claims or obligations of its present and former directors, officers or employees who served as directors, officers and employees, respectively, on or after the Petition Date, pursuant to the Debtor's certificate of organization or bylaws, applicable state law or specific agreement, or any combination of the foregoing, shall survive Confirmation of the Plan, remain unaffected thereby, and not be discharged, irrespective of whether indemnification, defense, reimbursement or limitation is owed in connection with an event occurring before, on or after the Effective Date.

**d. Compensation and Benefit Programs**

Except as provided in the Plan, and other than stock option or similar plans which will be cancelled as part of the treatment of any Class of Claims under the Plan, all employment and severance practices and policies, and all compensation and benefit plans, policies, and programs of the Debtor applicable to its directors, officers, and employees who served as directors, officers and employees, respectively, on or after the Petition Date, including, without limitation, all savings plans, retirement plans (exclusive of defined benefit plans), health care plans, severance benefit plans, incentive plans, workers' compensation programs and life, disability and other insurance plans, are treated as Executory Contracts under the Plan and are hereby assumed pursuant to sections 365(a) and 1123(b)(2) of the Code; *provided, however*, that the Reorganized Debtor reserves the right to modify any and all such compensation and benefit practices, plans, policies, and programs in accordance with the terms thereof.

**e. Insurance Policies**

Each of the Debtor's insurance policies and any agreements, documents or instruments relating thereto, including without limitation, any retrospective premium rating plans relating to such policies, shall be treated as Executory Contracts under the Plan. Notwithstanding the foregoing, Distributions under the Plan to any holder of a Claim covered by any insurance policies and related agreements, documents or instruments that are assumed hereunder, shall comply with the treatment provided under the Plan. Nothing contained in the Plan shall constitute or be deemed a waiver or release of any Action that the Debtor may hold against any Entity, including, without limitation, the insurers under any of the Debtor's policies of insurance.

**E. Modification/Revocation of the Plan**

Subject to the restrictions on Plan modifications set forth in section 1127 of the Bankruptcy Code, the Debtor reserves the right to alter, amend or modify the Plan before its substantial consummation. The Debtor further reserves the right to revoke or withdraw the Plan prior to the Confirmation Hearing. If the Debtor revokes or withdraws the Plan, or if Confirmation does not occur or if the Plan does not become effective, then the Plan will be null and void, and nothing contained in the Plan will: (a) constitute a waiver or release of any Claims by or against, or any Interests in, the Debtor; (b) constitute an admission of any fact or legal conclusion by the Debtor or any other Entity; or (c) prejudice in any manner the rights of the Debtor in any further proceedings involving the Debtor.

**F. Continued Corporate Existence**

The Reorganized Debtor shall continue to exist after the Effective Date with all powers of a limited liability company under the laws of the State of Florida and without prejudice to any right to alter or terminate such existence (whether by merger or otherwise) under Florida law; and, following the Effective Date, the Reorganized Debtor may operate its business free of any restrictions imposed by the Bankruptcy Code, the Bankruptcy Rules or by the Court, subject only to the terms and conditions of the Plan and Confirmation Order. After the Effective Date, the Reorganized Debtor may operate its business, and may use, acquire, and dispose of its property, free of any restrictions of the Code and Rules.

As of the Petition Date, Andrew Hoffman, Jarrod Freeborn, and Jordan Freeborn own each own 33% of the Debtor. The Reorganized Debtor will continue to be owned and managed by Andrew Hoffman, Jarrod Freeborn, and Jordan Freeborn. As demonstrated in the Debtor's 10 Year Projected Operating Income and Expenses spreadsheet that is attached hereto as **Exhibit "G,"** the Debtor projects that it will be cash flow positive and will have the funds necessary to perform its obligations under the Plan..

**G. Effect of Confirmation**

The Plan will be binding upon and inure to the benefit of Debtor, holders of Claims and Interests in Debtor, and their respective successors and assigns.

**H. Exculpation, Injunction, Release and Limitation of Liability**

**1. Release of Debtor**

The rights afforded herein and the treatment of all Claims and Equity Securities herein shall be in exchange for and in complete satisfaction and release of Claims and Equity Securities of any nature whatsoever, including any interest accrued on such Claims from and after the Effective Date, against the Debtor and the Debtor in Possession, the Estate, or any of the assets or properties under the Plan. Except as otherwise provided herein, (i) on the Effective Date, all such Claims against and Equity Security in the Debtor shall be satisfied and released in full, and (ii) all Persons shall be precluded and enjoined from asserting against the Reorganized Debtor, its successors, or their assets or properties any other or further Claims or Equity Securities based

upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Confirmation Date, whether or not such holder has filed a proof of claim or proof of Equity Security and whether or not such holder has voted to accept or reject the Plan. Notwithstanding the foregoing, nothing in the Plan shall release, discharge, enjoin or preclude any Claim that has not arisen as of the Effective Date that any governmental unit may have against the Debtor and nothing in the Plan shall release, nullify or enjoin the enforcement of any liability to a governmental unit under environmental statutes or regulations that any Entity would be subject to as the owner or operator of property after the date of entry of the Confirmation Order.

## **2. Injunction Related to Release**

*Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Court, all Persons who have held, hold or may hold Claims against or Equity Securities in the Debtor, are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Security against the Debtor, (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtor on account of any such Claim or Equity Security, (iii) creating, perfecting or enforcing any Lien or asserting control of any kind against the Debtor or against the property or interests in property of the Debtor on account of any such Claim or Equity Security and (iv) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtor or against the property or interests in property of the Debtor on account of any such Claim or Equity Security. Such injunctions shall extend to successors of the Debtor (including, without limitation, the Reorganized Debtor) and their respective properties and interests in property.*

## **3. Release by Holders of Impaired Claims**

*The Plan, and the provisions and Distributions set forth therein, is a full and final settlement and compromise of all Claims and causes of Action, whether known or unknown, that holders of Claims against and Equity Securities in the Debtor may have against the Debtor. In consideration of the obligations of the Debtor, the Reorganized Debtor, under the Plan, the securities, contracts, instruments, releases and other agreements or documents to be delivered in connection with the Plan, each holder of a Claim against or Equity Security in the Debtor shall be deemed to forever release and waive all Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of Action and liabilities (other than the rights to enforce the Debtor's or the Reorganized Debtor's obligations under the Plan and the securities, contracts, instruments, releases and other agreements and documents delivered thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtor, the Chapter 11 Case or the conduct thereof, or this Plan. Notwithstanding the foregoing, nothing in this Article, the Plan, or the Confirmation Order shall release any Claim or causes of Action for gross negligence or willful misconduct.*



#### 4. Injunction Against Interference with the Plan

*Upon the entry of a Confirmation Order with respect to the Plan, all holders of Claims and Equity Securities and other parties in interest, along with their respective present or former employees, agents, officers, directors, or principals, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan, except with respect to actions any such Entity may take in connection with the pursuit of appellate rights.*

##### I. Causes of Action

As of the Effective Date, pursuant to section 1123(b)(3)(B) of the Code, any and all Actions accruing to the Debtor and Debtor in Possession, including, without limitation, Actions under sections 510, 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Code, shall become Assets of the Reorganized Debtor, and the Reorganized Debtor shall have the authority to commence and prosecute such Actions for the benefit of the Estate. Specifically, the Reorganized Debtor shall continue to prosecute any Action pending on the Effective Date.

Further, section 547 of the Code enables a debtor in possession to avoid transfers to a Creditor, based upon an antecedent debt, made within ninety (90) days of the Petition Date, which enables the Creditor to receive more than it would under a liquidation. Creditors have defenses to the avoidance of such preferential transfers based upon, among other things, the transfers having occurred as part of the debtor's ordinary course of business, or that subsequent to the transfer the Creditor provided the debtor with new value. The Debtor has reviewed all transfers in the aggregate of \$5,580.00 or more to a particular transferee made during the ninety (90) days prior to the Petition Date and all transfers made during the one (1) year prior to the Petition Date to any Insiders, and believes that all of these transfers were made in the ordinary course of business, and thus, does not anticipate that it will seek recovery of any such transfers. Additionally, the Debtor's Plan proposes to pay the holders of Allowed General Unsecured Claims One Hundred Percent (100%) of their Allowed Claims, plus five percent (5%).

Notwithstanding the foregoing, upon the Effective Date, the Reorganized Debtor will continue to analyze payments made by the Debtor to ordinary Creditors within ninety (90) days (or in the case of Insiders, one year) before the Petition Date and payments made by the Debtor to Insiders within one (1) year prior to the Petition Date (as set forth in item 3 in the Debtor's Statement of Financial Affairs) to determine which such payments may be avoidable as preferential transfers under the Code and, if appropriate, prosecute such Actions. **Exhibit "D"** attached hereto contains a list of transfers made to ordinary Creditors within ninety (90) days prior to the Petition Date. **Exhibit "E"** attached hereto contains a list of transfers made to Insiders within one (1) year prior to the Petition Date.

After the Effective Date, the Reorganized Debtor shall have the authority to compromise and settle, otherwise resolve, discontinue, abandon or dismiss all such Actions with the approval of the Court. In order to obtain Court approval of a settlement, the Reorganized Debtor shall file and serve on all known Creditors, a motion to approve the settlement, pursuant to Rule 9019, to give the Creditors the opportunity to review any such proposed settlement. Prior to Confirmation, the Debtor shall file a schedule of potential Avoidance Actions, if any.

## **J. Retention of Jurisdiction**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Case and the Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Code and for, among other things, the following purposes:

(a) to hear and determine pending applications for the assumption or rejection of executory contracts or unexpired leases, if any are pending, and the allowance of Claims resulting therefrom;

(b) to determine any and all adversary proceedings, motions, applications and contested matters, and other litigated matters pending on the Confirmation Date;

(c) to hear and determine all Actions, including, without limitation, Actions commenced by the Debtors or any other party in interest with standing to do so, pursuant to sections 505, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Code, collection matters related thereto, and settlements thereof;

(d) to hear and determine any objections to or the allowance, classification, priority, compromise, estimation or payments of any Administrative Claims, Claims or Equity Securities;

(e) to ensure that Distributions to holders of Allowed Claims are accomplished as provided in the Plan;

(f) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated;

(g) to issue such orders in aid of execution and consummation of the Plan, to the extent authorized by section 1142 of the Code;

(h) to consider any amendments to or modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in the Plan, the Plan Supplement, or any order of the Court, including, without limitation, the Confirmation Order;

(i) to hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 330, 331, and 503(b) of the Code;

(j) to hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

(k) to recover all Assets of the Debtor and Property of the Estate, wherever located;

(l) to determine any Claim of or any liability to a governmental unit that may be asserted as a result of the transactions contemplated herein;

(m) to enforce the Plan, the Confirmation Order and any other order, judgment, injunction or ruling entered or made in the Case, including, without limitation, the discharge, injunction, exculpation and releases provided for in the Plan;

(n) to take any action and issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan or to maintain the integrity of the Plan following consummation;

(o) to hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505, and 1146 of the Code (including, but not limited to, an expedited determination under section 505(b) of the Code of the tax liability of the Debtor for all taxable periods through the Effective Date for all taxable periods of the Debtor through the liquidation and dissolution of such Entity);

(p) to hear any other matter not inconsistent with the Code; and

(q) to enter a final decree closing the Case; *provided however*, that nothing in the Plan shall divest or deprive any other court or agency of any jurisdiction it may have over the Reorganized Debtor under applicable environmental laws.

**K. Objections to Claims**

Subject to applicable law, from and after the Effective Date, the Debtor will have the authority to file, settle, compromise, withdraw, arbitrate or litigate to judgment objections to Claims pursuant to applicable procedures established by the Bankruptcy Code, the Bankruptcy Rules and the Plan. Any and all objections to any claim must be filed prior to the Objection Deadline, or as otherwise ordered by the Court.

An Objection to the allowance of a Claim or Interest will be in writing and may be filed with the Bankruptcy Court by the Debtor, at any time on or before the deadline to object to Claims. The failure by Debtor to object to any Claim or Interest for voting purposes will not be deemed a waiver of Debtor's right to object to, or re-examine, any such Claim in whole or in part.

**IV. CONFIRMATION OF THE PLAN**

**A. Confirmation Hearing**

The Bankruptcy Court shall schedule the Confirmation Hearing to consider approval of this Disclosure Statement and Confirmation of the Plan before the Honorable John K. Olson, Judge for the United States Bankruptcy Court for the Southern District of Florida, Broward Division, located at 299 East Broward Blvd, Fort Lauderdale, FL 33301. The Confirmation Hearing may be adjourned from time to time without notice except as given at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing. The Bankruptcy Court shall set forth a deadline to file objections, if any, to the approval of this Disclosure Statement or the Confirmation of the Plan.

**B. Confirmation Standards**

For a plan to be confirmed, the Bankruptcy Code requires, among other things, that a plan be proposed in good faith and comply with the applicable provisions of chapter 11 of the Bankruptcy Code. Section 1129 of the Bankruptcy Code also imposes requirements that with respect to each class of claims or interests, such class has accepted the plan or such class is not Impaired under the plan, that Confirmation of a plan is not likely to be followed by the need for further financial reorganization, that a plan be in the best interest of Creditors, and that a plan be fair and equitable with respect to each class of claims or interests which is Impaired under the plan. The Bankruptcy Court will confirm a plan only if it finds that all of the requirements enumerated in section 1129 of the Bankruptcy Code have been met. The Debtor believes that the Plan satisfies all of the requirements for Confirmation.

## V. FUNDING AND FEASIBILITY OF THE PLAN

### A. Funding of the Plan & Feasibility

Funds to be used to make Cash payments under the Plan shall derive from the operation of the Debtor's business in the ordinary course prior to and after the Effective Date. As demonstrated in the projected operating income and expenses budget, which is attached to the Disclosure Statement as **Exhibit "F,"** demonstrates that the Debtor is Cash flow positive and has the funds available to perform its obligations under the Plan. Accordingly, the Debtor asserts that it is able to perform all of its obligations under the Plan, and as such, the Plan satisfies 11 U.S.C. § 1129(a)(11).

In order to assist in funding the Debtor's business operations under the Plan, the Debtor may retain its Cash on hand, the funds in its bank accounts, and may retain amounts received from accounts receivable to pay accounts payable.

### B. Best Interests Test and Liquidation Analysis

Notwithstanding acceptance of the Plan by each Impaired Class, in order to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each holder of a Claim or Interest in any such Impaired Class who has not voted to accept the Plan. Accordingly, if an Impaired Class does not unanimously accept the Plan, the best interests test requires the Bankruptcy Court to find that the Plan provides to each member of such Impaired Class a recovery on account of the Class member's Claim or Interest that has a value, as of the Effective Date, at least equal to the value of the Distribution that each such Class member would receive if Debtor were liquidated under Chapter 7 of the Bankruptcy Code on such date.

To estimate what members of each Impaired Class of unsecured Creditors and Equity Security Holders would receive if Debtor were liquidated under Chapter 7, the Bankruptcy Court must first determine the aggregate dollar amount that would be generated from Debtor's Assets if the Chapter 11 Case was converted to a Chapter 7 case under the Bankruptcy Code and the Assets were liquidated by a Trustee in bankruptcy (the "Liquidation Value" of such Assets). The Liquidation Value would consist of the net proceeds from the disposition of Debtor's Assets and would be augmented by any Cash held by Debtor.

As detailed in the Liquidation Analysis is be attached hereto as **Exhibit "B"**, the Debtor's Liquidation Value would not allow holders of Allowed General Unsecured Claims to receive any Distribution, and the Debtor's Plan proposes to pay the Allowed General Unsecured the full amount of their Allowed Claim plus five percent (5%).

The Debtor has compared the Claims in the Plan with the Liquidation Analysis that will be attached to the Disclosure Statement, and believes that Distributions under the Plan will provide at least the same recovery to holders of Allowed Claims against the Debtor on account of such Allowed Claims as would Distributions by a Chapter 7 Trustee.

*[Remainder of Page Intentionally Left Blank]*

**VI. ALTERNATIVES TO THE PLAN**


Although this Disclosure Statement is intended to provide information to assist a Claim or Equity Security Holder in determining whether to vote for or against the Plan, a summary of the alternatives to Confirmation of the Plan may be helpful.

If the Plan is not confirmed with respect to the Debtor, the following alternatives are available: (i) Confirmation of another chapter 11 plan; (ii) conversion of the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code; or (iii) dismissal of the Chapter 11 Case leaving Creditors and interest holders to pursue available non-bankruptcy remedies. The alternatives to the Plan are very limited and not likely to maximize the value of the assets of this Estate. The Debtor believes that conversion of the Chapter 11 Case to a chapter 7 case would result in (i) significant delays in distributions to Creditors who would have received a distribution under the Plan; and (ii) little to no recovery for unsecured Creditors. If the Chapter 11 Case is dismissed, the Creditors would be free to pursue non-bankruptcy remedies in their attempts to satisfy claims against the Debtor. Although the Debtor could theoretically file a new plan, the Debtor believes that Confirmation of the Plan is preferable to all other alternatives.

*[Remainder of Page Intentionally Left Blank]*

**DEBTOR-IN-POSSESSION**

**BLACK SQUARE FINANCIAL, LLC**

By:   
\_\_\_\_\_  
Andrew Hoffman, Manager

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing was sent to those parties as listed on the Court's Case Management / Electronic Case Filing, on January 5, 2018.

Respectfully Submitted,

**SHRAIBERG, LANDAU & PAGE, P.A.**

Attorneys for the Debtor

2385 NW Executive Center Drive, #300

Boca Raton, Florida 33431

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Email: [plandau@slp.law](mailto:plandau@slp.law)

By: /s/ Philip J. Landau

Philip J. Landau

Florida Bar. No. 0504017

Patrick Dorsey

Florida Bar No. 85841



**EXHIBIT A**

**PLAN OF REORGANIZATION**

***See Plan of Reorganization filed by the Debtor as Docket entry [ECF No. 57] on January 5, 2018.***

**EXHIBIT B****LIQUIDATION ANALYSIS****ASSETS:**

1) Cash/Bank Accounts:	\$12,766 <sup>1</sup>
2) Office Equipment/Furniture:	\$30,000
3) Database:	\$50,000
4) Litigation Claims:	Unknown
<b>TOTAL:</b>	<b>\$92,766</b>

**LESS:**

1) Chapter 7 Trustee Fee <sup>2</sup>	\$3,838
2) Chapter 7 Administrative Expenses <sup>3</sup>	\$10,000
3) Chapter 11 Administrative Expenses	
A) Estimated Chapter 11 Debtor Professional Fees	\$75,000
B) Estimated US Trustee Fees	\$4,875
4) Secured Creditor's Pre-Petition Claims	
A) Pawnee Leasing	\$31,078.89
B) Settlement Association, LLC	\$50,000
5) Priority Creditors Pre-Petition Claims	
A) None	
<b>TOTAL:</b>	<b>\$174,791.89</b>

**TOTAL POTENTIALLY AVAILABLE TO GENERAL UNSECURED CREDITORS:****\$0.00**


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<sup>1</sup> Balance as of January 4, 2018.

<sup>2</sup> Chapter 7 Trustee Fees are calculated in accordance with 11 U.S.C. § 326, which provides: "In a case under chapter 7 or 11, the court may allow reasonable compensation . . . of the trustee for the trustee's services, payable after the trustee renders such services, . . . not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, not including holders of secured claims."

<sup>3</sup> Chapter 7 Administrative Costs are difficult to qualify as they vary based on whether the Trustee employs professionals, which could include, attorneys, accountants, appraisers and liquidators. Therefore, the \$10,000.00 value is arbitrary.

**EXHIBIT C**

**LIST OF EQUITY SECURITY HOLDERS**

Andrew Hoffman, Jarrod Freeborn, and Jordan Freeborn own each own 33% of the Debtor.

**EXHIBIT D**

**LIST OF TRANSFERS MADE TO ORDINARY CREDITORS WITHIN NINETY (90)  
DAYS PRIOR TO THE PETITION DATE**

## Black Square Financial, LLC

11/7/2017 11:13 AM

Register: Black Square Financial LLC 8593

From 08/07/2017 through 11/07/2017

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
08/07/2017			117 Funding	Funding	10,557.00			31,291.37
08/07/2017		Publix	Office Supplies & Exp...		18.99			31,272.38
08/07/2017			-... Cash Advance		400.00			30,872.38
08/07/2017	1001	Brian P. Mack	Legal	Inv. 9072	2,500.00			28,372.38
08/07/2017	1003	Nicholas J. Colicigno	Payroll:Bonuses	Bonus	300.00			28,072.38
08/07/2017	1002	Brian M. Warheit	-split-		1,477.54			26,594.84
08/08/2017		Comcast	Internet		351.75			26,243.09
08/08/2017	1004	Eason & Tambornini	Legal	Attorney Fees -...	2,102.93			24,140.16
08/09/2017			- 128 Cash Advance		500.00			23,640.16
08/09/2017	E-pay	United States Treasury	-split-	81-1332650 Q...	17,676.56			5,963.60
08/09/2017	1005	The Roaming Notary	Notary	Notary - Printi...	10.00			5,953.60
08/09/2017	1006	Fedex	Postage & Delivery (Cl...	Acct. No. 7450...	58.31			5,895.29
08/09/2017	1007	Elliot M. Glatstein	Travel Expense	Travel Expense...	447.00			5,448.29
08/14/2017		USPS	Postage & Delivery (Cl...	79 DC 08/23	23.75			5,424.54
08/15/2017	1008	Paulette Bailey	Notary	Notary : Natali...	75.00			5,349.54
08/15/2017	1009	The Duffy Agency	Notary	Inv . #N-0084-...	150.00			5,199.54
08/16/2017			119 Cash Advance		1,000.00			4,199.54
08/16/2017			128 Cash Advance		1,000.00			3,199.54
08/16/2017		Chase Card Services	-split-		266.00			2,933.54
08/16/2017	1010	Athene USA Corpora...	Deal Expense	Admin. Fees - I...	900.00			2,033.54
08/17/2017		Andrew Hoffman	Andrew Hoffman:Draws	Basis Pts. & Eq...			3,000.00	5,033.54
08/17/2017		Jordan Freeborn	Jordan Freeborn:Draws	Basis Pts. & Eq...			3,000.00	8,033.54
08/17/2017		Jarrold Freeborn	Jarrold Freeborn:Draws	Basis Pts. & Eq...			3,000.00	11,033.54
08/17/2017			- 127 Cash Advance		800.00			10,233.54
08/17/2017		Fpl	Utilities		221.86			10,011.68
08/17/2017		Fpl	Utilities		136.88			9,874.80
08/17/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	2,408.94			7,465.86
08/18/2017			- 110 Client	Deposit			50,000.00	57,465.86
08/18/2017			Cash Advance		400.00			57,065.86
08/18/2017		Bru's Room	Meals & Entertainment...		66.89			56,998.97
08/18/2017		Dairy Queen	Meals & Entertainment...		15.00			56,983.97
08/18/2017	1015	Lion Grace LLC	Payroll:Officer Commi...	Commission - I...	1,738.00			55,245.97
08/18/2017	1016	Titans & Tritons, LLC	Payroll:Officer Commi...	Commission - I...	1,304.00			53,941.97
08/18/2017	1017	Element 16 LLC	Payroll:Officer Commi...	Commission - I...	1,304.00			52,637.97
08/18/2017	1018		- 110 Funding	VOID: Funding		X		52,637.97
08/18/2017	1019	Elliot M. Glatstein	Legal	Legal Fees - Il...	250.00			52,387.97
08/18/2017	1020	Sacco & Fillas, LLP.	Legal	Statement No. ...	2,392.11			49,995.86
08/18/2017	1021	Dugalic & Landau, PC.	Legal	Invoice for Ilm...	2,259.05			47,736.81
08/18/2017	1022	Drinker Biddle & Re...	Deal Expense	Admin fee for J...	1,000.00			46,736.81
08/18/2017	1023	MassMutual Financi...	Deal Expense	Admin. Fee - J...	750.00			45,986.81

## Black Square Financial, LLC

11/7/2017 11:13 AM

Register: Black Square Financial LLC 8593

From 08/07/2017 through 11/07/2017

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
08/18/2017	1025		Cash Advance	VOID: Cash A...		X		45,986.81
08/18/2017	1026		Funding	Funding	24,536.36			21,450.45
08/18/2017		Christopher Caputo	-split-	Direct Deposit		X		21,450.45
08/18/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		21,450.45
08/18/2017	1011	Brian M. Warheit	-split-		821.98			20,628.47
08/18/2017	1012	Glenn S Hoffman	-split-		1,572.96			19,055.51
08/18/2017	1013	Jennifer R. Mollison	-split-		1,486.37			17,569.14
08/18/2017	1014	Kayron Marcilio	-split-		1,096.17			16,472.97
08/18/2017	1024	Veronica Ubeda	-split-		166.24			16,306.73
08/18/2017	1027	Blake J. Johnson	-split-		600.07			15,706.66
08/18/2017	1028	Jonathan L. Suarez	-split-		241.80			15,464.86
08/21/2017		Intuit	Office Supplies & Exp...	CA 06/08			124.00	15,588.86
08/21/2017		Client	Client	Deposit			127,143.60	142,732.46
08/21/2017		120G	Client	Deposit			115,548.29	258,280.75
08/21/2017		Intuit	Office Supplies & Exp...	Envelopes	124.00			258,156.75
08/21/2017		-...	Funding	Funding	100,020.00			158,136.75
08/21/2017		Client First	Loan Payable - Client ...		2,000.00			156,136.75
08/21/2017		119	Cash Advance		1,000.00			155,136.75
08/21/2017		120G	Funding	Funding	10,000.00			145,136.75
08/21/2017	1029	Athene USA Corpora...	Deal Expense	Admin. Fees - ...	900.00			144,236.75
08/22/2017		-...	Client	Deposit			155,171.94	299,408.69
08/22/2017		Settlement Associate...	-split-	Leads - #062 G...	4,334.00			295,074.69
08/22/2017		Joseph Mendinghall -...	Funding	Funding	100,456.00			194,618.69
08/22/2017		Client First	Payroll:Commissions:...		11,348.00			183,270.69
08/22/2017		Nick Colicigno	-split-		10,979.00			172,291.69
08/22/2017	1030	Wolnitzek, Rowekam...	-split-	Attorney Fees -...	3,141.27			169,150.42
08/22/2017	1031	Lion Grace LLC	Payroll:Officer Commi...	Equity - Joseph...	6,171.00			162,979.42
08/22/2017	1032	Titans & Tritons, LLC	Payroll:Officer Commi...	Equity - Josepn...	6,171.00			156,808.42
08/22/2017	1033	Element 16 LLC	Payroll:Officer Commi...	Equity - Joseph...	6,171.00			150,637.42
08/22/2017	1036	Shapiro,Blasi,Wasser...	Legal	Attorney Fees	5,000.00			145,637.42
08/22/2017	1038	Andrew Hoffman	Andrew Hoffman:Draws	loan repayment	3,000.00			142,637.42
08/22/2017	1039	Jordan Freeborn	Jordan Freeborn:Draws	loan repayment	3,000.00			139,637.42
08/22/2017	1040	Jarrold Freeborn	Jarrold Freeborn:Draws	loan repayment	3,000.00			136,637.42
08/22/2017	1034	Blake J. Johnson	-split-		869.45			135,767.97
08/22/2017	1035	Blake J. Johnson	-split-		407.43			135,360.54
08/22/2017	1037	Ikewa Nesbeth	-split-		704.45			134,656.09
08/23/2017		127	Cash Advance		500.00			134,156.09
08/23/2017		119	Cash Advance		10,000.00			124,156.09
08/23/2017		120G	Deal Expense	Funding	2,572.00			121,584.09
08/23/2017		Transfer	-split-		15,000.00			106,584.09

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08/23/2017	1041	John Hancock Life In...	Deal Expense	Admin Fee - Fr...	1,350.00			105,234.09
08/23/2017	1042	The Duffy Agency	Notary	Inv. #N-0089-...	150.00			105,084.09
08/24/2017			119 Client	Deposit			520,022.22	625,106.31
08/24/2017	1043	Lion Grace LLC	Payroll:Officer Commi...	Equity - Freder...	8,928.00			616,178.31
08/24/2017	1044	Titans & Tritons, LLC	Payroll:Officer Commi...	Equity - Freder...	8,928.00			607,250.31
08/24/2017	1045	Element 16 LLC	Payroll:Officer Commi...	Equity - Freder...	8,928.00			598,322.31
08/24/2017	1046	Ikewa Nesbeth	Notary	Notary - Gary ...	15.42			598,306.89
08/24/2017	1047	Jennifer R. Mollison	Travel Expense	Travel Expense...	6,517.83			591,789.06
08/25/2017			- 119 Funding	Funding	331,154.00			260,635.06
08/25/2017		Client First	-split-		20,416.00			240,219.06
08/25/2017		Transfer	310... Checking		7,778.00			232,441.06
08/25/2017		Lakeland Consulting ...	Commission to Rep		93,991.00			138,450.06
08/25/2017	1049	Kayron Marcilio	Payroll:Commissions	Gary McCane -...	1,000.00			137,450.06
08/25/2017	1048	Ikewa Nesbeth	-split-		515.11			136,934.95
08/28/2017		G2GCHARGE.COM	Deal Expense		11.50			136,923.45
08/28/2017	1050	Jerry Hunt	-split-	Inv. dated 08/1...	500.00			136,423.45
08/28/2017	1051	David J. Laidlaw	Legal	Legal - IPA for...	750.00			135,673.45
08/28/2017	1052	Elliot M. Glatstein	-split-	Legal Fees - Jo...	1,250.00			134,423.45
08/28/2017	50000A	Payoneer.com	Office Supplies & Exp...		621.00			133,802.45
08/29/2017		Better Business Bureau	Dues and Subscriptions		69.17			133,733.28
08/29/2017			- 122 Cash Advance		500.00			133,233.28
08/29/2017			- 128 Cash Advance		800.00			132,433.28
08/29/2017		TransUnion Risk and...	Dues and Subscriptions		1,484.00			130,949.28
08/30/2017		Jacob Joseph Associa...	Processing Income	Deposit			2,000.00	132,949.28
08/30/2017	1053	LexisNexis	Dues and Subscriptions	Invoice No.: E...	255.00			132,694.28
08/30/2017	1058	RAS Business, INC.	Cleaning Services	Cleaning Servi...	200.00			132,494.28
08/31/2017		Moneygram	Cash Advance		250.99			132,243.29
08/31/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	2,863.72			129,379.57
09/01/2017		Soho Subs	Meals & Entertainment...		40.42			129,339.15
09/01/2017	1056	Jennifer R. Mollison	-split-	VOID:		X		129,339.15
09/01/2017	1059	Whispering Woods C...	Rent Expense	Rent - Septemb...	4,664.00			124,675.15
09/01/2017		Christopher Caputo	-split-	Direct Deposit		X		124,675.15
09/01/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		124,675.15
09/01/2017	1054	Brian M. Warheit	-split-		821.98			123,853.17
09/01/2017	1055	Glenn S Hoffman	-split-		1,572.97			122,280.20
09/01/2017	1057	Kayron Marcilio	-split-		1,096.16			121,184.04
09/01/2017	1060	Blake J. Johnson	-split-		765.46			120,418.58
09/01/2017	1093	Jennifer R. Mollison	-split-		1,486.36			118,932.22
09/06/2017		Bonefish Macs	Meals & Entertainment...		41.87			118,890.35
09/06/2017		City of Philadelphia	Office Supplies & Exp...		8.40			118,881.95

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09/06/2017		- 128	Cash Advance		800.00			118,081.95
09/06/2017	E-pay	United States Treasury	-split-	81-1332650 Q...	6,332.40			111,749.55
09/06/2017	1064	Kayron Marcilio	Employee Advances	Loan	1,000.00			110,749.55
09/06/2017	1065	Fedex	Postage & Delivery (Cl...	Acct. No. 7450...	9.75			110,739.80
09/07/2017		Comcast	Internet		351.75			110,388.05
09/08/2017		- 120G	Cash Advance	Funding	580.50			109,807.55
09/08/2017		Fpl	Utilities		157.03			109,650.52
09/08/2017		Fpl	Utilities		210.80			109,439.72
09/08/2017		Rocket Lawyer	Office Supplies & Exp...		39.95			109,399.77
09/11/2017		Online Payment	Void		1,287.00			108,112.77
09/12/2017		- 130	Cash Advance		200.00			107,912.77
09/12/2017	1066	Drinker Biddle & Re...	Deal Expense	Admin fee for J...	750.00			107,162.77
09/13/2017		- 119	Client	Funding			57,780.25	164,943.02
09/13/2017		- 119	Funding	Funding	57,000.00			107,943.02
09/13/2017	1068	Lion Grace LLC	Payroll:Officer Commi...	Equity - Jacque...	6,655.00			101,288.02
09/13/2017	1069	Titans & Tritons, LLC	Payroll:Officer Commi...	Equity - Jacque...	6,655.00			94,633.02
09/13/2017	1070	Element 16 LLC	Payroll:Officer Commi...	Equity - Jacque...	6,655.00			87,978.02
09/14/2017		- ...	Client	Deposit			303,248.03	391,226.05
09/14/2017		- 1...	Cash Advance		1,000.00			390,226.05
09/14/2017	1072	MetLife Insurance C...	Deal Expense	Admin fee for ...	1,250.00			388,976.05
09/14/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	1,642.97			387,333.08
09/14/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	1,220.78			386,112.30
09/14/2017	1067	Christopher Caputo	-split-		10,197.05			375,915.25
09/14/2017	1071	Ikewa Nesbeth	-split-		584.33			375,330.92
09/15/2017		106	Client	Funding			27,421.26	402,752.18
09/15/2017			Funding	Funding	210,650.00			192,102.18
09/15/2017		128	Cash Advance		300.00			191,802.18
09/15/2017		- 120G	Funding	Funding	100,000.00			91,802.18
09/15/2017		Christopher Caputo	-split-	Direct Deposit		X		91,802.18
09/15/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		91,802.18
09/15/2017	1061	Brian M. Warheit	-split-		821.99			90,980.19
09/15/2017	1062	Glenn S Hoffman	-split-		1,572.96			89,407.23
09/15/2017	1063	Kayron Marcilio	-split-		1,096.17			88,311.06
09/18/2017		- 118	Client	Deposit			114,802.51	203,113.57
09/18/2017			Client	Holdback Pay...			4,800.00	207,913.57
09/18/2017		Chase Card Services	-split-		181.00			207,732.57
09/18/2017	1073	Blake J. Johnson	-split-		640.55			207,092.02
09/19/2017		Online Payment	Void	Deposit			1,287.00	208,379.02
09/19/2017		- 118	Funding	Funding	90,357.84			118,021.18
09/19/2017		Transfer	-split-		18,743.00			99,278.18



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09/19/2017		Client First	-split-		12,237.00			87,041.18
09/19/2017		106	Funding	Funding	27,421.26			59,619.92
09/19/2017	1075		Funding	Holdback Pay...	4,800.00			54,819.92
09/19/2017	1076	Jackson Lewis P.C.	-split-	Invoices: 6979...	2,360.82			52,459.10
09/19/2017	1077	Sacco & Fillas, LLP.	Legal	Statement No. ...	1,331.86			51,127.24
09/19/2017	1078	Elliot M. Glatstein	Legal	Legal Fees - A...	650.00			50,477.24
09/19/2017	1079	Rice Pugatch Robins...	Legal	Acct. - 5791-00...	1,000.00			49,477.24
09/19/2017	1080	Jordan Pech	Notary	Notary - Yvonn...	125.00			49,352.24
09/19/2017	1081	Dugalic & Landau, PC.	Legal	Invoice for Jac...	2,783.59			46,568.65
09/19/2017	1082	Brian P. Mack	Legal	Inv. 9104	3,000.00			43,568.65
09/19/2017	1083	Elliot M. Glatstein	-split-	Legal Fees - Ja...	2,060.00			41,508.65
09/19/2017	1084	Adam J. Steinberg,E...	Legal	VOID: Inv. 11...		X		41,508.65
09/19/2017	1074	Brian M. Warheit	-split-		2,500.95			39,007.70
09/20/2017		- 118	Funding	Funding			90,357.84	129,365.54
09/20/2017		- 132	Cash Advance		275.99			129,089.55
09/20/2017		Chakima Moreno	Referral Fees		1,000.00			128,089.55
09/20/2017		- 129	Cash Advance		500.00			127,589.55
09/20/2017	1085	Ikewa Nesbeth	-split-		145.29			127,444.26
09/20/2017	1086	Blake J. Johnson	-split-		366.45			127,077.81
09/21/2017		- 118	Funding	Funding	90,357.84			36,719.97
09/21/2017		- 1...	Cash Advance		500.00			36,219.97
09/21/2017	1087	Settlement Associate...	Leads-purchase	Leads - #86 Da...	4,518.00			31,701.97
09/21/2017	1088	Settlement Associate...	Leads-purchase	Leads - #79 Ni...	1,542.00			30,159.97
09/21/2017	1089	Settlement Associate...	Leads-purchase	Leads - #63 Jul...	1,227.00			28,932.97
09/22/2017		- 130	Cash Advance		300.00			28,632.97
09/27/2017		City of Philadelphia	Office Supplies & Exp...		8.70			28,624.27
09/27/2017	1094	Adam J. Steinberg,E...	Legal	Inv. 11017, Ma...	7,927.25			20,697.02
09/28/2017		New York Prime Res...	Meals & Entertainment...		94.60			20,602.42
09/28/2017		New York Prime Res...	Meals & Entertainment...		1,051.87			19,550.55
09/28/2017		Tobacco Products	Meals & Entertainment...		34.36			19,516.19
09/28/2017		- 128	Cash Advance		750.00			18,766.19
09/28/2017	1095	- 133	Cash Advance	Cash Advance	500.00			18,266.19
09/28/2017	1096	LexisNexis	Dues and Subscriptions	Invoice No.: E...	255.00			18,011.19
09/28/2017	1097	Jerry Hunt	-split-	Inv. dated 09/1...	400.00			17,611.19
09/28/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	2,910.73			14,700.46
09/29/2017		- 120G	Client	Funding			197,428.27	212,128.73
09/29/2017		Structured Advisors	Processing Income	Deposit			13,907.55	226,036.28
09/29/2017		Structured Advisors	Processing Income	Deposit			8,730.23	234,766.51
09/29/2017		Structured Advisors	Processing Income	Deposit			1,055.33	235,821.84
09/29/2017		Element 16 LLC	Professional Fees:Acco...				500.00	236,321.84

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09/29/2017		Titans & Tritons, LLC	Professional Fees:Acco...				500.00	236,821.84
09/29/2017		Transfer	-split-		137,093.00			99,728.84
09/29/2017		Better Business Bureau	Dues and Subscriptions		69.17			99,659.67
09/29/2017		ATM Withdrawal	Employee Advances	Chris Caputo A...	1,000.00			98,659.67
09/29/2017		- 120G	Funding	Funding	55,269.36			43,390.31
09/29/2017		TransUnion Risk and...	Dues and Subscriptions		814.00			42,576.31
09/29/2017	1100	Linn Corporation	Professional Fees:Acco...	Jordan and Jarr...	1,000.00			41,576.31
09/29/2017		Christopher Caputo	-split-	Direct Deposit		X		41,576.31
09/29/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		41,576.31
09/29/2017	1090	Brian M. Warheit	-split-		821.97			40,754.34
09/29/2017	1091	Glenn S Hoffman	-split-		1,572.97			39,181.37
09/29/2017	1092	Kayron Marcilio	-split-		1,096.17			38,085.20
09/29/2017	1101	Kayron Marcilio	-split-		5,001.05			33,084.15
09/29/2017	1102	Blake J. Johnson	-split-		886.93			32,197.22
10/02/2017		4 Rivers Smokehouse	Meals & Entertainment...		49.03			32,148.19
10/02/2017	1098	Whispering Woods C...	Rent Expense	Rent - October ...	4,664.00			27,484.19
10/02/2017	1099	RAS Business, INC.	Cleaning Services	Cleaning Servi...	200.00			27,284.19
10/02/2017	1103	Ikewa Nesbeth	Office Supplies & Exp...		85.41			27,198.78
10/05/2017		Hotels.com	Travel Expense		93.53			27,105.25
10/05/2017		Office Depot	Office Supplies & Exp...	Memo:GS FL7...	101.87			27,003.38
10/05/2017	1104	All-State Life Insura...	Deal Expense	Admin Fee for ...	850.00			26,153.38
10/06/2017		ATM Withdrawal	Payroll:Bonuses	Bonuses	300.00			25,853.38
10/06/2017		- 135	Cash Advance		500.00			25,353.38
10/06/2017	1105	Mark Ulbrich	-split-	Notary	120.00			25,233.38
10/06/2017	1106	The Duffy Agency	Notary	Inv . # N-0118-...	125.00			25,108.38
10/06/2017	1107	Diego Mateus da Costa	Employee Advances	Loan against C...	1,500.00			23,608.38
10/10/2017		Greyhound Lines	Travel Expense		148.00			23,460.38
10/10/2017			Cash Advance		250.00			23,210.38
10/10/2017		Comcast	Internet		351.75			22,858.63
10/10/2017		Rocket Lawyer	Office Supplies & Exp...		39.95			22,818.68
10/10/2017		Intuit	Office Supplies & Exp...	Envelopes	8.00			22,810.68
10/11/2017		- 112	Client	Deposit			9,890.92	32,701.60
10/11/2017		Dovetail Insurance B...	Insurance Expense		939.74			31,761.86
10/11/2017	E-pay	United States Treasury	-split-	81-1332650 Q...	14,537.98			17,223.88
10/11/2017	1108	BC Leasing Associates	-split-	Office Equipm...	2,858.07			14,365.81
10/11/2017	1109	Canada Life	Deal Expense	Admin. Fee - R...	250.00			14,115.81
10/11/2017	1113	Nick Colicigno	Commission to Rep		1,910.00			12,205.81
10/11/2017	1114	Drinker Biddle & Re...	Deal Expense	Admin fee for ...	1,000.00			11,205.81
10/12/2017		- 122	Client	Deposit			43,347.53	54,553.34
10/12/2017		127	Client	Deposit			29,561.63	84,114.97

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10/12/2017		- 129	Client	Deposit			18,307.45	102,422.42
10/12/2017		- 118	Client	Funding			12,755.83	115,178.25
10/12/2017		- 122	Cash Advance	Deposit			1,000.00	116,178.25
10/12/2017		118	Funding	Funding	12,755.83			103,422.42
10/12/2017		- 127	Funding	Funding	11,734.00			91,688.42
10/12/2017	1116	Lion Grace LLC	-split-	Commission 12...	12,375.00			79,313.42
10/12/2017	1117	Element 16 LLC	-split-	Commission 12...	12,993.00			66,320.42
10/12/2017	1118	Titans & Tritons, LLC	-split-	VOID: Commi...		X		66,320.42
10/12/2017	1121	Settlement Associate...	Leads-purchase	Leads - #129	1,763.00			64,557.42
10/12/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Adjusted for vo...	2,863.75			61,693.67
10/12/2017	1115	Brian M. Warheit	-split-		1,768.18			59,925.49
10/12/2017	1119	Ikewa Nesbeth	-split-		599.77			59,325.72
10/12/2017	1120	Ikewa Nesbeth	-split-		245.04			59,080.68
10/13/2017		- 118	Funding	Funding			12,755.83	71,836.51
10/13/2017		Florida Panthers	Meals & Entertainment...		300.00			71,536.51
10/13/2017		ATM Withdrawal	Payroll:Bonuses	Bonuses	200.00			71,336.51
10/13/2017			Cash Advance		500.00			70,836.51
10/13/2017		- 138	Cash Advance		1,000.00			69,836.51
10/13/2017	1123	Sacco & Fillas, LLP.	Legal	Statement No. ...	2,916.41			66,920.10
10/13/2017	1124	Sacco & Fillas, LLP.	Legal	Statement No. ...	3,146.79			63,773.31
10/13/2017	1125	Crawford & von Kell...	Legal	Sherry Palmer -...	2,259.46			61,513.85
10/13/2017	1126	Dugalic & Landau, PC.	Legal	Invoice for Yv...	3,622.41			57,891.44
10/13/2017	1127	Elliot M. Glatstein	Legal	Legal Fees - Ta...	950.00			56,941.44
10/13/2017	1128	Price, Meese,Shulma...	Legal	Legal - File #: ...	750.00			56,191.44
10/13/2017	1129	Thomson Reuters - ...	Dues and Subscriptions	Acct.# 100500...	822.00			55,369.44
10/13/2017	1131	Ikewa Nesbeth	Office Supplies & Exp...	Office Supplies...	69.44			55,300.00
10/13/2017	1132	Frieda Mack	Notary	Notary - Gwen...	140.00			55,160.00
10/13/2017		Christopher Caputo	-split-	Direct Deposit		X		55,160.00
10/13/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		55,160.00
10/13/2017	1110	Brian M. Warheit	-split-	VOID:		X		55,160.00
10/13/2017	1111	Glenn S Hoffman	-split-		1,572.96			53,587.04
10/13/2017	1112	Kayron Marcilio	-split-		1,096.17			52,490.87
10/13/2017	1122	Brian M. Warheit	-split-		970.58			51,520.29
10/13/2017	1130	Blake J. Johnson	-split-		843.97			50,676.32
10/16/2017		Legacy Inmate Com...	Deal Expense		29.71			50,646.61
10/16/2017		- 118	Funding	Funding	12,755.83			37,890.78
10/16/2017		Chase Card Services	-split-		220.00			37,670.78
10/17/2017		Pawnee Leasing Com...	Loan	Deposit			4,511.76	42,182.54
10/17/2017		Chase Card Services	Furniture and Equipment		4,511.76			37,670.78
10/17/2017		Fpl	Utilities		156.96			37,513.82

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10/17/2017		Fpl	Utilities		135.33			37,378.49
10/17/2017	E-pay	Florida Department o...	-split-	3370620 QB T...	313.71			37,064.78
10/17/2017	1133	Kenneth D Stern	Legal	Mediation Fee	993.75			36,071.03
10/18/2017		The Gonzalez Law G...	Legal		750.00			35,321.03
10/18/2017		ABE & LOUIES	Meals & Entertainment...		96.25			35,224.78
10/19/2017		Office Depot	Furniture and Equipment	Filing Cabinets	330.70			34,894.08
10/19/2017	1134	Transamerica Financi...	Deal Expense	Admin fee for ...	750.00			34,144.08
10/19/2017	1135	Sacco & Fillas, LLP.	Legal	Statement No. ...	3,128.38			31,015.70
10/19/2017	1136	Sacco & Fillas, LLP.	-split-	Statement No. ...	3,296.76			27,718.94
10/19/2017	1137		- 133	Cash Advance	Cash Advance	250.00		27,468.94
10/20/2017		Structured Advisors	Processing Income	Deposit			6,779.54	34,248.48
10/20/2017			- 114	Cash Advance	Deposit		2,100.00	36,348.48
10/20/2017		QuickPay	Furniture and Equipment	Filing Cabinets	20.00			36,328.48
10/20/2017			128	Cash Advance				34,828.48
10/20/2017	1138	Diego Mateus da Costa	Employee Advances	Loan against C...	1,000.00			33,828.48
10/23/2017			128	Client	Deposit		132,205.16	166,033.64
10/23/2017		BB&T Center	Meals & Entertainment...		41.00			165,992.64
10/23/2017			- 135	Cash Advance		250.00		165,742.64
10/23/2017			- 128	Funding	Funding	75,832.00		89,910.64
10/23/2017	1140	Settlement Associate...	Leads-purchase	Leads - #128	5,034.00			84,876.64
10/23/2017	1141	Pawnee Leasing Com...	Loan	Loan Payment ...	628.83			84,247.81
10/23/2017	1142	Sacco & Fillas, LLP.	Legal	Statement No. ...	3,201.60			81,046.21
10/23/2017	1143	Fedex	Postage & Delivery (Cl...	Acct. No. 7450...	9.75			81,036.46
10/23/2017	1144	Rice Pugatch Robins...	-split-	Acct. - 5791-00...	1,542.11			79,494.35
10/23/2017	1145	Kayron Marcilio	Employee Advances	Loan	1,000.00			78,494.35
10/23/2017	1146	Elliot M. Glatstein	-split-	Legal Fees & C...	1,625.00			76,869.35
10/23/2017	1147	Lion Grace LLC	-split-	Commission 12...	12,483.00			64,386.35
10/23/2017	1148	Element 16 LLC	-split-	Commission 12...	11,372.00			53,014.35
10/23/2017	1139	Michael Kostris	-split-		4,749.59			48,264.76
10/23/2017	1149	Ikewa Nesbeth	-split-		290.84			47,973.92
10/24/2017		Transfer	-split-		23,394.00			24,579.92
10/24/2017			- 130	Cash Advance		500.00		24,079.92
10/24/2017		QuickPay	Furniture and Equipment	Filing Cabinets	20.00			24,059.92
10/26/2017		Chick-fil-a	Meals & Entertainment...		6.99			24,052.93
10/26/2017		Withdrawal	Payroll:Bonuses		500.00			23,552.93
10/26/2017	1153	Patricia McDow	Notary	Notary - Saman...	50.00			23,502.93
10/26/2017		QuickBooks Payroll ...	Direct Deposit Liabilities	Created by Pay...	2,863.72			20,639.21
10/27/2017			Client	Deposit			9,609.92	30,249.13
10/27/2017		Craigslist.Org.	Marketing		35.00			30,214.13
10/27/2017			- 139	Cash Advance		100.00		30,114.13

## Black Square Financial, LLC

11/7/2017 11:13 AM

Register: Black Square Financial LLC 8593

From 08/07/2017 through 11/07/2017

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/27/2017		UPS Store	Notary		131.10			29,983.03
10/27/2017		ATM Withdrawal	Company Expense		100.00			29,883.03
10/27/2017	1155	Salesforce.com Inc.	Dues and Subscriptions	Inv. # - 114747...	2,394.00			27,489.03
10/27/2017	1156	Paulette Bailey	Notary	Notary : Chaki...	150.00			27,339.03
10/27/2017	1157	Elliot M. Glatstein	Legal	Legal Fees - Sa...	950.00			26,389.03
10/27/2017	1159	Ryan Schaar	Commission to Rep	Commissions f...	1,460.00			24,929.03
10/27/2017	1150	Brian M. Warheit	-split-		970.58			23,958.45
10/27/2017		Christopher Caputo	-split-	Direct Deposit		X		23,958.45
10/27/2017		Ikewa Nesbeth	-split-	Direct Deposit		X		23,958.45
10/27/2017	1151	Glenn S Hoffman	-split-		1,572.97			22,385.48
10/27/2017	1152	Kayron Marcilio	-split-		1,096.17			21,289.31
10/27/2017	1154	Christopher Caputo	-split-		2,704.23			18,585.08
10/27/2017	1158	Blake J. Johnson	-split-		901.23			17,683.85
10/30/2017		Indian Kitchen	Meals & Entertainment...		54.55			17,629.30
10/30/2017		Better Business Bureau	Dues and Subscriptions		69.17			17,560.13
10/30/2017	1160	Dylan Buffington	-split-	Cash Advance ...	500.00			17,060.13
10/30/2017	1161	Jerry Hunt	-split-	Inv. dated 10/1...	200.00			16,860.13
10/30/2017	1162	LexisNexis	Dues and Subscriptions	Invoice No.: E...	255.00			16,605.13
10/30/2017	1163	TCSL Services, LLC.	Notary	Notary - Dylan ...	80.00			16,525.13
10/31/2017		Jarrod Freeborn	Void	loan repayment			200.00	16,725.13
10/31/2017		ATM Withdrawal	Void		200.00			16,525.13
10/31/2017		Withdrawal	Office Supplies & Exp...		150.00			16,375.13
10/31/2017			Cash Advance		550.00			15,825.13
11/01/2017		Pawnee Leasing Com...	Loan	Loan Payment ...	1,179.06			14,646.07
11/01/2017	1164	RAS Business, INC.	Cleaning Services	Cleaning Servi...	200.00			14,446.07
11/01/2017	1165	Whispering Woods C...	Rent Expense	Rent - Novemb...	4,862.00			9,584.07
11/02/2017		Transfer	310... Checking	Deposit			12,000.00	21,584.07
11/02/2017		Bonefish Macs	Meals & Entertainment...		90.80			21,493.27
11/02/2017		TransUnion Risk and...	Dues and Subscriptions		706.00			20,787.27
11/02/2017	1166	Settlement Associate...	Leads-purchase	Leads	833.33			19,953.94
11/03/2017		YDD corporation	Furniture and Equipment	Cubicles	429.30			19,524.64
11/03/2017		- 139	Cash Advance		200.00			19,324.64
11/03/2017		Chase Bank	Bank Charges		334.95			18,989.69
11/03/2017	1167	Allstate Life Insuranc...	Deal Expense	Administrative ...	850.00			18,139.69
11/03/2017	1168	Richard Williams	Commission to Rep	Commissions f...	200.00			17,939.69
11/03/2017	1169	Young River Investm...	Commission to Rep	Commissions f...	480.76			17,458.93
11/03/2017	1170	Joe Sullivan	Commission to Rep	Commissions f...	4,500.00			12,958.93
11/04/2017	1171	YDD corporation	Furniture and Equipment	Cubicles	429.30			12,529.63
11/06/2017		Transfer	-split-	Deposit			1,500.00	14,029.63
11/06/2017		Craigslist.Org.	Marketing		35.00			13,994.63

## Black Square Financial, LLC

11/7/2017 11:13 AM

Register: Black Square Financial LLC 8593

From 08/07/2017 through 11/07/2017

Sorted by: Date, Type, Number/Ref

<b>Date</b>	<b>Number</b>	<b>Payee</b>	<b>Account</b>	<b>Memo</b>	<b>Payment</b>	<b>C</b>	<b>Deposit</b>	<b>Balance</b>
11/06/2017		Silverspot Cinema	Meals & Entertainment...		28.20			13,966.43
11/06/2017		Silverspot Cinema	Meals & Entertainment...		38.50			13,927.93
11/06/2017		ATM Withdrawal	Payroll:Bonuses		160.00			13,767.93
11/06/2017		- 134	Cash Advance		1,000.00			12,767.93
11/06/2017		Annuity Rose	Leads-purchase		12,000.00			767.93

**EXHIBIT E**

**LIST OF TRANSFERS MADE TO INSIDERS WITHIN ONE (1) YEAR PRIOR TO THE  
PETITION DATE**

11:26 AM  
11/07/17  
Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
November 7, 2016 through November 7, 2017

Payroll	Type	Date	Num	Name	Memo	Class	Clr	Split	Original Amount	Paid Amount	Balance
Officer Commissions											
Lion Grace											
		11/22/2016			Commission ...				940.00		
		11/22/2016			Commission ...				2,225.00		
		11/22/2016			Commission ...				3,903.00		
		11/22/2016			Equity 034.04...				12,400.00		
		12/15/2016			Commission ...				606.00		
		12/15/2016			Commission ...				727.00		
		01/13/2017			Equity 021				3,985.00		
		02/07/2017			Commission				10,375.00		
		02/07/2017			Equity				11,108.00		
		02/14/2017			Commission				6,907.00		
		02/14/2017			Equity				3,873.00		
		03/03/2017			Equity deal 067				1,737.00		
		03/07/2017			Equity deal 073				4,889.00		
		03/07/2017			Equity deal 066				1,145.00		
		03/08/2017			Basis Points -...				1,973.00		
		03/17/2017			Basis Points -...				1,467.00		
		03/21/2017			Basis Points				10,476.00		
		03/21/2017			Equity				7,382.00		
		03/24/2017			commission				9,454.00		
		03/24/2017			Equity				17,472.00		
		04/04/2017			Basis				10,895.00		
		04/04/2017			Equity				29,105.00		
		04/11/2017			Basis				1,748.00		
		04/11/2017			Equity				4,943.00		
		04/11/2017			Equity				5,312.00		
		04/24/2017			Commission				7,729.00		
		05/03/2017			Basis				1,440.00		
		05/03/2017			Basis Pts.				936.00		
		05/05/2017			Equity for dea...				2,576.00		
		05/05/2017			commission f...				4,155.00		
		05/12/2017			Basis Pts. 063				724.00		
		05/23/2017			Commission				0.00		
		05/23/2017			Equity				0.00		
		05/23/2017			Commission				45,126.00		
		05/23/2017			Equity				60,966.00		
		05/24/2017			Equity - Retur...				(5,000.00)		
		06/08/2017			Commission				2,842.00		
		06/09/2017			Commission				2,061.00		
		06/09/2017			Commission				4,248.00		
		06/09/2017			Commission				8,780.00		
		06/09/2017			Equity				3,314.00		
		06/09/2017			Equity				671.00		
		06/23/2017			Processing Fee				975.00		
		07/06/2017			Basis Pts.				1,184.00		
		07/06/2017			Commission				8,379.00		
		07/17/2017			Basis Pts.				6,200.00		
		07/17/2017			Equity						



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 11/07/17  
 Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
 November 7, 2016 through November 7, 2017

Type	Date	Num	Name	Memo	Class	Cir	Split	Original Amount	Paid Amount	Balance
	08/18/2017			Commission					1,738.00	
	08/22/2017			Equity - Jose...					6,171.00	
	08/24/2017			Equity - Fred...					8,928.00	
	08/25/2017			Commission					5,694.00	
	09/13/2017			Equity - Jacq...					6,655.00	
	10/12/2017			commission d...					1,410.00	
	10/12/2017			commission d...					2,915.00	
	10/12/2017			Equity deal 122					8,050.00	
	10/23/2017			Commission - ...					3,000.00	
	10/23/2017			Commission - ...					2,817.00	
	10/23/2017			Equity - #128					6,666.00	
Total Lion Grace									376,397.00	
Total Officer Commissions									376,397.00	
Total Payroll									376,397.00	
<b>TOTAL</b>									<b>376,397.00</b>	

11:25 AM  
11/07/17  
Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
November 7, 2016 through November 7, 2017

Type	Date	Num	Name	Memo	Class	Cir	Split	Original Amount	Paid Amount	Balance
<b>Payroll</b>										
<b>Officer Commissions</b>										
<b>Element 16, LLC</b>										
	11/22/2016			Commission ...					940.00	
	11/22/2016			Commission ...					2,225.00	
	11/22/2016			Commission ...					11,709.00	
	11/22/2016			Equity 034,04...					12,400.00	
	12/15/2016			Commission ...					1,819.00	
	12/15/2016			Commission ...					2,181.00	
	01/13/2017			Equity 021					3,985.00	
	02/07/2017			Commission					13,833.00	
	02/07/2017			Equity					11,108.00	
	02/14/2017			Commission					5,180.00	
	02/14/2017			Equity					3,873.00	
	03/03/2017			equity					1,737.00	
	03/07/2017			equity on 073					4,889.00	
	03/07/2017			equity on 066					1,145.00	
	03/08/2017			Basis Points -...					1,973.00	
	03/17/2017			Basis Points -...					1,467.00	
	03/21/2017			Basis Points					10,476.00	
	03/24/2017			Equity					7,382.00	
	03/24/2017			commission					9,454.00	
	03/31/2017			Equity					17,472.00	
	03/31/2017			basis					10,895.00	
	03/31/2017			Equity					29,105.00	
	04/11/2017			basis					1,748.00	
	04/11/2017			Equity - 087					4,943.00	
	04/11/2017			Equity - 080					5,312.00	
	04/11/2017			Commission					4,629.00	
	04/24/2017			basis					1,440.00	
	05/03/2017			Basis Pts.					0.00	
	05/03/2017			Basis Pts. - 0...					936.00	
	05/05/2017			equity					2,576.00	
	05/12/2017			Basis Pts. #0...					724.00	
	05/23/2017			Commission					0.00	
	05/23/2017			Equity					0.00	
	05/23/2017			Bonus					0.00	
	05/23/2017			Commission					45,126.00	
	05/23/2017			Equity					60,966.00	
	05/23/2017			Bonus					15,000.00	
	05/24/2017			Equity - Retur...					(5,000.00)	
	06/08/2017			Commission					3,790.00	
	06/09/2017			Commission					1,546.00	
	06/09/2017			Commission					4,248.00	
	06/09/2017			Equity					8,780.00	
	06/09/2017			Equity					3,314.00	
	06/27/2017			Processing Fee					671.00	
	07/06/2017			Basis Pts.					975.00	
	07/06/2017			Commission					1,579.00	

11:25 AM  
 11/07/17  
 Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
 November 7, 2016 through November 7, 2017

Type	Date	Num	Name	Memo	Class	Clr	Split	Original Amount	Paid Amount	Balance
	07/17/2017			Basis Pts.					8,379.00	
	07/17/2017			Equity					6,200.00	
	08/18/2017			Commission					1,304.00	
	08/22/2017			Equity - Jose...					6,171.00	
	08/24/2017			Equity - Fred...					8,928.00	
	08/25/2017			Commission					5,694.50	
	09/13/2017			Equity - Jacq...					6,655.00	
	10/12/2017			Commission ...					3,886.00	
	10/12/2017			Commission ...					1,057.00	
	10/12/2017			Equity Deal 1 ...					8,050.00	
	10/23/2017			Commission -...					1,889.00	
	10/23/2017			Commission -...					2,817.00	
	10/23/2017			Equity - #128					6,666.00	
Total Element 16, LLC									396,247.50	
Total Officer Commissions									396,247.50	
Total Payroll									396,247.50	
<b>TOTAL</b>									<b>396,247.50</b>	

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11/07/17  
Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
November 7, 2016 through November 7, 2017

Payroll	Type	Date	Num	Name	Memo	Class	Clr	Split	Original Amount	Paid Amount	Balance
<b>Officer Commissions</b>											
<b>Titans &amp; Tritons, LLC</b>											
		11/07/2016			Equity 029					1,229.00	
		11/22/2016			Commission ...					940.00	
		11/22/2016			Commission ...					2,225.00	
		11/22/2016			Commission ...					3,903.00	
		11/22/2016			Equity 034,04...					12,400.00	
		12/15/2016			VOID: Equity ...					0.00	
		12/15/2016			VOID: Equity ...					0.00	
		01/13/2017			Commission ...					606.00	
		01/13/2017			Commission ...					727.00	
		01/13/2017			Equity 021					3,985.00	
		02/07/2017			Commission					10,375.00	
		02/07/2017			Equity					11,108.00	
		02/14/2017			Commission					5,180.00	
		02/14/2017			Equity					3,873.00	
		03/03/2017			Commission					1,737.00	
		03/07/2017			equity					4,889.00	
		03/07/2017			equity on 073					1,145.00	
		03/08/2017			equity on 66					1,973.00	
		03/17/2017			Basis Pts. ...					1,467.00	
		03/21/2017			Basis Pts. ...					10,476.00	
		03/21/2017			Basis Points					7,382.00	
		03/24/2017			Equity					12,605.00	
		03/24/2017			Equity					17,472.00	
		03/31/2017			Equity					10,895.00	
		03/31/2017			Equity					29,105.00	
		04/11/2017			Basis Pts.					1,748.00	
		04/11/2017			Equity - #087					4,943.00	
		04/11/2017			Equity - #080					5,312.00	
		04/11/2017			Commission					4,629.00	
		04/24/2017			Basis Pts.					1,440.00	
		05/03/2017			Basis Pts.					936.00	
		05/05/2017			equity					2,576.00	
		05/12/2017			Commission ...					762.00	
		05/12/2017			Basis Pts. #0...					724.00	
		05/23/2017			Commission					0.00	
		05/23/2017			Equity					0.00	
		05/23/2017			Commission					45,126.00	
		05/23/2017			Equity					60,966.00	
		05/24/2017			Equity - Retur...					(5,000.00)	
		06/08/2017			Commission					2,842.00	
		06/09/2017			Commission					1,546.00	
		06/09/2017			Commission					5,664.00	
		06/09/2017			Equity					8,780.00	
		06/23/2017			Equity					3,314.00	
		06/23/2017			Processing Fee					671.00	
		07/06/2017			Basis Pts.					975.00	

11:27 AM  
 11/07/17  
 Cash Basis

**Black Square Financial, LLC**  
**Transaction Detail By Account**  
 November 7, 2016 through November 7, 2017

Type	Date	Num	Name	Memo	Class	Clr	Split	Original Amount	Paid Amount	Balance
	07/06/2017			Commission					1,184.00	
	07/17/2017			Basis Pts.					8,379.00	
	07/17/2017			Equity					6,200.00	
	08/18/2017			Commission					1,304.00	
	08/22/2017			Equity - Jose...					6,171.00	
	08/24/2017			Equity - Fred...					8,928.00	
	08/25/2017			Commission					5,694.50	
	09/13/2017			Equity - Jacq...					6,655.00	
	10/12/2017			Commission ...					0.00	
	10/12/2017			Commission ...					0.00	
	10/12/2017			Equity 122					0.00	
Total Titans & Tritons, LLC									348,166.50	
Total Officer Commissions									348,166.50	
Total Payroll									348,166.50	
<b>TOTAL</b>									<b>348,166.50</b>	

## Black Square Financial, LLC

12/7/2017 3:17 PM

Register: Jordan Freeborn

From 11/08/2016 through 12/07/2017

Sorted by: Date, Type, Number/Ref

<b>Date</b>	<b>Number</b>	<b>Payee</b>	<b>Account</b>	<b>Memo</b>	<b>Increase</b>	<b>C</b>	<b>Decrease</b>	<b>Balance</b>
12/14/2016		Titans & Tritons, LLC	Black Square Financial...	Loan	3,400.00			3,400.00
12/14/2016		Titans & Tritons, LLC	Black Square Financial...	Loan	600.00			4,000.00
12/15/2016	477	Titans & Tritons, LLC	Black Square Financial...	Loan Repayment				4,000.00
01/10/2017			Black Square Financial...	Loan	750.00			4,750.00
01/11/2017		Titans & Tritons, LLC	Black Square Financial...	Loan	250.00			5,000.00
01/12/2017		Titans & Tritons, LLC	Black Square Financial...	Loan	3,515.00			8,515.00
01/13/2017	517	Titans & Tritons, LLC	Black Square Financial...	Loan Repayment			4,515.00	4,000.00
01/18/2017	512	Titans & Tritons, LLC	Black Square Financial...	Loan Repayment			4,000.00	0.00
01/24/2017		Titans & Tritons, LLC	Black Square Financial...	Loan	1,000.00			1,000.00
01/31/2017		Titans & Tritons, LLC	Black Square Financial...	Loan	5,000.00			6,000.00
02/07/2017	559	Titans & Tritons, LLC	Black Square Financial...	Loan Repayment			5,000.00	1,000.00
02/27/2017		Jordan Freeborn	Black Square Financial...	Loan	3,000.00			4,000.00
03/03/2017	632	Jordan Freeborn	Black Square Financial...	Loan Repayment			3,000.00	1,000.00
03/17/2017		Jordan Freeborn	Black Square Financial...	Loan	4,000.00			5,000.00
03/21/2017	690	Jordan Freeborn	Black Square Financial...	Loan Repayment			4,000.00	1,000.00
05/12/2017	818	Jimmie Stevens 103	Black Square Financial...	Reimbursement...			1,000.00	0.00
08/17/2017		Jordan Freeborn	Black Square Financial...	Loan	3,000.00			3,000.00
08/22/2017	1039	Jordan Freeborn	Black Square Financial...	loan repayment			3,000.00	0.00

## Black Square Financial, LLC

12/7/2017 3:17 PM

Register: Andrew Hoffman:Draws

From 11/08/2016 through 12/07/2017

Sorted by: Date, Type, Number/Ref

<b>Date</b>	<b>Number</b>	<b>Payee</b>	<b>Account</b>	<b>Memo</b>	<b>Increase</b>	<b>C</b>	<b>Decrease</b>	<b>Balance</b>
12/14/2016		Lion Grace LLC	Black Square Financial...		4,000.00			4,200.00
12/15/2016	476	Lion Grace LLC	Black Square Financial...	Loan Repayment			4,000.00	200.00
01/09/2017		Lion Grace LLC	Black Square Financial...	Loan	500.00			700.00
01/10/2017		Lion Grace LLC	Black Square Financial...	Loan	250.00			950.00
01/11/2017		Lion Grace LLC	Black Square Financial...	Loan	250.00			1,200.00
01/13/2017	516	Lion Grace LLC	Black Square Financial...	Loan Repayment			1,000.00	200.00
01/24/2017		Lion Grace LLC	Black Square Financial...	Loan	1,000.00			1,200.00
01/31/2017		Lion Grace LLC	Black Square Financial...	Loan	5,000.00			6,200.00
02/07/2017	558	Lion Grace LLC	Black Square Financial...	Loan Repayment			5,000.00	1,200.00
02/27/2017		Andrew Hoffman	Black Square Financial...	Loan	3,000.00			4,200.00
03/03/2017	633	Andrew Hoffman	Black Square Financial...	Loan Repayment			3,000.00	1,200.00
03/17/2017		Andrew Hoffman	Black Square Financial...	Loan	4,000.00			5,200.00
03/17/2017		Andrew Hoffman	Black Square Financial...	Loan	200.00			5,400.00
03/21/2017	689	Andrew Hoffman	Black Square Financial...	Loan Repayment			4,200.00	1,200.00
07/06/2017	936	Andrew Hoffman	Black Square Financial...	Loan Repayment			1,200.00	0.00
08/17/2017		Andrew Hoffman	Black Square Financial...	Loan	3,000.00			3,000.00
08/22/2017	1038	Andrew Hoffman	Black Square Financial...	loan repayment			3,000.00	0.00

## Black Square Financial, LLC

12/7/2017 3:16 PM

Register: Jarrod Freeborn:Draws

From 11/08/2016 through 12/07/2017

Sorted by: Date, Type, Number/Ref

<b>Date</b>	<b>Number</b>	<b>Payee</b>	<b>Account</b>	<b>Memo</b>	<b>Increase</b>	<b>C</b>	<b>Decrease</b>	<b>Balance</b>
12/14/2016		Element 16 LLC	Black Square Financial...		4,000.00			4,000.00
12/15/2016	475	Element 16 LLC	Black Square Financial...	Loan Repayment			4,000.00	0.00
01/09/2017		Element 16 LLC	Black Square Financial...		500.00			500.00
01/10/2017		Element 16 LLC	Black Square Financial...	Loan	250.00			750.00
01/13/2017	518	Element 16 LLC	Black Square Financial...	Loan Repayment			750.00	0.00
01/24/2017		Element 16 LLC	Black Square Financial...	Loan	1,000.00			1,000.00
01/31/2017		Element 16 LLC	Black Square Financial...	Loan	5,000.00			6,000.00
02/07/2017	560	Element 16 LLC	Black Square Financial...	Loan Repayment			5,000.00	1,000.00
02/27/2017		Jarrod Freeborn	Black Square Financial...	Loan	3,000.00			4,000.00
03/03/2017	634	Jarrod Freeborn	Black Square Financial...				3,000.00	1,000.00
03/16/2017		Jarrod Freeborn	Black Square Financial...	Loan	200.00			1,200.00
03/17/2017		Jarrod Freeborn	Black Square Financial...	Loan	4,000.00			5,200.00
03/21/2017	691	Jarrod Freeborn	Black Square Financial...				4,200.00	1,000.00
07/06/2017	937	Jarrod Freeborn	Black Square Financial...	Loan Repayment			1,000.00	0.00
08/17/2017		Jarrod Freeborn	Black Square Financial...	Loan	3,000.00			3,000.00
08/22/2017	1040	Jarrod Freeborn	Black Square Financial...	loan repayment			3,000.00	0.00



**EXHIBIT F**

**PROJECTED OPERATING INCOME AND EXPENSES**

**7 YEARS BUDGET FOR Black Square Financial**

<b><u>REVENUES</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Deal Funding	\$ 8,000,000	\$ 9,000,000	\$ 10,000,000	\$ 11,000,000	\$ 12,000,000	\$ 13,000,000
<b><u>TOTAL REVENUES</u></b>	<b>\$ 8,000,000</b>	<b>\$ 9,000,000.00</b>	<b>\$ 10,000,000.00</b>	<b>\$ 11,000,000.00</b>	<b>\$ 12,000,000.00</b>	<b>\$ 13,000,000.00</b>
<b><u>EXPENSES</u></b>						
<b><u>FIXED EXPENSES</u></b>						
Electrical	\$ 7,200	\$ 8,400	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Insurance	\$ 1,300	\$ 1,400	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Phone/Internet	\$ 9,600	\$ 10,000	\$ 10,500	\$ 11,000	\$ 11,500	\$ 12,000
Payroll Fees	\$ 216,000	\$ 240,000	\$ 276,000	\$ 300,000	\$ 324,000	\$ 360,000
Settlement Association, LLC	\$ 11,328	\$ 11,328	\$ 11,328	\$ 11,328	\$ 11,328	n/a
Pawnee Leasing	\$ 7,032	\$ 7,032	\$ 7,032	\$ 7,032	\$ 7,032	n/a
IRS	\$ 4,716	\$ 4,716	n/a	n/a	n/a	n/a
Client First	\$ 54,096	\$ 54,096	\$ 54,096	\$ 54,096	\$ 54,096	\$ 54,096
General Unsecured Claims	\$ 19,002	\$ 19,002	n/a	n/a	n/a	n/a
Rent	\$ 90,000	\$ 90,000	\$ 102,000	\$ 102,000	\$ 102,000	\$ 102,000
Subtotal	\$ 420,274	\$ 445,974	\$ 471,456	\$ 495,956	\$ 520,456	\$ 538,596
<b><u>VARIABLE EXPENSES</u></b>						
Cash Advance	\$ 16,000	\$ 20,000	\$ 24,000	\$ 28,000	\$ 32,000	\$ 36,000
Credit Check	\$ 800	\$ 1,000	\$ 1,200	\$ 1,400	\$ 1,600	\$ 1,800
Deal Expense	\$ 70,000	\$ 80,000	\$ 90,000	\$ 100,000	\$ 110,000	\$ 120,000
Funding	\$ 4,000,000	\$ 4,500,000	\$ 5,000,000	\$ 5,500,000	\$ 6,000,000	\$ 6,500,000
Leads-purchase	\$ 120,000	\$ 125,000	\$ 140,000	\$ 165,000	\$ 180,000	\$ 200,000
Legal	\$ 195,000	\$ 215,000	\$ 235,000	\$ 250,000	\$ 265,000	\$ 280,000
Meals & Entertainment (Client)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 12,000	\$ 12,000	\$ 12,000
Notary	\$ 8,750	\$ 9,000	\$ 9,200	\$ 9,500	\$ 9,700	\$ 10,000
Postage & Delivery (Client)	\$ 3,000	\$ 3,500	\$ 4,000	\$ 4,500	\$ 5,000	\$ 5,500
Referral Fees	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Searches	\$ 2,200	\$ 2,400	\$ 2,600	\$ 2,800	\$ 3,000	\$ 3,200
Dues and Subscriptions	\$ 30,000	\$ 32,000	\$ 35,000	\$ 38,000	\$ 40,000	\$ 42,000
Payroll	\$ 175,000	\$ 200,000	\$ 225,000	\$ 250,000	\$ 250,000	\$ 250,000
Commissions	\$ 600,000	\$ 700,000	\$ 800,000	\$ 900,000	\$ 1,000,000	\$ 1,100,000
Officer Commissions	\$ 1,500,000	\$ 1,950,000	\$ 2,250,000	\$ 2,500,000	\$ 3,000,000	\$ 3,000,000
Subtotal	\$ 6,731,750	\$ 7,848,900	\$ 8,827,000	\$ 9,762,200	\$ 10,909,300	\$ 11,561,500
<b><u>PROFIT/LOSS</u></b>	<b>\$ 847,976</b>	<b>\$ 705,126</b>	<b>\$ 701,544</b>	<b>\$ 741,844</b>	<b>\$ 570,244</b>	<b>\$ 899,904</b>

**2024**

\$ 14,000,000

\$ 14,000,000.00

\$ 9,000

\$ 1,500

\$ 12,500

\$ 420,000

n/a

n/a

n/a

\$ 204,502

n/a

\$ 102,000

**\$ 749,502**

\$ 40,000

\$ 2,000

\$ 130,000

\$ 7,000,000

\$ 225,000

\$ 300,000

\$ 15,000

\$ 10,250

\$ 6,000

\$ 1,000

\$ 3,400

\$ 45,000

\$ 275,000

\$ 1,200,000

\$ 3,750,000

**\$ 13,002,650**

**\$ 247,848**