UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE:	Case No. 17-72013 (las)
NULOOK CAPITAL, LLC,	
Debtor in Possession.	

ORDER TO SHOW CAUSE FOR AN ORDER: (i) PURSUANT TO 11 U.S.C. § 363(c)(2) AUTHORIZING THE DEBTOR TO USE CASH COLLATERAL AND (ii) FIXING PRELIMINARY AND FINAL HEARINGS AND NOTICE REQUIREMENTS

Upon the annexed motion by order to show cause (the "Motion") of NuLook Capital, LLC, Debtor and Debtor-in-Possession in the captioned Chapter 11 case (hereinafter the "Debtor"), dated April 15, 2017seeking entry of an order: (a) pursuant to Section 363(c) of Title 11, United States Code, 11 U.S.C. Sections 101 et seq. (the "Bankruptcy Code"), authorizing the Debtor, to the extent requested in the Motion on an emergency basis to avoid immediate and irreparable harm to the Debtor's business pending a preliminary and final hearing, to use certain cash on hand and accounts receivable generated in the ordinary course of the Debtor's business or otherwise (the "Cash Collateral"), with respect to which GWG MCA Capital, LLC ("GWG") asserts a first priority security interest; (b) scheduling interim and final hearings on the Motion and fixing notice requirements with respect thereto, pursuant to Section 363(c) of Bankruptcy Code and Bankruptcy Rule 4001(b); and (c) granting such other and further relief as may be just and proper; and upon the Declaration of Randall S. D. Jacobs, Esq. dated April 15, 2017pursuant to LDNY LBR 9077-1; and upon due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that GWG, the Office of the United States Trustee, the Debtor's twenty (20) largest unsecured creditors, and all other persons having filed notice of appearance in this Case show cause before the Honorable Louis A. Scarella, United States Bankruptcy Judge, at the United States Bankruptcy Court, 290 Federal Plaza, Central Islip, New York 11722, at a preliminary hearing (as such term is used in Bankruptcy Rule 4001[b]) on April 20, 2017 at 11:00 in the forenoon of that day or as soon thereafter as counsel may be heard (the "Preliminary Hearing"), and at a final hearing (as such term is used in Bankruptcy Rule 4001(b) on May __ , 2017 at _____ in the _____ noon of that day or as soon thereafter as counsel may be heard, why an order substantially in the form annexed to the Motion (the "Interim Order") should not be entered: (a) authorizing the Debtor to use, pursuant to Section 363(c)(2)(B) of Bankruptcy Code, the Cash Collateral, constituting certain cash collateral as such term is defined in Section 363(a) of Bankruptcy Code in which GWG claims a security interest, such use conditioned to the extent and on the terms and provisions set forth in the Motion and Interim Order; and (b) for such other and further relief as may be just and proper, and it is further

ORDERED, that pending a hearing and determination of the Debtor's request to use Cash Collateral at the Preliminary Hearing but in no event beyond June 30, 2017, the Debtor is hereby authorized to utilize Cash Collateral solely for the purposes and up to the specific amounts set forth in the Budget annexed to the Motion for the period ending May 30, 2017, and it is further

ORDERED, that as adequate protection for the Debtor's use of cash collateral as authorized by this Order actually used by the Debtor from the Filing Date through and including the date of entry of the Interim Order, GWG is hereby granted a valid, fully enforceable and

perfected post-petition lien and security interest in all of the Debtor's assets to the same extent and in the same priority as its pre-petition security interest, nunc pro tunc to the Filing Date; and it is further

ORDERED, that nothing in the preceding paragraph shall be deemed to be consent by GWG to the Debtor's use of cash collateral for purposes or in amounts other than what is set forth in the budget annexed to the Motion for the period ending May 30, 2017; and it is further

ORDERED, that GWG shall have the right, during ordinary business hours and upon twenty four (24) hours prior written notice to the Debtor, to inspect the Debtor's pre-petition and post-petition collateral securing its obligations to GWG, and the Debtor shall cooperate with GWG to provide full access to all such collateral and all related documents, books and records, as well as provide copies of the Debtor's Merchant Cash Agreements and it is further

ORDERED, that service upon the (i) Office of the United States Trustee, (ii) Edward Stone, Esq., counsel for GWG, (iii) International PSC, Inc., and (iv) Discount Merchant Funding, and any persons filing notice of appearance herein, of a copy of this Order to Show Cause and the Motion on or before April_____, 2017, by fax, e-mail or overnight or express mail, shall constitute good and sufficient service and notice hereof.

Dated: Central Islip, New York
April , 2017

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE: NULOOK CAPITAL, LLC, Debtor in Possession.	Case No. 17- 72013 (las)

MOTION OF NULOOK CAPITAL, LLC, CHAPTER 11 DEBTOR-IN-POSSESSION FOR ORDER AUTHORIZING THE USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. §363(c)(2) AND RELATED RELIEF

TO: THE HONORABLE LOUIS A. SCARELLA, UNITED STATES BANKRUPTCY JUDGE:

BANKRUPTCY RULE 4001(b)(1)(B) STATEMENT

(i) A summary of the relief requested by the Motion is set forth immediately below.

(ii) The entity holding an interest in the Cash Collateral (as defined below) is GWG MCA Capital, LLC ("GWG"), fully described in paragraphs 24-37 and 53-55.

(iii) The purpose for the use of the Cash Collateral are set forth in paragraph 67 and Exhibit 1;

(iv) The material terms of the use of the Cash Collateral are set forth in paragraphs 59-64 and in the Budget (as defined herein);

(v) The adequate protection proposed to be given is set forth in paragraphs 59 and 60.

Pursuant to LBR 4001-5, the instant Motion contains a provision: (i) creating a "carve-out" for allowed professional fees as a retainer of the Debtor's counsel in the sum of $15,000 together with $1,717[1] for payment of the filing fee and $2,500 for the Debtor's accountant and

[1] NuLook issued its prepetition check to Counsel for $15,000 as a retainer plus $1,717 for the filing fee, aggregating $16,717; however, then GWG asserted its prior lien on *all of the Debtor's cash* (notwithstanding whether it was NuLook's cash or from third party loans or proceeds of such loan transactions *which GWG had rejected*.) In an abundance of caution counsel returned the funds from his escrow account to the Debtor in full (although Counsel paid for the chapter 11 petition filing fee of $1,717 on line by credit card prior to GWG's objection.)

excludes any "carve-out" for professional fees related to investigation of the validity of the secured creditor's lien; and it does not contain (ii) a provision requiring the Debtor to pay the secured creditor's expenses and attorney's fees, without notice.

NuLook Capital, LLC ("NuLook"), now a debtor and debtor-in-possession (the "Debtor") herein, makes this Motion for an Order or Orders pursuant to 11 U.S.C. Section363(c)(2) and Rule 4001(b) of the Federal Rules of Bankruptcy Procedure ("FRBP") substantially in the form annexed hereto at Exhibit "2" (the "Proposed Order"): (1) granting the Debtor use of the cash collateral on an emergency basis in accordance with the budget annexed hereto as Exhibit "1") (the "Budget"); (2) granting GWG adequate protection, to the extent necessary considering its line of credit owed by the Debtor is an estimated 250% oversecured, pursuant to 11 U.S.C. Section 361; (3) scheduling an interim and final hearing on the Motion and establishing notice requirements therefor; and (4) granting related relief.

PROCEDURE AND JURISDICTION

1. On April 4, 2017 (the "Filing Date"), the Debtor filed a voluntary petition for reorganization under Chapter 11 of Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of New York and an order for relief was simultaneously entered.

2. The Debtor has been authorized to continue in possession of its property and in the operation and management of its business as a debtor in possession pursuant to §§ 1107 and 1108 of the Code.

3. No trustee or examiner has been appointed in this case, nor has an official committee of unsecured creditors been formed.

4. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. Sections 157 and 1334.

5. This matter is a core proceeding pursuant to 28 U.S.C. Sections 157(b). Venue is proper before this Court pursuant to 28 U.S.C. Sections 1408 and 1409. The statutory and other predicates for the relief sought herein are 11 U.S.C. Sections 361 and 363(c)(2), FRBP 4001(b), and Local Rule 4001-5.

6. The factual background of this case are somewhat unusual and the business operations of the parties engaged in the "merchant cash advance" business not well known. Accordingly, counsel believes that the following detailed background explanation is warranted and will supplement this application with the Declaration of the Debtor's accountants.

BACKGROUND

I. The Debtor's Business

7. NuLook is engaged in business funding merchant cash advances ("MCAs"), *i.e.*, "[F]unding cash advances to selected merchants ("Merchants") by purchasing their future receivables ("Future Receivables") at a discount for cash and regularly transacted such business as both (i) a direct purchaser of Future Receivables using its own capital and reinvesting the proceeds in more MCAs, and (ii) as the lead purchaser syndicating such purchases with other participating purchasers through 2013.

8. In 2014, NuLook arranged for a $2.5 million revolving line of credit with which to fund many merchant cash advances ultimately generating multiples of that amount in cash proceeds from this profitable business. See "Revolving Credit Agreement between MCA Capital, LLC ("MCAC") and NuLook (the "Line of Credit") dated May 22, 2014, a copy of which is attached hereto as **Exhibit A.**

9. MCAC initially agreed to be the "sole source of funding for the $2.5 million revolving loan program" to enable NuLook to make MCAs pursuant to a Future Receivables Purchase Agreement between NuLook and selected Merchants (the "FRPA").

10. NuLook advanced Cash for MCAs to merchants (generally engaged in retail businesses) who were unable to obtain working capital otherwise from traditional lenders for various reasons, but generally related to their lower credit rating. Thus, NuLook is not a lender nor does it charge interest to these generally higher risk Merchants whose assets were, generally, previously pledged to other lenders or no longer available as collateral for any loan.

11. In exchange for the MCA, however, NuLook received an assignment of the Merchant's future credit card receipts, debit card receipts, cash, or other receipts generating an "minimum expected return for an eligible MCA" . . . . of "60% per annum" resulting from the discounted purchase price paid to the Merchant and the resale price received from the Merchant by NuLook, thereby providing the Debtor with a substantial profit on each fully repaid transaction. See Line of Credit, Exhibit A.

12. As a result, most Merchants agreeing to MCAs view such transactions as necessities, *i.e.*, to agree to sell their future receivables to Nulook at a substantial discount from face value and to pay back NuLook at full face value. Therefore, these Merchants generally resent NuLook's profitability and do not hesitate to delay or even refuse repayment to NuLook as a result of nearly any error or imagined slight attributable to the Debtor or its agents.

13. To reduce the amount of their outstanding MCA, Merchants either (i) authorize their credit card processor to send an agreed upon amount of daily sales receipts to NuLook or (ii) authorize the Debtor to debit an agreed amount from the Merchant's checking account directly (the "Cash Proceeds").

14. NuLook generally does not receive the Cash Proceeds directly from the Merchants; instead, to most efficiently receive their daily paid Cash Proceeds, the Debtor engaged an ACH processor, T$$, LLC d/b/a "ACHWorks" ("ACHWorks"), to see that the Merchants' Cash Proceeds received by ACHWorks are received by NuLook. A copy of the ACHWorks agreement (the "ACHWorks Agreement") and related consent agreement also executed by GWG is attached hereto as Exhibit B.

15. Further, NuLook does not directly service its Merchants accounts; instead NuLook utilizes an agent to provide such services. On May 22, 2014, Nulook entered into an agreement with International Professional Services Inc. d/b/a PSC ("PSC") to service its MCA business. A copy of the PSC form of "ARMS" Agreement is attached hereto as Exhibit C.

16. PSC is in business to facilitate the cash advance business such as NuLook. PSC designed its "platform" to enable its cash advance customers to "rely on their support staff and technology to track all Motions, documents, deals, commissions and provides members with management reports to manage their business efficiently." See Exhibit C.

17. However, as a result of its intimate services provided to NuLook, PSC obtained access to NuLook's and its Merchants' confidential financial information, including from their bank accounts. It also provided the service of directing monies intended by Merchants for NuLook, collect monies owed from third-party loan syndications through PSC's "merchant cash advance exchange" (the "MCA Exchange") and caused repayments thereof, direct daily "sweeps" or "pulls" of Cash Proceeds from ACHWorks to Nulook and enabled transfer of the Cash Proceeds to NuLook's operating TD Bank account (or such other bank account as directed by PSC for any reason (the significance of which is explained below).

18. Accordingly, PSC was an insider of the Debtor within the definition of §101 (31) of Bankruptcy Code having confidential information regarding virtually all aspects of the Debtor's business operations, banking and cash flow.

II. The Debtor's Initial Financial Structure

19. Over and above NuLook's own working capital provided directly by NuLook's Members, it increased is business volume many times by utilizing the MCAC $3.75 million revolving Credit Line (See Exhibit A) as amended (increased from an initial amount of $2.5 million to$3.5 million and then to $3.75 million.)

20. Significantly, however, MCAC's financing required that it provide no more than 90% of the financing for new MCAs and that NuLook provide the remaining 10% from its own capital. Until February, 2016, NuLook operated profitably and reduced its Line of Credit on a regular basis in compliance with its terms.

21. In fact, using the MCAC Credit Line, as of the Filing Date NuLook had generated gross receipts in excess of $30,000,000 and amassed more than $6.5 million in booked accounts receivable over-collateralizing MCA's Line of Credit. Further, NuLook's current accounts receivable pay approximately $500,000 annually on a timely basis and the remainder pays an additional $300-500,000 through various stages of the collection process.[2]

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[2] See attached Declaration of Anthony Mannino, Managing Member of the Debtor, dated April 15, 2017 (the "Mannino Declaration") attesting to NuLook's profitability and the fact that MCA's collateral is over secured and the supporting declaration of Anthony Mariani, CPA, of Sheeran & Co., CPAs, confirming this indisputable reality. The Debtor disputes many of the statements and conclusions in the declaration of William B. Acheson, CFO of GWG, dated April 7, 2017 (the "Acheson Declaration") submitted by GWG in support of its Motion to lift the automatic stay. However, on this point, he confirms at paragraph 25 that *in the last 3 month period,* "from December 21, 2016 until February 16, 2017, Nulook received total deposits and credits in the amount of $983,620.00 (more than $300,000 per month) and **$715,000.00 was paid to GWG** to reduce the Loan balance' owed by NuLook.

22. Pursuant to the Line of Credit, NuLook and MCAC each shared the Cash Proceeds generated by its accounts receivable in excess of $1 million per month or $50,000 per day depending upon the amount of new MCAs provided to Merchants and payment received from them. NuLook used its share of the proceeds to pay its operating expenses as well as interest to MCAC in the amounts of as much as $62,500 per month.

23. In addition, as of February 2016, NuLook had approximately $600,000 in its book of ongoing syndicated loans. See Exhibit D below, Section 1., 1.1, (a).

24. Significantly, however, MCAC refused to finance more than 90% of any MCA to a Merchant, and required the remaining 10% of the funds to be, in effect, "syndicated" by NuLook's" with its own capital or capital provided by third parties. See Exhibit A, Section II. F of the MCAC Credit Line.

25. At the same time, GWG required the Debtor and PSC enter into a Collection Subordination Agreement (the "CSA") pursuant to which GWG's senior secured lien and perfected security interest with respect to GWG's Collateral was acknowledged by both NuLook and PSC.

26. Moreover, the Debtor and MCAC entered into a Notification of and Consent to Assignment with ACHWorks which provided that upon MCAC's notice to ACHWorks that the NuLook was in default of its Credit Line, MCAC could instruct ACHWorks to segregate incoming Cash Proceeds into a new settlement account or a suspense account pending further instructions and thereby protect its cash collateral. In the absence of such Notice, ACHWorks would have not reason to be aware of any problem or diversion of funds (as explained below) intended for NuLook before they were received by ACHWorks. See Exhibit B above.

III. GWG Acquires MCAC's Assets and Ends NuLook's Use of its Credit

27. On or about February 16, 2016, GWG MCA Capital, LLC ("GWG") an insurance company with no prior experience in Merchant Cash Advances, entered into an asset purchase agreement (the "APA") directly with MCA, without any participation or representations from NuLook whatsoever. GWG acquired the Credit Line from MCAC in an entirely separate and distinct transaction in which NuLook played no part. An unsigned copy of GWG's APA sent to NuLook, is attached hereto as Exhibit D.

28. Although NuLook played no part in that transaction or the APA agreement, the Debtor believes that either MCAC's staff which promoted the sale of the Credit Line to GWG (and moved to work for GWG along with the Credit Line), either did not fully explain the MCA business or the Credit Line to GWG or GWG simply did not fully understand what it was buying, or a combination of both.

29. GWG's lack of familiarity with the MCA business evidenced itself immediately thereafter because GWG refused to provide any new capital to NuLook for new MCAs. Shortly thereafter, on July 28, 2016, GWG decided that the Line of Credit was in a "Borrowing Base Deficiency," relying upon NuLook's reported metrics that NuLook was in default.[3]

30. NuLook's overall profitable performance at the time of the APA was in large part, a function of the profitable new MCAs NuLook generated using MCAC's capital, although a

[3] The Debtor is unaware of any representations made by the principal managers of the Line of Credit while owned by MCAC in order to sell it to GWG, but it appears that GWG was surprised to find errors and other inaccuracies contained within the Borrowing Base essentially from its purchase, many of which were directly related to PSC's inaccurate reporting. The Debtor believes that the condition of the Borrowing Base was not accurately stated or represented before GWG's acquisition from MCA a condition which likely continued upon GWG's purchase from MCAC.

significant part of revenues come from collection efforts on its accounts receivable. Accordingly, GWG's refusing to provide NuLook with new funding was likely the single most damaging thing GWG could do to NuLook's ability to repay the Line of Credit to GWG.

31. Moreover, and of even greater significance, GWG apparently did not realize that by refusing to finance all new business by NuLook, pursuant the Credit Line, in effect, GWG was authorizing NuLook to "finance any new cash advance transaction to be syndicated by Borrower" and/or "Borrower shall be free to solicit other lenders to finance such additional loans." Accordingly, upon acquisition of the Credit Line, GWG's continuing refusal to finance new MCAs for NuLook, caused NuLook to use third-party financing, of self-finance, new MCAs as to which GWG apparently now asserts are also subject to its lien even though it refused to finance the very same MCAs.

32. Paragraph XVIII (a) and (b) of the Credit Line, at page 14, provides as follows:

> **XVIII Commitment and Exclusivity**:
>
> A. Exclusivity With Respect to Syndications of MCAs: The Lender will have the exclusive right of first refusal to finance any new cash advance transaction (i) to be syndicated by Borrower or (ii) rejected by Borrower based upon the terms of the respective FRPA; Lender will not unreasonably delay or withhold its notice of rejection of or consent thereto.
>
> B. Exclusivity with Respect to Loan Financing to Borrower: The Borrower agrees that it will first provide the Lender the opportunity to finance any additional loans under the same terms and conditions in this program. If the Lender declines to or cannot provide such additional loans, the Borrower shall be free to solicit other lenders to finance such additional loans. (Emphasis added).

33. Notwithstanding the cut-off of NuLook's funding for new MCAs by GWG, on or about on December 16, 2016 GWG entered into a Forbearance Agreement with NuLook, a copy

of which is attached hereto as Exhibit E. Pursuant thereto, GWG agreed that NuLook was to maximize its share of collected Cash Proceeds of MCAs at 50% until it received $20,000 for the given calendar month (to pay for its operating expenses), and thereafter all receipts were to go to GWG's account. See Exhibit E, Section 2.2

34. After the execution of the Forbearance Agreement, in the absence of new funding from GWG, the Debtor continued to repay GWG by collections of receivables from its substantial book, which NuLook advises is currently in excess of $6.5 million (or on its face, or about 300% of total NuLook debt). Moreover, as confirmed by the Acheson Declaration in Footnote 3 above, for the prior three months "from December 21, 2016 until February 16, 2017, Nulook received total deposits and credits in the amount of $983,620.00 and $715,000.00 was paid to GWG to reduce the Loan balance" owed by NuLook. (Accordingly, there is little merit to GWG's half hearted assertions of lack of adequate security.) The simple fact is that GWG never funded any new MCAs for NuLook and purchased an existing Line of Credit directly from MCAC without NuLook's involvement.

35. In a further effort to generate more profits with which to repay GWG, NuLook continued to enter into additional syndications sponsored by IPSC, the proceeds of which were all deposited into NuLook's account and primarily used to reduce its obligation to GWG after payment of operating expenses.

36. Upon receipt of the first proposed transaction in 2015, Mr. Mannino was concerned with a possible conflict of the IPSC transaction terms with MCAC's first priority secured claim on its collateral. Accordingly, he contacted MCAC's primary liason with NuLook, Sandeep Srinath ("Mr. Srinath") explained the transaction and requested his approval of it. A copy of Mr. Mannino's email to Mr. Srinath at MCAC is attached hereto as **Exhibit F.**

37. Mr. Srinath replied in writing that Mr. Mannino's understanding that the proposed IPSC transaction was correct and did not present a conflict or a violation of NuLook's Credit Line from MCAC. A copy of Mr. Srinath's responsive email confirming that position is attached hereto as **Exhibit G**.

38. As a result, NuLook entered into a series of five more similar transactions with IPSC over the next two years without objection or comment from MCAC. MCAC obviously did not care where its funds came from as long as the proceeds thereof were paid to reduce the Credit Line. Copies of each of the IPSC transactions approved by MCAC are collectively attached hereto as **Exhibit H**.

39. Such transactions were not altogether new to NuLook. Prior to obtaining the MCAC Credit Line in May 2014, NuLook arranged additional financing from individual lenders, each in the amount of $100,00 (the "Individual Loans"), although one of which may have occurred after May 2014. Copies of each of these Individual Loan transactions are collectively attached hereto as **Exhibit I**. When these loans were called by the individual lenders, NuLook repaid their loans in November, 2016 and continued to repay GWG as confirmed by Mr. Acheson.

40. Most significantly, as sworn to in the attached Mannino Declaration, none of the proceeds of either the IPSC transactions nor the Individual Loans was ever diverted or otherwise used personally by NuLook or its Members for anything other than new MCAs generating new profits which were paid to its primary secured creditor as usual. The aggregate amount of those transactions and loans was in excess of $1.2 million. Further, Mr. Mannino swears that the entire proceeds of the last $500,000 IPSC transaction was directly and immediately paid to GWG's

account upon its demand and therefore could never be used to generate any new MCAs and additional profits.

41. Accordingly, while it is apparent that there is a conflict between the priority of the MCAC Credit Line and the language of the IPSC transaction documents and the Individual Loan documents, no loss was suffered by MCAC, GWG or any other lender as a result thereof. In fact, quite the opposite is true.

42. Finally, in an effort to further pay back more of GWG's Credit Line, NuLook has recently terminated all of its employees so that it is now operated and managed solely by the two operating Members, Mr. Mannino and Mr. Guzzetti, on the lowest cost basis as is possible. NuLook has also terminated its costly former office lease on Merrick Road and after temporarily moving the operation into the private home of Co-Managing Member, John Guzzetti in Melville until it obtained a lease for inexpensive office space in Massapequa Park. The Debtor's current monthly office rental is $750 and the move was completed at or about the same time as its Petition was filed.

43. Notwithstanding all of the forgoing, GWG continually received sufficient payments to substantially reduce the Credit Line by approximately $750,000 from the continued operation of Nulook through February 16, 2017 during the period of the Forbearance Agreement.

IV. IPSC's Apparently Concealed Its Diversion of The Debtor's Cash Proceeds to Its Own Use

44. On or about February 17, 2016, without notice to, or the consent of, the Debtor upon information and belief, ***IPSC or their servicing agents, affiliates or co-conspirators acting in concert, apparently began to surreptitiously divert all Cash Proceeds destined by NuLook's***

Merchant customers through IPSC to pay NuLook, before being received by ACHWorks's settlement account and "pulled" all the Cash Proceeds so that they only went to the accounts of PSC or for its benefit, or for the benefit of others acting in concert with it. For the past months prior to February 17, 2017, NuLook had been paying GWG approximately $14,000 to $16,000 per day to reduce its Credit Line. IPSC's unlawful taking of NuLooks Cash Proceeds was solely the responsibility of IPSC.

45. As set forth in Mr. Mannino's Declaration, it was not obvious to NuLook for several days into weeks that its funds were not reaching its TD Bank operating account; Mr. Mannino made several calls to ACHWorks trying to learn where NuLook's funds were, *i.e.*, in suspense, on hold, in another account, or what, but to no avail. Finally, as sworn by Mr. Mannino, it was not until March 10, 2017 during a conference call that ACHWorks informed him that it could do nothing to affect the flow of Cash Proceeds one way or *another because they had been diverted before they ever reached its accounts at ACHWorks*. Mr. Mannino was at a loss to determine where NuLook's Cash Proceeds were and how to recover them because there seemed to be no trail to follow: the funds never were received by ACHWorks from whom he had previously received virtually all prior ACH Cash Proceeds.

46. From that day until now, all Cash Proceeds that had previously been intended for NuLook's TD Bank operating account have apparently been misappropriated by IPSC. The Debtor did not know what to advise GWG as it was unaware of any changes to its servicing or collections procedures or what instructions GWG had given with respect to its Cash Proceeds.

47. Shortly before the Filing Date, the NuLook learned that IPSC had apparently been diverting the Cash Proceeds destined for NuLook at the source, *i.e*., by carefully diverting

Merchant payments to or through other service processors before being received by NuLook and redirecting all funds for its own purposes.

48. Prior to the Filing Date, Nulook and its counsel engaged in numerous exchanges with GWG's counsel explaining that NuLook had no control over the Cash Proceeds which had never reached ACHWorks or NuLook's bank account. This fact was met with disbelief by GWG's representatives who impetuously wanted to impose a receiver in state court action and take control of NuLooks' MCAs and merchant contracts in utter disastrous disregard of the negative consequences to both.

49. NuLook strongly advised against such precipitous action for two important reasons: first, virtually all MCA Merchants would like nothing better as an excuse to stop further payments than a third party asserting their rights to their payments and claiming that prior payments had been converted; in effect, NuLook advised that this was tantamount to destruction of the active merchant accounts which were otherwise paying $500,000 per year to Nulook to reduce GWG's Credit Line.

50. Second, IPSC's tentacles are so deeply embedded in NuLook's operations, the information in its bank accounts, its merchant relationships and its business practices and operations and were so well concealed that the any receiver (or trustee's appointment) would necessarily cause operational delays, if not inoperability, which would be equally damaging to NuLook's Cash Proceeds and business as a whole. This assessment is directly confirmed by NuLook's accountants who will submit their own declaration in opposition to precipitously lifting the stay or imposing a trustee in this case.

51. Compounding IPSC's apparent conversion of approximately $400,000 in Cash Proceeds intended for NuLook from February 17, 2017 to date, and despite NuLook's prior

participation in the IPSC Transactions having been expressly approved by MCA from 2015 without change, GWG's representatives subsequently declared that NuLook's participation such transactions "violated" its security interests, *i.e*., "double" pledging its collateral. GWG makes this complaint notwithstanding it *not having suffered any damages as a result* of this assertion of form over substance: it has received all such funds from all such transactions with the only exception being IPSC's concealed, unilateral wrongful diversions.

52. Further, despite NuLook's protestations and denials of wrongdoing, GWG seemed to believe that NuLook was somehow acting in concert with IPSC, and was not the victim of its wrongdoing to just as GWG was. As a result, GWG threatened immediate legal action against both IPSC and NuLook.

53. In addition, it its ill-considered and rash action seeking to lift the automatic stay regardless of the consequences, GWG failed to consider the economic effect of its rejection and refusal to fund new MCAs and that therefore, some amount (to be calculated) is actually Cash Proceeds that do not fall within its "collateral" having either been return of NuLook's or third party lender's authorized capital, or the profits generated therefrom but, in neither event, did they contain any funds loaned by GWG or the profits generated by loaned capital from GWG.

54. The Debtor has downsized its operations, reduced all costs as is necessary and appropriate to operate profitably even at the current level of revenues received. The Debtor's quick and decisive action to dramatically reduce its operation costs, laying off its employees enabled its operated solely by equity Members.

55. With the proposed minimal use of GWG's fully secured cash collateral, the Debtor is convinced it can continue to operate profitably, to continue to repay the balance owed to GWG. It will do this at the same time it is prosecuting an adversary proceeding against IPSC

to recover at least the diverted $400,000 if not the additional $1.2 million repaid over the past two years, and to dismiss any of its claims in this case until such funds are repaid.. In the event that it can secure additional funding for new cash advance transactions, the Debtor believes that it will not only be able to continually reduce GWG's outstanding balance on its Credit Line even faster but generate even more profits for itself and its unsecured creditors.

56. Unfortunately, GWG''s premature litigation is intent upon appointing a receiver or a trustee regardless of the negative consequences to NuLook as well as to its final return of capital from its Credit Line. Nulook has advised GWG's counsel that any such premature seizure action will likely be damaging if not destructive to the Debtor's Merchant relationships and have disastrous effect on their payments to Debtor.

57. Likewise, a trustee appointed to oversee IPSC's operations would also be immediately destructive of its daily operations, Cash Proceeds distributions, and overall operation for the fundamental reason that no proposed trustee knows how to operate IPSC's far ranging business; this would have the opposite effect that GWG seeks to accomplish.

58. All that is needed is a simple stay of IPSC's control of Cash Proceeds intended by Merchants for NuLook so that they are not diverted or interfered with in any way. That would bring the situation back to the status quo that had been acceptable to GWG before February 17, 2017 when NuLook was paying its Credit Line in amounts of $14-$16,000 daily. Since GWG is more than 100% secured in NuLook's accounts receivable GWG can suffer no diminution of its collateral if replacement liens proposed herein on new MCAs are authorized.

59. The Debtor requires the breathing room afforded by Chapter 11 to enable it to continue operations wherein it believes that it will be able to generate sufficient funds to

promulgate a viable chapter 11 plan involving operating its accounts receivable as it was successfully doing prior to IPSC's cash proceeds diversions in February 2017.

60. Unfortunately, GWG has already commenced litigation in the United States District Court, Eastern District of New York, captioned GWG MCA CAPITAL, INC. v. Nulook Capital, LLC, International Professional Services Inc. dba PSC, PSC Financial, a division of PSC, Anthony Mannino, Joel Nazareno, and Robert Aurigema, (Case No. 2:17-cv-01724 -ADS-GRB) (the "Federal Action"). The Debtor has no objection to such Action to the extent that it prosecutes IPSC for the recovery of any funds wrongfully diverted but and entirely separate federal court action for the same relief seems to be another example of overkill, unnecessary expense and endangerment of the"goose the lays the golden eggs", NuLook's Merchant base.

61. Shortly after advising Debtor of the filing of that Federal Action, the Debtor filed its petition in this case seeking to protect its business and avoid any premature interruption of ISPC's operations and NuLook's Merchant relationships. NuLook believes that this Court is the only appropriate forum in which the Debtor can both reorganize as well as seek to recover its assets from IPSC at the same time with a minimum of cost and damage to its business operations and Merchant relationships.

GWG'S ASSERTED INTEREST IN CASH COLLATERAL

62. GWG has a claim against the Debtor in excess of $2,000,000 plus interest and penalties, *etc*., through April 4, 2017. The Debtor does not dispute that GWG holds a first priority lien on *substantially* all of the Debtor's assets, with the exception of the Debtor's and

third party loans and the proceeds thereof directly used to finance MCAs and syndicated transactions rejected by either or both MCAC and GWG.

63. Moreover, the Debtor believes that GWG is fully secured in that the value of the Debtor's booked accounts receivable that substantially exceeds the outstanding debt (notwithstanding that its receivables in most cases are "short term"). Further some of such receivables are not single transactions but are renewed again as per the Merchants' needs. Finally, the Debtor's collection attorneys have been continually productive in recovering from late paying Merchants. Accordingly a "short-term" label of the Debtor's accounts receivable is simply incomplete and misleading.

64. GWG is the undisputed the first priority secured creditor in the Debtor's case. The Debtor also believes that any of the Debtor's obligations to both IPSC and Discount Merchant Funding are secondary or otherwise junior to GWG, thereby providing it priority recovery from its funded transactions and the loan proceeds, accounts receivable and collections arising therefrom, to the extent not funded by NuLook's or third party approved capital loans.

RELIEF REQUESTED

The Debtor Must Be Granted Use of Cash Collateral

65. The Debtor requires the use of GWG's Cash Collateral on an emergency, interim and final basis to: (1) operate its business and (ii) fund working capital needs and allow for a carve-out for its professionals as set forth in the Budget attached as Exhibit "1." Absent the use of Cash Collateral, the Debtor will be forced to cease business operations. If it is forced to do so, it believes that GWG will be fundamentally unsuccessful in the collection of its accounts receivable and will be unable to collect anywhere near the Credit Line balance owed by the Debtor.

66. 11 U.S.C. Section 363(c)(2) provides, in pertinent part:

2) The trustee may not use, sell, or lease cash collateral under paragraph (1) of this subsection unless——

(A) each entity that has an interest in such cash collateral consents; or

(B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.

67. Furthermore, Section 363(e) provides that "on request of an entity that has an interest in property...proposed to be used...the court...shall prohibit or condition such use, sale or lease as is necessary to provide adequate protection of such interest." 11 U.S.C. Section 363(e).

68. Adequate protection is defined at 11 U.S.C. Section 361, which specifically states:

> When adequate protection is required under section 362, 363, or 364 of this title of an interest of an entity in property, such adequate protection may be provided by -
>
> (1) requiring the trustee to make a cash payment or periodic cash payments to such entity, to the extent that the stay under section 362 of this title, use, sale, or lease under section 363 of this title, or any grant of a lien under section 364 of this title results in a decrease in the value of such entity''s interest in such property;
>
> (2) *providing to such entity an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of such entity''s interest in such property*; or (Emphasis added)
>
> (3) granting such other relief, other than entitling such entity to compensation allowable under section 503 (b)(1) of this title as an administrative expense, as will result in the realization by such entity of the indubitable equivalent of such entity''s interest in such property. While the Debtor believes that GWG's interest in the Cash Collateral is substantially over-secured, the Debtor proposes to provide additional adequate protection to GWG the Debtor proposes to provide additional adequate protection to GWG by granting to GWG, pursuant to and in accordance with Sections 361 and 363 of Bankruptcy Code, replacement liens and security

interests in the Debtor's accounts receivable acquired by the Debtor post-petition up to the amount of GWG's lien (collectively, the "Replacement Liens").

69. The Debtor proposes that the Replacement Liens shall be deemed perfected as of the commencement of the Debtor's chapter 11 case to the same extent, validity and priority as GWG's security interest existed pre-petition.

70. The Debtor believes that its disbursements for 40-days from April 20, through May 30, 2017, will be approximately $38,160 as set forth in the Budget, a copy of which is annexed hereto at Exhibit "1". Under the Debtor's projections, the Debtor requires approximately $12,500 for the period April 15, 2017 through April 30, 2017 to cover its ordinary monthly operating expenses and the balance for this month. The Debtor believes that these projections, which are based upon historical costs before its cost cutting measures, will serve to be true and accurate projections of its operating expenses during the initial stages of the Chapter 11 case. The Debtor proposes to continue repayment of all proceeds received over and above the Budget amounts allocated for the Debtor to GWG in payments on a daily or other reasonable basis acceptable to GWG, *i.e,* weekly or every other day.

71. The Debtor believes that the net recoverable value of GWG's accounts receivable by the Debtor is substantially more than the balance of the Credit Line. In fact that was essentially the state of affairs after GWG refused any new financing but still required repayments daily to reduce its Credit Line balance. The Debtor received no complaint from GWG operating on such a basis until IPSC's diversion of the $400,000 taken from NuLook and, by extension, from GWG's accounts.

72. The Debtor submits that the use of cash collateral will maintain, preserve and enhance the Debtor's business and, at the very least, will maintain, preserve and enhance the

value of the Collateral as well as the results of its collection efforts. The use of Cash Collateral will ensure that the Debtor's operations are sufficiently funded, thereby stabilizing such operations and providing the Debtor's vendors and customers with necessary assurance that the Debtor has adequate funds to maintain its business operations.

73. Based upon the foregoing, the Debtor respectfully submits that GWG is adequately protected pursuant to 11 U.S.C. Section 361, and this Court should grant the Motion.

REQUEST FOR ENTRY OF EMERGENCY, INTERIM AND FINAL ORDERS TO AVOID IRREPARABLE HARM

74. Pursuant to FRBP 4001(b)(2), a minimum of fifteen (15) days notice is required before a final hearing on this Motion may commence. However, such Rule provides that the Court "may conduct a preliminary hearing before such 15 day period expires, but the court may authorize the use of only that amount of cash collateral as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing." FRBP 4001(b)(2).

75. As noted above, it is essential to the continued operation of the Debtor's business that it be authorized by this Court to use Cash Collateral on an emergency, interim and final basis. Funds are urgently needed to meet the Debtor's immediate working capital and other liquidity needs and to pursue the Chapter 11 case in an orderly manner. In the absence of immediate use of the Cash Collateral, the Debtor's chapter 11 efforts would be immediately and irreparably jeopardized.

76. No prior request for the relief sought herein has been made to this or any other court.

77. No trustee, examiner, or creditors' committee has been appointed in the Debtor's case. Subject to the directions pf the Court, the Debtor proposed to give notice of the instant Motion as follows: (a) the Office of the United States Trustee; (b) GWG and its counsel; (c) IPSC (d) Discount Merchant Funding, and (e) the Debtor's twenty (20) largest unsecured creditors. The Debtor respectfully submits that no further notice is necessary under the facts and circumstances of this matter.

78. Since no novel or complex issues of law are raised by the instant Motion, it is respectfully submitted that the requirement of a memorandum of law pursuant to EDNY LBR 9013-1(a) be dispensed with.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that this Court enter an order granting the instant Motion authorizing the use of cash collateral as requested in all respects, together with such other and further relief as may be just and proper.

Dated: New York, New York
April 15, 2017

/s/ *Randall S. D. Jacobs*
Randall S. D. Jacobs

Exhibit “1”

NULOOK CAPITAL, LLC, CHAPTER 11 DEBTOR

ESTIMATED RECEIPTS AND DISBURSEMENTS April 20 to May 30, 2017

TOTAL RECEIPTS:		$100,000.
MONTHLY DISBURSEMENTS:		
Rent	$750.	
Salaries (including Taxes)	$15,500.	
Accountant	$2,500.	
Health Insurance	$4,000.	
Phone	$200.	
Cable Internet Service	$150.	
IPSC or other Service Provider	$2,875.	
IT Services	$350.	
Car Leases Allowance	$1,550.	
Copier Lease	$285.	
Total Disbursements:	$28,160 + $10,000 (for 10 days from April 20 to April 30, 2017) = $38,160	
Net Cash Proceeds:		$61,840.
Less: April Carve out For Professionals		- $19,217.
Net Proceeds Payable to GWG		**$42,623**

Exhibit “2”

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE:	Case No. 17-72013 (las)
NULOOK CAPITAL, LLC,	
Debtor in Possession.	

INTERIM ORDER AUTHORIZING DEBTOR'S USE OF COLLATERAL OF FINANCIAL FEDERAL CREDIT, INC. AND GRANTING ADEQUATE PROTECTION CLAIM AND LIEN

WHEREAS, on April 4, 2017 (the "Petition Date"), NuLook Capital, LLC, as debtor and debtor in possession (the "Debtor") filed a voluntary petition for reorganization pursuant to Chapter 11 of Title 11, United States Code (the "Bankruptcy Code"); and

WHEREAS, the Debtor has continued in the management and operation of its business pursuant to Bankruptcy Code §§ 1107 and 1108, and no trustee or examiner has been appointed in this Chapter 11 case (the "Chapter 11 Case"); and

WHEREAS, the Debtor has moved the Court (the "Motion") for authority, pursuant to Bankruptcy Code §§ 105(a), 361 and 363, to use the Pre-Petition Collateral (as such term is defined herein) and Cash Collateral (as such term is defined in Bankruptcy Code § 363(a)), of GWG MCA Capital, LLC ("GWG") in accordance with the budget annexed as Exhibit "A" hereto (the "Budget") subject to the terms and conditions of this Order; and

WHEREAS, the Debtor has admitted, represented and stipulated to the Court, Without prejudice to the rights of third parties, the following (collectively, the "Debtor's Admissions"): (a) pursuant to an Revolving Credit Agreement dated May 22, 2014 (the "Credit Line") secured

by valid, enforceable, unavoidable and properly perfected priority liens on and security interests (the "Pre-Petition Lien") in substantially all of the Debtor's assets, including without limitation its accounts receivable, contract rights and general intangibles, except to the extent such receivables are the product of the Debtor's or third party loans and syndicated MCAs not arising from use of GWG's capital (collectively, the "Pre-Petition Collateral"); (b) as of April 4, 2017 in accordance with the Credit Line (1) the Debtor was indebted to GWG, without defense, counterclaim, recoupment or offset of any kind, in the aggregate amount of at least $2,000,000 in respect of loans, advances and other financial accommodations made under Line of Credit (the "Pre-Petition Obligations"), and (2) the Pre-Petition Obligations were secured by valid, enforceable and properly perfected priority liens on and security interests in the Pre-Petition collateral; (3) the Debtor reasonably and in good faith believes that the Budget is sufficient to fund all projected legitimate and allowable expenses of its Chapter 11 case during the period to which the Budget pertains; and

WHEREAS, the Court held an interim hearing with respect to the Motion on April 20, 2017 (the "Interim Hearing"); and the Court, having considered the Motion and the proceedings before the Court at the Interim Hearing; and said objection having been incorporated into this Order as reflected on the record of the Interim Hearing;

THE COURT HEREBY FINDS AND DETERMINES THAT:

A. Notice of the Interim Hearing has been given pursuant to Bankruptcy Rule 4001(c) to the Debtor's secured creditors, those creditors holding the twenty largest unsecured claims against the Debtor's estate, and the Office of the US. Trustee, and no further notice of, or hearing on, the interim relief sought in the Motion is required;

B. The Court has core jurisdiction over the Debtor's bankruptcy case, the Motion, and } To the extent any findings of fact constitute conclusions of law, they are adopted as such, and vice versa, pursuant to Fed. R. Bankr, P. 2052. the parties and property affected by this Order pursuant to 28 U.S.C. §§ 157(b) and 1334, and venue is proper before the Court pursuant to '28 U.S.C. §§ 1408 and 1409; and (c) good and sufficient cause exists for the issuance of this Order, to prevent immediate and irreparable harm to the Debtor's estate.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Motion is granted on an interim basis on the terms and conditions of this Interim Order. Nothing in this Interim Order shall preclude this Court from entering a final order containing provisions inconsistent with or contrary to the provisions of this Interim Order.

2. The Debtor is hereby authorized to use the Pro-Petition Collateral and Cash Collateral solely in accordance with the terms, provisions and conditions of this Order and the Budget, on an interim basis in aggregate amount not to exceed $12,500 for the remainder of April, 2017 and $25, 660 from May 1 through May 30, 2017, together with a carve-out of Cash Collateral for the payment of the Debtor's counsel retainer in the amount of $15,000 together with reimbursement of $1,717 paid for the Debtor's Filing Fee herein, and $2,500 for its accountant, with all subsequent professional fees to be submitted by application to the Court for approval before payment; otherwise a maximum of $30,160 per month as per the Budget annexed as Exhibit 1. All of the following terms and conditions of this Order, including without limitation the Debtor's covenants memorialized herein, shall constitute adequate protection of GWG's interests in the Pre~Petition Collateral as defined herein, whether or not such terms, conditions and covenants are specifically denominated in the detrital paragraphs of this Order as

being granted as adequate protection of such interests, and all of such adequate protection granted by this Order shall be without prejudice to GWG'S right to seek additional adequate protection from this Court, or the Debtor's right to oppose same.

3. Pursuant to Bankruptcy Code §§ 361, 362, and 363(e), as adequate protection for any diminution occurring subsequent to the Petition Date in the value of GWG's interests in the Pre-Petition Collateral ("Diminution in Value"), including without limitation such diminution as may be caused by the imposition of the automatic stay of Bankruptcy Code § 362(a) and by the Debtor's use of the Pre-Petition Collateral and/or Cash Collateral, GWG is hereby granted a valid, binding, enforceable and automatically perfected lien, mortgage and/or security interest (collectively, "Liens", and as so granted to GWG, the "Adequate Protection Lien") in all of the Debtor's presently owned or hereafter acquired property and assets, whether such property and assets were acquired by the Debtor before or after the Petition Date, of any kind or nature, whether real or personal, tangible or intangible, wherever located, and the proceeds and products thereof, except those receivables which are the product of third party loans and the proceeds thereof otherwise refused by GWG (collectively, the "Collateral") and to the extent acquired after the Petition Date, the "Post-Petition Collateral"), provided, however, that the Collateral shall not include causes of action brought pursuant to Bankruptcy Code §§ 544, 547, 548, 549, 550 and 553 and recoveries upon such causes of action, nor those receivables which are the product of third party loans and the proceeds thereof which GWG refused to fund, but shall include other causes of action of the Debtor that are not within the scope of said statutory provisions and recoveries upon such other causes of action. Notwithstanding the foregoing, the Adequate Protection Lien shall be subject to (a) Liens and other interests in property of the

Debtor's estate existing as of the Petition Date that are (1) valid, enforceable and not subject to avoidance by a trustee under Bankruptcy Code and (2) senior liens under applicable non-bankruptcy law to assets not encumbered by GWG'S Lien in the Pre-Petition Collateral as of the Petition Date.

4. In the event that the Adequate Protection Lien is insufficient, for any reason, to adequately protect GWG against Diminution in Value, GWG is hereby granted a post-petition administrative expense claim (the "Adequate Protection Claim") jointly and severally against the Debtor's Estate, the Adequate Protection Claim shall have priority in payment over any other indebtedness and/or obligations now in existence or incurred hereafter by the Debtor and over all administrative expenses or charges against the Debtor's property arising in the Chapter 11 Case including without limitation those specified in Bankruptcy Code §§ 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 546(c), 1113 or 1114.

5. The automatic stay provisions of Bankruptcy Code § 362 are hereby modified to permit: (a) the Debtor to implement and perform the terms of this Order, and (b) the Debtor to create, and GWG to perfect, the Adequate Protection Lien and any other Liens granted hereunder. GWG shall not be required to file UCC financing statements or other instruments with any other filing authority to perfect the Liens granted by this Order or take any other action to perfect such Liens, which shall be deemed automatically perfected by the docket entry of this Order by the Clerk of this Court, at the time of the commencement of the Debtor's bankruptcy case on the Petition Date. If, however, GWG shall elect for any reason to file, record or serve any such financing statements or other documents with respect to such Liens, then the Debtor is

hereby deemed to authorize GWG to do so and which shall be deemed to be effective at the time of the commencement of the Chapter 11 Case on the Petition Date.

6. Each of the following shall constitute an "Event of Default" for purposes of this Order: (a) a Chapter 11 trustee, or an examiner with expanded powers beyond those set forth in Bankruptcy Code §§ 1106(3X3) and 1106(a)(4), is appointed by order of this Court, the effect of which has not been stayed, in any of the Chapter 11 Case; (b) this Court enters an order, the effect of which has not been stayed, granting relief from the automatic stay to third parties with respect to assets of the Debtor's estate having an aggregate and cumulative value in excess of $100,000; (c) the Debtor ceases operations of its present business or take any material action for the purpose of effecting the foregoing without the prior written consent of GWG, except to the extent contemplated by the Budget and the business plan underlying the Budget; (c) any material and/or intentional misrepresentation by the Debtor following the Petition Date in the financial reporting or certifications to be provided by the Debtor to GWG under the Line of Credit and/or this Order; and (f) non-compliance or default by the Debtor with any of the terms, provisions and conditions of this Order; provided, however, that said non-compliance or default shall not be deemed an Event of Default if curable and cured by the Debtor within ten (10) business days after notice of such non~compliance or default is given to the Debtor by GWG.

7. Each of the following shall constitute a "Termination Event" for purposes of this Order: (a) the Chapter 11 Case is either dismissed or converted to Chapter 7 case pursuant to an order of this Court, the effect of which has not been stayed; and (b) the occurrence of the Expiration Date (as such term is defined in Paragraph 29 below)

8. Upon the occurrence of a Termination Event and the giving of written notice thereof by GWG to the Noticed Parties which shall have ten (10) business days from receipt of the notice to obtain-an order of this Court on notice to GWG enjoining or restraining GWG from exercising its rights and remedies based upon the Termination Event specified in the notice (which notice may be given by facsimile or email transmission, the automatic stay being deemed lifted for such purpose), payment of any and all Obligations of the Debtor to GWG shall be due and payable, the Debtor's use of the Collateral and Cash Collateral pursuant to this Order and the Budget shall cease.

9. The Debtor, at its expense, shall continue to keep the Collateral fully insured against all loss, peril and hazard and make GWG loss payee as its interests appear under such policies. The Debtor shall pay any and all undisputed post~petition taxes, assessments and governmental charges with respect to the Collateral.

10. The Debtor shall provide GWG with such written reports, certified by an officer of the Debtor acceptable to GWG to be accurate to the best of such officer's knowledge, information and belief, as are required under the Line of Credit.

11. GWG shall have the right, upon one (1) business day's written notice to the Debtor, at any time during the Debtor's normal business hours, to inspect, audit, examine, check, make copies of or extracts from the books, accounts, checks, invoices, correspondence and other records of the Debtor, and to inspect, audit and monitor all or any part of the Collateral, and the Debtor shall make all of same reasonably available to GWG and its representatives, for such purposes.

12. For purposes of this Order, "Proceeds" shall mean any and all payments, proceeds or other consideration realized upon the sale, liquidation, collection or disposition of the Collateral, whether in the ordinary course of the Debtor's business (including without limitation accounts and other proceeds arising from the Debtor's services) or other than in the ordinary course of the Debtor's business and other than those arising from third party loans to the Debtor generating such Cash Proceeds.

13. This Order shall be binding upon and inure to the benefit of GWG, the Debtor and its successors and assigns, including, without limitation, any trustee, responsible officer, examiner, estate administrator er representative, or similar person appointed in this Bankruptcy Case under any chapter the Bankruptcy Code.

14. The terms and conditions of this Order shall be (a) effective and immediately enforceable upon its entry by the clerk of this Court notwithstanding any potential Motion of Fed. R. Bankr. P. 6004(g), 7062., 9014 or otherwise, and (b) not be stayed absent (1) an Motion by a party in interest for such stay in conformance with such Fed, R. Bankr, P. 8005, and (2) a hearing upon notice to the Noticed Parties and GWG.

15. The provisions (if this Order and any actions taken pursuant hereto shall survive entry (if any orders which may be entered confirming any plan of reorganization or which may be entered converting the Chapter 11 Case to a case under Chapter 7 of Bankruptcy Code. The terms and provisions of this Order, as well as the Adequate Protection Claim, the Adequate Protection Lien and all ether claims and Liens granted by this Order, shall (a) continue in these or any superseding case under Bankruptcy Code, (b) be valid and binding on all parties in interest, including without limitation any Committee, Chapter 11 Trustee, examiner or Chapter 7 Trustee,

and (c) continue notwithstanding any dismissal of the Debtor's Bankruptcy Case (and any such order of dismissal shall so provide), and such claims and Liens shall maintain their priority as presided by this Order until the Obligations are satisfied in fall. Net Proceeds, Cash Collateral or Carve-Out may be used by any party in interest seeking to modify any of the rights granted to GWG under this Order in a manner adverse to GWG.

16. To the extent that any at the provisions of this Order shall conflict with any of the provisions at the Line of Credit, this Order is deemed to control and shall supersede the conflicting provisions in said agreements.

17. The Debtor's authorized use of Collateral and Cash Collateral pursuant to this Order, subject to GWG's right to terminate such use following an Event of Default in accordance with the terms and conditions of this Order, shall be in effect for the period commencing with the Petition Date through and including on _____, 2017.

18. A final hearing with respect to the Motion is scheduled for _____, 2017 at ___ pm. (the "Final Hearing"). The Debtor shall promptly mail copies of this Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing, and to any other party that has filed a request for notices with the Court and to any Committee after the same has been appointed, or Committee counsel, if the same shall have been appointed. Any party in interest objecting to the relief sought at the Final Hearing shall serve and file written objections; which objections shall be served upon (a) GWG by its counsel, (b) IPSC by its counsel should it appear herein, (c) the Debtor's 20 largest unsecured creditors and (c) the Office of the United States Trustee for the Eastern District of New York, Attn: Mr. Fusto, and which objections shall be filed with the Clerk of the Court, in

each case so as to be received no later than three (3) business days before the hearing date for the Final Hearing.

Dated: Central Islip, New York
April , 2017

SRZ Draft
2/11/16

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "**Agreement**") is made and entered into as of February 15, 2016, by and among MCA Capital, LLC, a Florida limited liability company ("**Seller**"), Walker Preston Capital Holdings, LLC, a Delaware limited liability company ("**Member**" and, collectively with Seller, the "**Selling Parties**"), and GWG MCA Capital, Inc., a Delaware corporation ("**Purchaser**").

RECITALS

A. Seller is engaged in the business of (i) providing secured revolving loans to merchant cash advance businesses and (ii) making advances directly to merchants via syndication agreements = (the "**Business**").

B. Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, the Purchased Assets (as defined below) on the terms and conditions set forth in this Agreement.

C. Selling Parties will substantially benefit from the consummation of the transactions contemplated by this Agreement and are willing to abide by the restrictive covenants contained herein, which are a material inducement for Purchaser to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the representations, warranties, covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. PURCHASE OF ASSETS

1.1 Purchased Assets. Except as set forth in Section 1.2 hereof, and subject to the terms and conditions set forth in this Agreement, each Selling Party agrees to sell, assign, transfer and deliver to Purchaser, and Purchaser agrees to purchase and accept from the applicable Selling Party, at and as of the Closing Date, all of the applicable Selling Party's right, title and interest in and to the following assets and rights, relating to the Business and existing as of the Closing Date (such assets and rights are referred to herein as the "**Purchased Assets**"):

(a) Seller's (i) $3,750,000 loan commitment to Nulook Capital LLC ("**Nulook**"), including without limitation all the rights and obligations under the Revolving Credit Agreement, dated as of May 22, 2014, by and between Seller and Nulook, as modified by that certain Rider to Revolving Credit Agreement dated September 30, 2014 and that certain Second Rider to Revolving Credit Agreement dated December 22, 2014, and pursuant to the Promissory Note executed by Nulook dated May 22, 2014, the Promissory Note executed by Nulook dated September 29, 2014, and the Promissory Note executed by Nulook dated December 22, 2014, (ii) $2,000,000 loan commitment to Lex Group Funding LLC ("**Lex Group**"), including without limitation all the rights and obligations under the Receivable Loan and Security Agreement, dated April 29, 2015, by and between Seller and Lex Group and the Promissory Note executed by Lex Group dated April 29, 2015, and (iii) approximately $600,000 syndication book with Nulook (for clarity, including the merchant cash advance loans made through such syndication arrangement to small business borrowers) (collectively, the items referred to in clauses (i) through (iii) are referred to as the "**Loans**");

(b) That certain warrant to purchase common stock issued by Lex Group to Seller and dated as of April 2015 (the "**Warrant**");

(c) The following intangible assets of Selling Parties: (i) all books and records held for use in connection with the Loans; (ii) all rights, title and interest under contracts and agreements, oral or written, that are related to the Loans (all of such contracts and agreements being herein referred to collectively as the "**Loan Documents**"); (iii) all rights, title and interest in and to the "MCA Capital" trade name and any related trademark(s) (whether or not registered); and (iv) all of the collection accounts used in the Business for collections on the Loans; and (v) all rights, title and interest under the Warrant;

(d) to the extent transferable, all Licenses (as hereinafter defined), authorizations and permits used by Seller in the conduct of the Business; and

(e) all records of the Business relating to the Assumed Liabilities (as such term is defined in Article 2 below).

1.2 Excluded Assets. Notwithstanding the provisions set forth in Section 1.1, the following properties, assets and rights (the "**Excluded Assets**") shall not be transferred to Purchaser and shall not be included within the definition of Purchased Assets:

(a) Seller's rights under this Agreement;

(b) Seller's books and records, except as described in Section 1.1(b) and 1.1(d) above, including corporate minute books, stock-transfer journals and tax returns; and

(c) all cash (including without limitation, cash contained in petty cash accounts, money market accounts, checking accounts, savings accounts, and collection accounts (including those collection accounts being acquired by Purchaser pursuant to Section 1.1(c)(iv) above), and all short-term investments and any similar type accounts of Seller, as well as all rights to Seller's bank accounts (other than the collection accounts being acquired by Purchaser pursuant to Section 1.1(c)(iv) above). Seller shall have the right to withdraw all such amounts from its accounts.

2. ASSUMPTION OF LIABILITIES

Subject to the terms and conditions hereof, Purchaser hereby agrees to assume and perform, when due, the obligations of Seller under the Loan Documents first arising on or after the Closing Date (collectively, the "**Assumed Liabilities**"). Except for the Assumed Liabilities, Purchaser shall not and does not assume any liabilities or obligations of Seller or Member, and Seller and/or Member shall be solely liable for all liabilities and obligations arising from ownership of the Purchased Assets and the operation of the Business prior to the Closing Date, whether such liabilities or obligations are absolute or contingent, known or unknown, contractual or otherwise and regardless of whether such liabilities and obligations first become known following the Closing Date (collectively, the "**Excluded Liabilities**").

3. PURCHASE PRICE; CLOSING

3.1 Purchase Price. As consideration for the Purchased Assets, Purchaser agrees to pay and Seller agrees to accept, $[●] (the "**Purchase Price**") on the Closing Date (as defined below). The Purchase Price shall be paid as set forth in Section 3.2(a) below.

3.2 The Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**"), will be effective immediately prior to the opening of business on and as of December 15, 2015, or such earlier or later time and date as is mutually agreeable to Purchaser and Seller. The date of

the Closing is referred to herein as the "**Closing Date**." Subject to the terms set forth in this Agreement, the parties agree to consummate the following transactions at the Closing:

(a) Purchaser will pay the Purchase Price in immediately available funds pursuant to wiring instructions provided by Seller on or prior to the Closing Date and without deduction, withholding or set-off of any kind;

(b) Purchaser will assume the Assumed Liabilities by executing and delivering to Seller an assignment, assumption and novation agreement substantially in the form attached hereto as Exhibit A (the "**Assignment, Assumption and Novation Agreement**") and other agreements and instruments acceptable to Seller and Purchaser to evidence and effect the assumption of the Assumed Liabilities;

(c) Seller will assign and transfer to Purchaser good and valid title in and to the Purchased Assets, free and clear of all security interests, mortgages, pledges, liens, charges, encumbrances, or adverse claims of any kind or nature ("**Liens**") arising through Seller, by executing and delivering to Purchaser the Assignment, Assumption and Novation Agreement;

(d) Seller will deliver the original (to the extent in its possession, and otherwise a copy) Loan Documents to Purchaser, and Member will deliver the original (to the extent in its possession, and otherwise a copy) Warrant to Purchaser; and

(e) The parties will execute and deliver the other documents required by this Agreement to be so executed and delivered and such other documents the parties may reasonably request in order to carry out the transactions contemplated by this Agreement.

3.3 Allocation of Purchase Price. Each party hereto agrees that the Purchase Price will be allocated solely among the Purchased Assets as set forth on Schedule 3.3. For the avoidance of doubt, no portion of the Purchase Price shall be allocable to the Selling Parties' covenants contained in this Agreement. After the Closing, the parties shall reasonably agree upon any modification of such allocations in order to account for adjustments to the Purchase Price. The allocation shall comply with Section 1060 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the Treasury Regulations promulgated thereunder. Purchaser and Seller agree to (a) be bound by such allocation, as adjusted by mutual written consent, (b) prepare and file their respective income Tax Returns consistent with such allocation (including filing of IRS Form 8594), except only to the extent otherwise required under applicable Law; and (c) take no position for Tax purposes that is inconsistent with such allocation on any applicable Tax Returns or in any audit, administrative or judicial examination or proceeding with respect to Taxes, except only to the extent otherwise required under applicable Law.

3.4 Certain Taxes and Expenses. Seller shall pay all state and local sales and use taxes (if any) and transfer taxes associated with the sale and conveyance of the Purchased Assets pursuant to this Agreement. Except as otherwise expressly provided in this Agreement, Seller and Purchaser shall each pay their own respective costs and expenses (including, without limitation, all costs and expenses of legal counsel engaged by Seller or Purchaser, as applicable) in connection with this Agreement and the transactions contemplated hereby.

4. REPRESENTATIONS AND WARRANTIES OF SELLING PARTIES

Selling Parties, jointly and severally, hereby represent and warrant to Purchaser, as of the date hereof and as of the Closing Date, as follows:

4.1 Due Organization of Seller. Seller is a limited liability company duly organized and validly existing under the laws of the State of Florida and has the corporate power and authority and all authorizations, licenses, permits and certifications necessary to own and operate its properties and to carry on its business as now conducted. Seller is qualified or otherwise authorized to transact business as a foreign entity in each jurisdiction in which the nature of the Business requires such qualification, unless the failure to be so authorized or qualified could not reasonably be expected to have a material adverse effect on the Seller's ability to enter into this Agreement. Member is the sole 100% owner of Seller.

4.2 Due Organization of Member. Member is a limited liability company duly organized and validly existing under the laws of the State of Delaware and has the corporate power and authority and all authorizations, licenses, permits and certifications necessary to own and operate its properties and to carry on its business as now conducted. Member is qualified or otherwise authorized to transact business as a foreign entity in each jurisdiction in which the nature of the Business requires such qualification, unless the failure to be so authorized or qualified could not reasonably be expected to have a material adverse effect on the Member's ability to enter into this Agreement.

4.3 Authorization of Agreements; No Conflict. The execution and delivery by each Selling Party of this Agreement and the documents, instruments and agreements to be executed and delivered by such Selling Party pursuant hereto, and the performance by Selling Parties of their respective obligations hereunder and thereunder (including without limitation consummation of the transactions contemplated hereby and thereby) have been duly authorized by all requisite company action and do not (i) violate any federal, state, local, municipal, foreign or other legal requirement, including without limitation any order of any court or other governmental body to which either Selling Party or any of the Purchased Assets is bound, (ii) violate the provisions of the charter documents of either Selling Party; (iii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default by either Selling Party under any agreement to which such Selling Party or any of the Purchased Assets is bound (specifically including the Loan Documents); or (iv) require any consent under any such agreement or result in the creation or imposition of any Lien upon any of the Purchased Assets.

4.4 Validity. This Agreement has been, and the other agreements and documents to be executed pursuant hereto by Seller or Member will be at the Closing, duly executed and delivered by Seller and Member, as applicable, and constitutes, or at the Closing will constitute, the legal, valid and binding obligation of Seller and Member, as applicable, enforceable in accordance with its terms, subject to (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium or other similar federal or state laws affecting the rights of creditors, and (ii) the effect or availability of rules of law governing specific performance, injunctive relief or other equitable remedies (regardless of whether any such remedy is considered in a proceeding at law or in equity).

4.5 Financial Information.

(a) Attached hereto as Schedule 4.5(a) are (i) the unaudited consolidated income statement and balance sheet of Member for fiscal year 2014 and for the period ended September 30, 2015, and (ii) the unaudited income statement and balance sheet of Seller for fiscal year 2014 and for the period ended September 30, 2015 (such financial statements shall be referred to herein as the "**Seller Party Financial Statements**").

(b) The Seller Party Financial Statements are true and correct, based upon the information contained in the books and records of Seller and Member, as applicable, and fairly present the financial condition of such companies as of the respective dates thereof and the results of operations for the periods referred to therein. The Seller Party Financial Statements (i.e., those

of Seller and Member) have been prepared in accordance with generally accepted accounting principles, consistently applied throughout the periods indicated.

4.6 No Undisclosed Liabilities. Neither of the Selling Parties have any liabilities or obligations, contingent or otherwise, except for (i) liabilities identified on Seller's September 30, 2015 balance sheet, and (ii) liabilities that have arisen since the date of such balance sheet in the ordinary course of business, none of which will individually or in the aggregate, have a material adverse effect on the business, assets, properties, condition (financial or otherwise), results of operations or prospects of either Seller or Member taken as a whole (a "**Material Adverse Effect**").

4.7 Title; Condition of Assets. Seller has good and marketable title to the Purchased Assets, free and clear of all Liens arising through Seller. At the Closing, Seller will transfer to Purchaser good and valid title to each asset constituting the Purchased Assets free and clear of all Liens of any kind or nature. Seller has not previously assigned or granted any other rights or interests in the Purchased Assets.

4.8 Litigation. There are no legal actions, suits, arbitrations or other legal, administrative or governmental proceedings or investigations pending or to the applicable Seller Party's knowledge threatened, against Selling Parties, their properties or assets, including the Purchased Assets, and Selling Parties are not aware of any facts that are likely to result in or form the basis for any such action, suit or other proceeding, which would have a Material Adverse Effect.

4.9 Loan Documents and Warrant. Seller has performed all obligations required to be performed under the Loan Documents to date, and is not in default under any Loan Document. The Loan Documents are each in full force and effect and Seller has not waived or assigned to any other person any of its rights thereunder. True, correct and complete copies of all Loan Documents, including amendments or supplements thereto, have been delivered to Purchaser. The Loan Documents are assignable to Purchaser without the consent of third parties.

Seller has performed all obligations required to be performed under the Warrant to date, and is not in default under the Warrant. The Warrant is in full force and effect and Seller has not waived or assigned to any other person any of its rights thereunder. A true, correct and complete copy of the Warrant, including amendments or supplements thereto, has been delivered to Purchaser. The Warrant is assignable to Purchaser without the consent of third parties.

4.10 Guarantors. Schedule 4.10 sets forth a list of all guarantors of the Loans of which Seller is aware, including syndicated Loans.

4.11 Taxes.

(a) For purposes of this Agreement, "**Tax**" (and with corresponding meaning "**Taxes**" and "**Taxable**") shall include any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, transfer, value added, ad valorem, franchise, capital stock, profits, license, withholding, payroll, employment, social security, unemployment, disability, workers' compensation, employment-related insurance, excise, environmental, severance, stamp, occupation, premium, real property, personal property, or windfall profit tax, custom duty or other tax, governmental fee or other like assessment or charge of any kind, together with any interest and any penalty, addition to tax or additional amount, imposed by any taxing authority, whether disputed or not.

(b) The Purchased Assets are not subject to any Lien resulting from unpaid Taxes; and no taxing authority has any present right to file any such Lien against the Purchased Assets.

4.12 Compliance with Laws; Licenses.

(a) Selling Parties have to their knowledge in all material respects complied with all applicable laws, regulations and other requirements, including, but not limited to, federal, state and local laws, ordinances, rules, regulations and other requirements which affect the Business and the Purchased Assets and to which Seller, Member or such Purchased Assets are subject. No claims have been filed or to the Seller Parties' knowledge threatened against either of Selling Parties alleging a violation of any such laws, regulations or other requirements.

(b) Set forth on Schedule 4.12 is a true, correct and complete list of all licenses, permits, authorizations and certificates, from federal, state and local authorities held by Seller in connection with its conduct of the Business and ownership of the Purchased Assets (collectively, the "**Licenses**"). Selling Parties have conducted the Business in compliance with the material terms and conditions of the Licenses, all of which are in full force and effect.

4.13 Insurance. All insurance policies maintained by Selling Parties with respect to the Purchased Assets are in full force and effect and there has been no failure to pay premiums on such policies when due.

4.14 Brokers. No third party shall be entitled to receive any brokerage commissions, finder's fees, fees for financial advisory services or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of Selling Parties.

4.15 Disclosure. Neither this Agreement nor any of the Exhibits or Schedules hereto nor any document delivered by or on behalf of Selling Parties in connection with the transactions contemplated by this Agreement, contain any untrue or incomplete statement of a material fact regarding Selling Parties, the Purchased Assets, the Business or the transactions contemplated by this Agreement, or fail to state any material fact necessary to make the statements contained herein or therein not misleading.

5. REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Selling Parties as follows:

5.1 Due Organization. Purchaser is a limited liability company duly organized and validly existing under the laws of the State of Delaware and has the limited liability company power and authority to own and operate its properties and to carry on its business as now conducted. Purchaser is qualified or otherwise authorized to transact business as a foreign entity in each jurisdiction in which the nature of its business requires such qualification, unless the failure to be so authorized or qualified could not reasonably be expected to have a material adverse effect on the Purchaser's ability to enter into this Agreement.

5.2 Authorization of Agreements; No Conflict. The execution and delivery by Purchaser of this Agreement and the documents, instruments and agreements to be executed and/or delivered by Purchaser pursuant hereto, and the performance by Purchaser of its obligations hereunder and thereunder (including without limitation consummation of the transactions contemplated hereby and thereby) have been duly authorized by all requisite company action and will not (i) violate any federal, state, local, municipal, foreign or other legal requirement, including without limitation any order of any court or other governmental body to which Purchaser is bound; (ii) violate the provisions of the charter documents of Purchaser; or (iii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default by Purchaser under any agreement to which Purchaser is bound.

5.3 Validity. This Agreement has been, and the other agreements and documents to be executed pursuant hereto by Purchaser will be at Closing, duly executed and delivered by Purchaser and constitutes, or at Closing will constitute, the legal, valid and binding obligation of Purchaser, enforceable in accordance with its terms, subject to (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium or other similar federal or state laws affecting the rights of creditors, and (ii) the effect or availability of rules of law governing specific performance, injunctive relief or other equitable remedies (regardless of whether any such remedy is considered in a proceeding at law or in equity).

5.4 Brokers. No third party shall be entitled to receive any brokerage commissions, finder's fees, fees for financial advisory services or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of Purchaser.

5.5 Litigation. There are no legal actions, suits, arbitrations or other legal, administrative or governmental proceedings or investigations pending or to the Purchaser's knowledge threatened, against Purchaser, its properties or assets, and Purchaser is not aware of any facts that are likely to result in or form the basis for any such action, suit or other proceeding, which would have a material adverse effect on Purchaser.

6. COVENANTS

Selling Parties and Purchaser covenant and agree as follows:

6.1 General. Purchaser and Selling Parties will use their respective commercially reasonable efforts to take all action and to do all things necessary, proper or advisable in order to consummate and make effective the transactions contemplated by this Agreement (including satisfaction, but not waiver, of the conditions to closing set forth in Article 7 below).

6.2 Operation of Business. Between the date hereof and the Closing Date, Selling Parties will not, without the prior written consent of Purchaser, engage in any practice, take any action or enter into any transaction with respect to any of the Purchased Assets outside the ordinary course of business. Without limiting the foregoing, Selling Parties will not, without the prior written consent of Purchaser, do any of the following:

(a) sell, lease, transfer or otherwise dispose of any assets comprising the Purchased Assets, or encumber, pledge, mortgage or permit any Lien to be imposed on any of such assets;

(b) amend, terminate, allow to lapse or expire, fail to timely apply for renewal of, or otherwise modify in any respect any Loan Document or any License other than in the ordinary course of business or as may be required in connection with transferring the rights or obligations under such agreement or License to Purchaser pursuant to this Agreement;

(c) otherwise engage in any practice, take any action or enter into any transaction with respect to the Business or the Purchased Assets which could have a Material Adverse Effect; or

(d) enter into any agreement to do any of the foregoing.

6.3 Due Diligence; Full Access. Between the date hereof and the Closing Date, Purchaser may, and Selling Parties shall permit Purchaser to, perform ongoing due-diligence examinations of Seller, Member, the Business and the Purchased Assets. For that purpose, Selling Parties will permit Purchaser

and its representatives to have full access, at all reasonable times, and in a manner so as not to interfere with the normal business operations of Seller, to all premises, properties, personnel, books, records (including tax records), contracts and documents of or pertaining to Seller, the Business and the Purchased Assets.

6.4 Notification of Certain Matters. Between the date of this Agreement and the Closing, Seller shall give prompt written notice to Purchaser of (i) the occurrence or failure to occur of any event which would be likely to cause a Material Adverse Effect, (ii) any material claims, actions, proceedings or investigations commenced or to its knowledge threatened, involving or affecting the Business (if Seller is named as a party thereto) or any of the Purchased Assets, and (iii) any material adverse change in the condition (financial or other), assets, or liabilities of the Business, which would be likely to cause a Material Adverse Effect; *provided, however*, that no such notification shall affect the representations or warranties of the parties or the conditions to the parties' obligations under this Agreement.

6.5 Exclusivity. Prior to the Closing, Selling Parties will not (i) solicit, initiate or encourage the submission of any proposal or offer from any person relating to the acquisition of any ownership interest of Seller or Member, or any substantial portion of the assets of Seller or Member (including any acquisition structured as a merger, consolidation or share exchange), or (ii) participate in any discussions or negotiations regarding, furnish any information, assist or participate in, or facilitate in any other manner any effort or attempt by any person to do or seek any of such activities. Selling Parties will notify Purchaser promptly if any person makes any proposal, offer, inquiry or contact in this regard.

6.6 No Requirement to Hire Employees. Purchaser shall not be required to hire any employees of Seller or to retain for a certain time any employees of Seller that Purchaser may elect to hire in its sole discretion; nor shall Purchaser be required to assume any compensation, fringe benefit, severance, retirement or other benefit heretofore provided by Seller.

6.7 Non-Solicitation and Confidentiality.

(a) Selling Parties hereby agree that for a period of three years from and after the Closing Date, without Purchaser's prior written consent (which may be withheld with or without reason), Selling Parties shall not, directly or indirectly, acting alone or together with or on behalf of or through any other person or entity (other than Purchaser or its affiliates) except with respect to Patrick Preece as provided herein (i) (A) hire as employee, consultant or other independent contractor, (B) enter into any other business relationship (including without limitation as partners, joint venturers, guarantors, business associates, investors, financiers, owners of a corporation or other business organization, entity or enterprise) with, or (C) request, advise or encourage a termination of employment by, any employee of Purchaser who was an employee of Seller immediately prior to the Closing Date, or (ii) intentionally induce either Nulook or LexGroup to cease doing business with Purchaser under the Loan Documents, or, for an 18-month period after the Closing Date, make direct or indirect loans to Nulook or LexGroup other than as part of a syndicated group (in which case Selling Parties will not act, directly or indirectly, in the capacity of an arranger or agent in respect of such syndication). For avoidance of doubt, (1) Purchaser acknowledges that Seller Parties, affiliates and principals thereof and entities related thereto, may be engaged currently and in the future in activities and businesses that are in competition with Purchaser and its current and future subsidiaries, affiliates and other related entities, and that such actions shall not constitute a breach of this Agreement, and (2) nothing herein shall preclude any Seller Party, affiliate or principal thereof or any entity related thereto, from entering into any syndication transaction (that is not a syndication of a direct or indirect loan to Nulook or LexGroup) with, or any transaction that is not a direct or indirect loan to, Nulook or LexGroup or

any affiliate thereof, including, without limitation, the origination of, syndication of, or participation in, merchant cash advance transactions.

(b) From and after the Closing Date, (i) Selling Parties shall not disclose any confidential information relating to the Loans or the Purchased Assets to any person or entity except Purchaser, and (ii) Purchaser shall not disclose any information relating to the transactions contemplated by this Agreement, including any provisions of this Agreement; provided, that, any of the parties may disclose any information required by applicable laws, rules or regulations, by any subpoena or similar legal or regulatory process, or by any governmental or regulatory authority having authority over such party.

(c) Because the breach or anticipated breach of the restrictive covenants set forth in this Section 6.7 could result in immediate and irreparable harm and injury to Purchaser, for which it may not have an adequate remedy at law, Seller hereby agrees that Purchaser shall be entitled to seek relief in equity, to enjoin such breach or anticipated breach and to seek any and all other legal and equitable remedies to which Purchaser may be entitled. In the event that the foregoing restrictive covenants are considered by a court of competent jurisdiction or arbitrator to be excessive in its duration or scope, it shall be considered modified and valid for such duration and scope as such court or arbitrator may determine reasonable under the circumstances.

(d) Member acknowledges and agrees that (i) Selling Parties will derive significant value from the transactions contemplated by this Agreement and that Purchaser would not be willing to consummate such transactions absent the restrictions set forth in this Section 6.7, and (ii) such value is sufficient consideration for the restrictions set forth in this Section 6.7.

(e) Purchaser agrees that Patrick Preece shall assist and provide support as requested by either Seller Party in connection with the wind-down of such Seller Party and any subsidiary or affiliate thereof.

6.8 Name Change. Simultaneously with the Closing, Seller shall cease using the name "MCA Capital" or any similar name in the conduct of its business and, as soon as practicable following the Closing, Selling Parties shall take all actions necessary to change Seller's corporate name from "MCA Capital" to a name easily distinguishable therefrom.

6.9 Waiver of Employee Non-Competitions Agreements. Seller acknowledges that the value to Purchaser of the transactions contemplated by this Agreement materially depend on Purchaser's ability to hire Patrick Preece and certain other employees of Seller and that Purchaser would not be willing to consummate such transactions absent Purchaser's employment of such employees. Simultaneously with or before the Closing, Seller shall deliver a written waiver of all confidentiality, non-solicitation or non-competition agreements and provisions between Seller and any employee of Seller who becomes an employee of Purchaser at the Closing or at any time thereafter.

6.10 Establishment of Collection Accounts. Purchaser shall, within 14 days after the Closing Date, establish accounts in its own name (the "**Purchaser Accounts**") and cause the obligors under the Loans to make payments in respect of the Loans directly into the Purchaser Accounts.

7. CONDITIONS PRECEDENT TO CLOSING; TERMINATION

7.1 Conditions to the Purchaser's Obligations at the Closing. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver by Purchaser), at or prior to the Closing, of each of the following conditions:

(a) Due Diligence. Purchaser shall have completed its due-diligence examination of Selling Parties, the Business and the Purchased Assets (including the due diligence examinations contemplated by Section 6.3), the result of which shall be satisfactory to Purchaser in its sole discretion; provided, however, that Purchaser's due-diligence examination shall be completed by December 11, 2015, at which time this condition to Closing shall expire.

(b) Accuracy of Representations; Performance of Covenants. The representations and warranties of Selling Parties contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though the Closing Date had been substituted for the date of this Agreement throughout such representations and warranties, except that any such representation or warranty made as of a specified date (other than the date hereof) shall be true as of such date. Selling Parties shall have duly performed and complied in all material respects with all covenants and agreements and satisfied all conditions required by this Agreement to be performed, complied with or satisfied by Selling Parties prior to or at the Closing.

(c) Certificate of Selling Parties. Purchaser shall on the Closing Date receive a certificate executed by each of Selling Parties and containing the representation and warranty of Selling Parties that the conditions set forth in Section 7.1(b), (e) and, to their respective knowledge, (f), have been satisfied.

(d) Consents and Approvals. All governmental and regulatory approvals and consents requisite or appropriate to the consummation of the transactions contemplated by this Agreement (including without limitation consents required under the Loan Documents) shall have been obtained, and such consents or approvals shall remain in full force and effect.

(e) No Material Adverse Change. From the date of this Agreement to and including the Closing Date, there will not have been: (i) material adverse change in the condition (financial or otherwise), properties, assets, results of operations or prospects of Seller or the Purchased Assets, individually or in the aggregate, whether or not insured; or (ii) any fact or circumstance existing as of the date of this Agreement which has not been disclosed to Purchaser after the date hereof which has, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the properties, business operations, results of operations or prospects of the Seller or the Purchased Assets, individually or in the aggregate.

(f) Absence of Litigation. No order, writ, injunction or decree binding on Purchaser or any Selling Party and prohibiting Purchaser or any Selling Party from consummating the transactions contemplated by this Agreement shall be in effect. No claim, action, suit or proceeding shall be pending or threatened against Purchaser, any Selling Party or the Business which, if adversely determined, would prevent the consummation of such transactions or result in the payment of substantial damages as a result of such action and for which the other party is not willing to provide indemnification.

(g) Employment Agreements. Patrick Preece and Adam Connors shall have executed and delivered to Purchaser an employment agreement in form satisfactory to Purchaser or, in Purchaser's discretion, counter-signed and delivered to Purchaser a written offer letter.

(h) Board of Directors. Purchaser shall have received the approval of this Agreement and the transactions contemplated hereby from its Board of Directors.

(i) Corporate Resolutions. Selling Parties shall have delivered a certified copy of corporate resolutions authorizing the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

(j) Other Documents. Selling Parties shall have delivered such other documents and instruments as are reasonably necessary or appropriate to effect the consummation of the contemplated transactions or that may be required under any laws or any agreements to which Seller or Member is a party.

(k) Form of Instruments. All actions to be taken by Seller in connection with consummation of the contemplated transactions and all certificates, instruments and other documents required to effect these transactions shall be reasonably satisfactory in form and substance to Purchaser.

7.2 Conditions to Selling Parties' Obligations at the Closing. The obligations of Selling Parties to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or waiver by Selling Parties), at or prior to the Closing, of each of the following conditions:

(a) Accuracy of Representations; Performance of Covenants. The representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though the Closing Date had been substituted for the date of this Agreement throughout such representations and warranties. Purchaser shall have duly performed and complied in all material respects with all covenants and agreements and satisfied all conditions required by this Agreement to be performed, complied with or satisfied by Purchaser prior to or at the Closing.

(b) Certificate of Purchaser. Seller Parties shall on the Closing Date receive a certificate executed by Purchaser and containing the representation and warranty of Purchaser that the conditions set forth in Section 7.2(a), (b) and, to its knowledge, (d), have been satisfied.

(c) Consents and Approvals. All governmental and regulatory approvals and consents requisite or appropriate to the consummation of the transactions contemplated by this Agreement shall have been obtained, and such consents or approvals shall remain in full force and effect.

(d) Absence of Litigation. No order, writ, injunction or decree which is binding on Purchaser or any Selling Party and prohibiting Purchaser or any Selling Party from consummating the transactions contemplated by this Agreement shall be in effect. No claim, action, suit or proceeding shall be pending or threatened against Purchaser, any Selling Party or the Business which, if adversely determined, would prevent the consummation of such transactions or result in the payment of substantial damages as a result of such action and for which the other party is not willing to provide indemnification.

(e) Purchaser shall have paid the Purchase Price to Seller in accordance with the terms of this Agreement.

7.3 Termination Events and Procedures. This Agreement may be terminated prior to the Closing:

(a) by Purchaser on or before the Closing Date if Purchaser determines that the timely satisfaction of any condition set forth in Section 7.1 is not reasonably likely to occur (other

than as a result of any failure on the part of Purchaser to comply with or perform any covenant or obligation of Purchaser set forth in this Agreement);

(b) by Selling Parties on or before the Closing Date if Selling Parties determine that the timely satisfaction of any condition set forth in Section 7.2 is not reasonably likely to occur (other than as a result of any failure on the part of any Selling Party to comply with or perform any covenant or obligation of such Selling Party set forth in this Agreement);

(c) by Purchaser or Selling Parties if the Closing has not taken place on or before January 1, 2016 (other than as a result of any failure on the part the terminating party to comply with or perform any covenant or obligation within the control of such party set forth in this Agreement); or

(d) by the mutual written consent of Purchaser and Selling Parties.

If any party hereto wishes to terminate this Agreement pursuant to Section 7.3, such party shall deliver to other parties hereto a written notice stating that such party is terminating this Agreement and setting forth a brief description of the basis on which such party is terminating this Agreement. If this Agreement is terminated pursuant to this Section 7.3, all further obligations of the parties under this Agreement shall terminate. Notwithstanding the foregoing, any termination of this Agreement pursuant to this Section 7.3 shall not relieve Seller, Member or Purchaser of any obligation or liability arising from any prior breach by such party of any provision of this Agreement prior to the date of such termination; and the parties shall, in all events, remain bound by and continue to be subject to the provisions set forth in Article 8.

8. INDEMNIFICATION

8.1 Indemnification of Purchaser. Selling Parties, jointly and severally, shall indemnify, defend and hold harmless Purchaser and its directors, officers, employees, agents, attorneys, consultants, representatives, affiliates, successors, transferees and assigns ("**Purchaser Indemnified Parties**") promptly upon demand, at any time and from time to time, from, against and in respect of any and all demands, claims, losses, damages, judgments, liabilities, assessments, suits, actions, proceedings, interest, penalties and expenses (including without limitation settlement costs and any reasonable legal, accounting and other expenses for investigating or defending any actions or threatened actions or for enforcing such rights of indemnity and defense) , in each case net of tax benefits available to the Purchaser Indemnified Parties as a result therefrom, incurred or suffered in connection with, arising out of or as a result of the following:

(a) any breach of a covenant, representation or warranty made by Selling Parties in this Agreement or any other agreement or document executed by a Selling Party pursuant to this Agreement; or

(b) any Excluded Liability, including but not limited to liabilities and obligations arising from Seller's ownership of the Purchased Assets or operation of the Business on or prior to the Closing Date.

8.2 Indemnification of Selling Parties. Purchaser shall indemnify, defend and hold harmless Selling Parties and their respective directors, officers, employees, agents, attorneys, consultants, representatives, affiliates, successors, transferees and assigns ("**Seller Indemnified Parties**") promptly upon demand, at any time and from time to time, from, against and in respect of any and all demands, claims, losses, damages, judgments, liabilities, assessments, suits, actions, proceedings, interest, penalties

and expenses (including without limitation settlement costs and any reasonable legal, accounting and other expenses for investigating or defending any actions or threatened actions or for enforcing such rights of indemnity and defense), in each case net of tax benefits available to the Purchaser Indemnified Parties as a result therefrom, incurred or suffered by the Seller Indemnified Parties, in connection with, arising out of or as a result of the following:

(a) any breach of a covenant, representation or warranty made by Purchaser in this Agreement or any other agreement or document executed by the Purchaser pursuant to this Agreement; or

(b) Purchaser's ownership of the Purchased Assets or operation of the Business on or after the Closing Date.

8.3 Procedure for Indemnification with Respect to Third Party Claims.

(a) In order for any party to be entitled to indemnification provided for under this Article 8 in respect of, arising out of or involving a claim made by any person other than the parties to this Agreement or their respective successors, assigns or affiliates (a "**Third-Party Claim**") against such indemnified party, such indemnified party must notify the indemnifying party in writing of the Third-Party Claim promptly after receipt by such indemnified party of written notice of the Third-Party Claim; *provided, however*, that failure of any indemnified party to give notice as provided in this Section 8.3 shall not relieve an indemnifying party of its obligations hereunder except to the extent that the indemnifying party actually has been prejudiced by such failure to give notice. Thereafter, the indemnified party shall deliver to the indemnifying party as promptly as practicable, but in any event within 10 days after such indemnified party's receipt thereof, copies of all notices and other documents relating to the Third-Party Claim.

(b) If a Third-Party Claim is made against an indemnified party, the indemnifying party shall be entitled to participate in the defense thereof and, if it so chooses, to assume or cause the assumption of the defense thereof with counsel selected by the indemnifying party, provided such counsel is not reasonably objected to by the indemnified party. Should the indemnifying party elect to assume or cause the assumption of the defense of a Third-Party Claim, the indemnifying party will not be liable to the indemnified party for any legal expenses subsequently incurred by the indemnified party in connection with the defense thereof unless the indemnifying party has agreed in writing to pay such fees and expenses or, in the reasonable judgment of the indemnified party upon advice of counsel, a conflict of interest between the indemnified party and the indemnifying party exists with respect to such claim. If the indemnifying party elects so to participate in or assume the defense of a Third-Party Claim, the indemnified party will fully cooperate with the indemnifying party in connection with such defense.

(c) If the indemnifying party assumes the defense of a Third-Party Claim, then, as long as the indemnifying party is reasonably contesting such claim in good faith, the indemnified party shall not admit any liability with respect to, or settle, compromise or discharge, any Third-Party Claim without the indemnifying party's prior written consent, and the indemnified party will agree to any settlement, compromise or discharge of the Third-Party Claim the indemnifying party may recommend which releases the indemnified party unconditionally and completely in connection with such Third-Party Claim and which does not materially and adversely affect the indemnified party. Notwithstanding the foregoing, the indemnified party shall have the right to pay or settle any such claim, provided that in such event it shall waive any right to indemnity therefor by the indemnifying party. If the indemnifying party assumes the defense of a Third-

Party Claim, then the indemnifying party shall not, without the indemnified party's prior written consent, settle or compromise any Third-Party Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the delivery by the claimant or plaintiff to the indemnified party of a written release from all liability in respect of such Third-Party Claim.

(d) If the indemnifying party does not assume the defense of any such Third-Party Claim, the indemnified party may defend the same in such manner as it may reasonably deem appropriate, including but not limited to settling such claim or litigation after giving 10 business days prior written notice to the indemnifying party setting forth the terms and conditions of settlement.

(e) The indemnifying party shall in no case settle or compromise any Third-Party Claim or consent to the entry of any judgment, in either case for other than solely money damages, without the consent of the indemnified party (which consent will not be unreasonably withheld) if such settlement, compromise or judgment would adversely affect the rights of the indemnified party in any continuing manner.

8.4 Survival. All of the representations and warranties and indemnity obligations of Purchaser under Section 8.1(a), and of the Seller and Member under Section 8.2(a) of this Agreement will survive the Closing and continue in full force and effect for a period of 18 months after the Closing. All of the indemnity obligations of Purchaser under Section 8.1(b), and of the Seller and Member under Section 8.2(b) of this Agreement, will survive the Closing and continue in full force and effect for a period of 24 months after the Closing.

8.5 Non-Waiver, Non-Exclusive Remedy. Failure of any party entitled to indemnification hereunder to give reasonably prompt notice of any claim or claims shall not release, waive or otherwise affect the obligations of the indemnifying party or parties with respect thereto except to the extent that the indemnifying party or parties can demonstrate actual loss and prejudice as a result of such failure. The above indemnification provisions are in addition to, and not in derogation of, any statutory, equitable or common law remedy any party may have with respect to any other party, or the transactions contemplated by this Agreement.

9. MISCELLANEOUS

9.1 Further Acts and Assurances. Each Selling Party and Purchaser shall, at any time and from time to time at and after the date hereof, upon request of the other and without additional consideration, take any and all steps reasonably necessary to place Purchaser in possession and operating control of the Purchased Assets, and to otherwise fully effect the purposes of this Agreement.

9.2 Notices. Any notice or other document to be given hereunder by any party hereto to any other party hereto shall be in writing and delivered by courier or by email transmission, receipt confirmed, or sent by any express mail service, postage or fees prepaid, to the notice address of such party as set forth below:

If to Purchaser, to:

GWG Holdings, Inc.
220 South Sixth Street, Suite 1200
Minneapolis, MN 55402
Attention: William Acheson

Email: bacheson@gwglife.com

with a copy to:

Maslon LLP
3300 Wells Fargo Center
90 South 7th Street
Minneapolis, MN 55402
Attention: Paul Chestovich
Email: paul.chestovich@maslon.com

If to either Selling Party, to:

MCA Capital, LLC
c/o Walker Preston Capital Holdings, LLC
220 Congress Park Drive, Suite 215
Delray Beach, FL 33445
Attention: James Terlizzi
Email: jdterlizzi@gmail.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Boris Ziser, Esq.
Email: boris.ziser@srz.com

Any notice which is delivered in the manner provided herein shall be deemed to have been duly given to the party to whom it is directed upon actual receipt by such party or its agent.

9.3 Construction. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware without regard to conflicts-of-law principles.

9.4 Venue. Each of the parties hereto hereby (i) consents to the personal jurisdiction of the state and federal courts located in the State of Delaware in connection with any controversy related to this Agreement; (ii) waives any argument that venue in any such forum is not convenient, (iii) agrees that any litigation arising under or relating to the terms and conditions hereof shall be venued in either the State courts in the State of Delaware or the United States District Court located within New Castle County, Delaware; and (iv) agrees that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

9.5 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests or obligations under this Agreement without the prior written approval of the other parties; *provided, however,* that Purchaser may (a) assign any or all of its rights and interests hereunder to one or more of its affiliates, and (b) designate one or more of its affiliates to perform its obligations under this Agreement (in any or all of which cases Purchaser nonetheless will remain responsible for the performance of all of its obligations).

9.6 Amendments and Waivers. No amendment of any provision of this Agreement will be valid unless the same is in writing and signed by Purchaser and Selling Parties. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant under this Agreement or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9.7 No Third-Party Beneficiaries. This Agreement will not confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns, those persons entitled to indemnity under Section 8 above and those employees of the Business hired by Purchaser (who shall be beneficiaries of the covenants set forth in Section 6.9).

9.8 Severability. Any provision hereof which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.

9.9 Entire Agreement; Counterparts. This Agreement and the Schedules and Exhibits hereto, together with the documents and instruments delivered pursuant hereto, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the parties hereto. This Agreement may be executed in counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Asset Purchase Agreement to be duly executed and delivered as of the date first written above.

SELLING PARTIES:

MCA CAPITAL, LLC:

By: _____
James Terlizzi, *Manager*

WALKER PRESTON CAPITAL HOLDINGS, LLC:

By: _____
James Terlizzi, *Manager*

PURCHASER:

GWG MCA CAPITAL, INC.

By: _____
Jon Sabes, *Chief Executive Officer*

Exhibit A

FORM OF
ASSIGNMENT, ASSUMPTION AND NOVATION AGREEMENT

Schedule 3.3

ALLOCATION OF PURCHASE PRICE

Schedule 4.5(a)

SELLER PARTY FINANCIAL STATEMENTS

Schedule 4.10

NONE

Schedule 4.12

NONE

Schedule 7.1(g)

LIST OF EMPLOYEES

FORBEARANCE AGREEMENT

This FORBEARANCE AGREEMENT (this "Agreement") is dated as of December 12, 2016 ("Effective Date"), and is by and between Nulook Capital LLC ("Nulook" or "Borrower") and GWG MCA Capital, Inc. ("GWG MCA" or "Lender" and, with Borrower, each a "Party" and collectively the "Parties"), with reference to the following Recitals.

RECITALS:

A. Reference is made to the Revolving Credit Agreement dated May 22, 2014 between MCA Capital, LLC and Nulook Capital LLC ("Nulook" or "Borrower"), together with a first "Rider" to such agreement dated May 22, 2014 and a second "Rider" to such agreement dated December 22, 2014 (collectively, and as amended by such riders, the "Loan Agreement"). The amounts loaned to Borrower under the Loan Agreement are referred to as the "Loan."

B. GWG MCA Capital, Inc. ("GWG MCA" or "Lender") purchased the assets of MCA Capital, LLC, including all of MCA Capital, LLC's rights, title and interest in the Loan Agreement.

C. The Loan Agreement, together with any and all other documents executed and delivered to Lender in connection with the Loan and pursuant to that Loan Agreement, and any and all extensions, modifications, guarantees and renewals thereof (specifically including but not limited to (i) the "Promissory Note" delivered by Borrower on May 22, 2014 in the original principal amount of $2,500,000, (ii) the "Promissory Note" delivered by Borrower on September 30, 2014 in the original principal amount of $1,000,000, and (iii) the "Promissory Note" delivered by Borrower on December 22, 2014 in the original principal amount of $250,000), shall hereinafter be referred to collectively as the "Loan Documents," and all Borrower obligations under the Loan and the other Loan Documents shall hereinafter be referred to collectively as the "Obligations."

D. One or more Events of Default (as defined in the Loan Agreement) have occurred and are continuing.

E. The Borrower has requested that the Lender forbear from exercising its enforcement remedies with respect to the Loan, and Lender has agreed to do so upon the terms and conditions set forth in this Agreement. All capitalized terms not otherwise defined herein shall have the meanings attributed to them in the Loan Agreement.

NOW THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the sufficiency and receipt of which are hereby mutually acknowledged, and intending to be legally bound hereby, the Borrower and Lender hereby agree and covenant as follows:

1. Current Default. Borrower agrees and acknowledges that (a) an Event of Default has occurred due to the Borrowing Base being in a deficit position per the Loan Documents, (b) such Event of Default is continuing beyond any applicable cure period, (c) Borrower has no defenses or counterclaims to such Event of Default, (d) Lender is entitled to exercise any and all remedies provided in the Loan Documents, at law or in equity as a result of such Event of Default, and (e) Lender has no obligation to extend the maturity date of any Loan(s) or advance any further funds in connection with any Loan(s) to Borrower.

2. Terms of Forbearance.

2.1 General Provisions. So long as Borrower shall be in compliance with each and every term and condition of this Agreement and so long as no Termination Event (as hereinafter defined) shall have occurred, Lender shall forbear from exercising its enforcement remedies in respect of the Loan.

2.2 Required Payments. Commencing on the Effective Date and on each and every date payment is received from T$$, LLC dba ACHWorks, or any other collection agencies or credit card companies (collectively, "Collection Agent") or through your own collections process, whether such payment is received through Automated Clearing House ("ACH"), cash or check, from and after the Effective Date through the date of any Termination Event, Borrower shall make a biweekly payment to Lender (such amount, the "Payment Amount") equal to 50% (fifty percent) of the amount received from such Collection Agent or received directly by the Borrower into Lender's account as specified in Section 9.1, until such amounts retained by Borrower equal $20,000 (twenty thousand) for the calendar month; thereafter all amounts received by Borrower shall be sent directly to Lender's account.

2.3 Definitions. As used herein, the following terms shall have the meaning set forth below:

2.3.1 "Deemed Approved" with respect to Operating Expenses shall mean amounts expended with respect to expenses described in the Budget (as hereinafter defined), provided that the total amount expended for all expenses described in such Budget shall not exceed $20,000 (twenty thousand) per month without the prior written approval of Lender.

2.3.2 "Operating Expenses" shall mean for the period in question, the expenses incurred by Borrower for the operation and management of Borrower in the ordinary course of business as provided for in the Budget, provided, however, that all expenses shall not exceed $20,000 (twenty thousand) per month.

2.3.3 "Operating Income" shall mean for the time period in question, all gross income, revenues and consideration received by or paid to or for the account or benefit of Borrower.

2.3.4 "Net Operating Income" shall mean, for the period in question, an amount equal to the positive difference, if any, between Operating Income and Deemed Approved Operating Expenses for such period.

2.4 Operating Statements. In addition to Borrower's financial reporting obligations under the Loan Documents and to the reporting requirements already provided as set forth in Section XVII of the Loan Agreement, Borrower shall provide to Lender a) copies of all reports and statements from outside collection agencies as received; b) copies of all daily statements from ACH Works; c) copies of all daily reports and statements from PSC; d) copies of all reports and statements received by syndication partners; and e) copies of all bank statements. Moreover, Borrower shall provide Lender with such documents and/or invoices as Lender

may request in its discretion with respect to Borrower's operations during the relevant time period and/or any items set forth in such statements provided to Lender for such time period including, on a monthly basis, an invoice of all Operating Expenses (not to exceed $20,000 per month) (the "Budget").

3. Default and Termination Events. Each of the following shall constitute a termination event upon Lender's written notice thereof to Borrower (each a "Termination Event"):

3.1 If Borrower fails to make any payment or to perform any other obligation required under this Agreement; or

3.2 The occurrence of an Event of Default under the Loan Documents other than the Event of Default described in Section 1 hereof (subject, however, to any applicable cure periods contained in the Loan Documents); or

3.3 Borrower's breach of any representation or warranty made to Lender under this Agreement or under the Loan Documents; or

3.4 Any material adverse event shall occur with respect to Borrower, as determined in good faith by Lender.

4. Remedies. Upon the occurrence of a Termination Event may elect all or any of the following: (1) to resume exercising all available remedies under the Loan Documents or at law or in equity, (2) to terminate any of the subsections of Section 2 of this Agreement or any other modification, forbearance or forgiveness granted under this Agreement upon notice to Borrower, (3) to terminate this Agreement without any further obligation of Lender to provide demand, notice or cure periods under this Agreement, and (4) exercise all rights and remedies under the Loan Documents and applicable law. Upon making such elections, Lender shall not have waived any rights except as described in this Agreement.

5. Conditions Precedent. As conditions precedent to Lender's obligation to enter into this Agreement, Borrower shall have satisfied (or cause to be satisfied) the following conditions:

5.1 Execution Documents. Borrower shall have executed and delivered the following documents:

5.1.1 This Agreement;

5.1.2 Borrowers' Corporate Resolution;

5.1.3 Borrower's Certificate of Good Standing; and

5.1.5 ACH Direction Letter to Collection Agents directing all amounts payable to Borrower under the ACH Service Agreement to be payable as and when due to the Collection Account for Lender.

5.2 Diligence Documents.

5.2.1 Borrower shall have delivered and Lender shall have approved the Operating Statements and the Budget, all of which shall be in line item format and in Excel form, or such other form and substance acceptable to Lender.

5.2.2 Lender shall have obtained a satisfactory inspection report of the accounts and such other documents or information as Lender requires.

5.3 Fees and Payment. Lender shall have received the following payments from Borrower:

5.3.1 Payment Amounts due for the then-current calendar month provided that Borrower may retain a maximum of $20,000 per month for Operating Expenses, as specified in Section 2.2.

5.4 Loan Compliance. All of the representations and warranties contained herein and in the Loan Documents shall be true and correct and Borrower shall have delivered to Lender a certificate from the chief financial officer of Borrower to such effect.

6. Representations and Warranties.

6.1 Representations and Warranties of Lender. Lender does hereby represent and warrant to Borrower and Guarantor as follows:

6.1.1 Lender is duly organized, validly existing and in good standing under the laws of the state of its incorporation.

6.1.2 Lender has the authority, right and power to execute this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement by Lender and the performance by Lender under this Agreement has been authorized by all necessary corporate action of Lender.

6.2 Representations and Warranties of Borrower. In order to induce the Lender to enter into this Agreement, Borrower hereby warrants and represents to the Lender, in addition to any other representations and warranties contained in this Agreement, that the following warranties and representations are true as of the Effective Date (all of which will survive the Effective Date):

6.2.1 Borrower is duly organized, validly existing and in good standing under the State of New York, with the power to own its assets and to transact business in New York and in such other states where its business is located.

6.2.2 Borrower has the authority, right and power to execute this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement by Borrower and the performance by Borrower under this Agreement has been authorized by all necessary corporate action of Borrower.

6.2.3 The execution, delivery and performance of this Agreement and each document incident hereto will not violate any provision of any applicable law, regulation, order, judgment, decree applicable to Borrower's articles of organization, certificate of formation, articles or certificate of incorporation, by-laws, operating agreement or other charter documents, indenture, contract, agreement, or other undertaking to which Borrower is party, or which purports to be binding on Borrower, or their respective assets, and will not result in the creation or imposition of a lien on any of their respective assets.

6.2.4 There is no action, suit, investigation, or proceeding pending or, to the knowledge of Borrower, threatened against or affecting Borrower or any of its assets which, if adversely determined, would have a material adverse effect on the financial condition of Borrower.

6.2.5 There has been no additional Material Adverse Change in the operating condition of the Borrower since the Effective Date.

6.2.6 Broker Fees. No brokerage or leasing commission or other compensation is now, or will at closing be, due or payable to any person, firm, corporation, or other entity with respect to or on account of any lease, or any extensions or renewals thereof other than commissions owed to third party collection agencies as determined by the Lender in its sole discretion.

6.2.7 No governmental approvals or filings are necessary for any Loans funded other than to perfect Security Interests in the Collateral under the section of the UCC.

6.2.8 Borrower is in compliance with all applicable laws, including consumer-lending laws and any applicable state or federal legislation relating to funding of third party litigation.

6.2.9 Except as provided in Section 1, as of the date hereof, no default or Event of Default exists under the Loan Documents, and no condition exists which, but for the passage of time or the giving of notice or both, would constitute an Event of Default under the Loan Documents.

6.2.10 The outstanding balance of the principal due Lender is $[2,825,358.00] as of [December 9, 2016], with accrued but unpaid interest of $[60,144.89] as of [December 9, 2016] ("Indebtedness").

6.2.11 The Loan Documents, the indebtedness thereunder and the other obligations evidenced or secured thereby, and this Agreement, as the case may be, are valid and binding agreements of Borrower, enforceable in accordance with their terms and have not been amended or modified by any oral or written agreement or course of conduct of the parties.

6.2.12 All of the representations and warranties set forth in the Loan Documents are hereby reasserted and restated by Borrower as of the date hereof, as if each such representation and warranty were set forth at length herein. Borrower hereby acknowledges that such representations and warranties are being specifically relied upon by Lender as an inducement to Lender to enter into this Agreement and as partial consideration for the terms and conditions contained herein.

7. Pre-existing Conditions and Claims.

7.1 Ratification and Warranty. (i) All of Borrower's obligations to the Lender as set forth in the Loan Documents are in full force and effect, (ii) the Loan Documents to which it is a party were all properly and duly executed and delivered, (iii) the Loan Documents to which it is a party are now, and at all times have been, in full force and effect in accordance with their terms and (iv) there are no amendments, waivers or modifications of the Documents, except for those made in writing and signed by the Lender and the Borrower, and identified in the Recitals, and (iv) Lender has complied properly performed and satisfied in a timely manner with all of its obligations under the Loan Documents, including delivery of notice and time for Borrower to cure its defaults, if any.

7.2 Waiver. Borrower for itself and its successors and assigns, and by its execution hereof hereby acknowledges, admits and agrees that, as of the date of execution and delivery of this Agreement, the Borrower (i) has no defenses, counterclaims or offsets relating to its obligations under or in respect of the Loan Documents or to the enforcement or exercise by Lender of any of its rights, powers or remedies under or in respect of the Loan Documents, or (ii) alternatively, hereby irrevocably waives, and relinquishes, any and all such objections, claims, defenses, counterclaims or offsets, that may exist as of the date hereof including, without limitation, any and all such objections, claims, defenses, counterclaims or offsets that are unknown, unsuspected, unanticipated or undisclosed as of such date.

7.3 Release. Although Lender regards its conduct as proper and does not believe Borrower has any claim, cause of action, offset, or defense against Lender, its participating lenders, co-lenders, subsidiaries, affiliates, parents, predecessors in interest, nominees, assignees, officers, directors, agents, employees, servants, attorneys and representatives, as well as their respective heirs, personal representatives, successors and assigns, or any and all of them (hereinafter collectively called the "Released Parties"), Lender wishes and Borrower agrees to eliminate any possibility that any conditions, acts, omissions, events, circumstances, or matters which occurred prior to the Effective Date could impair or otherwise subject Lender or any of the other Released Parties to any liability other than is expressly stated in this Agreement and the Loan Documents. Borrower on behalf of itself and its successors and assigns (collectively the "Releasing Parties") remises, releases, acquits, satisfies and forever discharges the Released Parties from any and all manner of debts, accounts, bonds, warranties, representations, covenants, promises, contracts, controversies, agreements, liabilities, obligations, expenses, damages, judgments, executions, actions, claims, demands and causes of action of any nature whatsoever, which existed, arose, or occurred at any time prior to or concurrently with the date hereof of any character whatsoever whether known or unknown, suspected or unsuspected, in contract or in tort, at law or in equity, including without implied limitation, such claims and defenses as fraud, mistake, duress and usury, which Borrower ever had or now has against the Released Parties, jointly or severally, for or by reason of any matter, cause or thing whatsoever occurring prior to the date hereof, which relates to, in whole or in part, directly or indirectly: (i) the Loan, including the administration or funding thereof, (ii) the Loan Documents, (iii) the Obligations, and (iv) any other agreement or transaction between any of Releasing Parties and any of Released Parties concerning matters arising out of or relating to the items set forth in subsections (i) above.

7.4 Acknowledgments. Borrower hereby acknowledges that it is or is owned by sophisticated and experienced merchant cash advance funder, who has a full understanding of the terms and conditions of this Agreement and the risks involved in entering into this Agreement, that this Agreement has been fully negotiated and that compromises on the part of Lender and Borrower were made before agreement was reached on the final terms hereof, that at all times each Borrower has been represented by its own attorneys and such other competent counsel as it has chosen to engage in the negotiation of the terms and the preparation and execution of all documents, and has relied solely on the advice and instruction of its own attorney who has had the opportunity to review and analyze all of the documents for a reasonable period of time prior to the execution by the Borrower; that Borrower is entering into this Agreement with the conviction that it is a fair agreement and that it represents an equitable compromise of the competing interests of the parties hereto and that, in addition, it was prepared and executed without fraud, duress, undue influence or coercion of any kind exerted by any party,

and that Borrower acknowledges this Agreement shall constitute a complete defense to any claim, cause of action, defense, liability or obligation released under this Agreement, and agrees that after the execution and delivery of this Agreement on the date hereof, the only claims or causes of action which it could possibly have against any of the Released Parties would be those arising under this Agreement, or a written contract hereafter executed by Lender in favor of Borrower those arising from conduct occurring after the execution and delivery of this Agreement. Neither Borrower shall institute or prosecute (or, except to the extent required by law, in any way, assist or cooperate with the institution or prosecution of) any action, suit, hearing, or other proceeding of any kind, nature, or character at law or in equity against Released Parties in order to collect, enforce, declare, assert, establish, or otherwise raise any defense, claim, cause of action, contract, liability, indebtedness, or obligation which is within the scope of those released in this Section or which arise out of any fact, contract, condition, claim, cause of action, indebtedness, liability, obligation, event, action, omission, circumstance, or other matter or reason of any kind which is the basis for any such defense, claim, cause of action, liability, indebtedness or obligation which is released hereunder.

7.5 No Admission. Nothing in this Agreement shall be construed as (or shall be admissible in any legal action or proceeding as) any admission by Released Parties that any defense, indebtedness, obligation, liability, contract, claim, or cause of action exists which is within the scope of those released within this Section, because Lender denies that any such matters exist and regards this release as unnecessary except to confirm its understanding of the position of the Parties.

7.6 Indemnification. Borrower hereby indemnifies, defends, and holds harmless Released Parties and all persons, firms, corporations, and organizations on their behalf (collectively, the "Indemnified Parties") of and from all damage, loss, claims (including both direct claims and third-party claims), demands, liabilities, obligations, actions and causes of action whatsoever that any third party may now have or claim to have against such Indemnified Parties, whether presently known or unknown, and of every nature and extent whatsoever on account of or in any way touching, concerning, relating to, arising out of or founded upon the Loan or any of the Loan Documents, including all such loss or damage of any kind heretofore sustained, or that may arise as a consequence of the dealings between the Parties up to and including the Effective Date.

7.7 No Waiver. Borrower acknowledges and confirms that by not exercising the rights, remedies and privileges available to Lender, for any reason whatsoever, including the negotiation and execution of this Agreement, Lender is not waiving and has not waived any of its rights to exercise them in accordance with the Loan Documents and this Agreement.

7.8 No Course of Conduct. Borrower acknowledges and agrees that by negotiating and entering into this Agreement, Lender is not establishing a course of conduct nor a pattern of operation nor an implicit or explicit understanding that Lender may or will ever further revise or modify any term or condition of the Loan Documents or this Agreement or agree to forebear at any time in the future if an event of default should occur under and pursuant to the Loan Documents, this Agreement and/or any document or instrument contemplated or referred to herein.

7.9 No Cure. Borrower hereby acknowledges and agrees that except as specifically set forth herein, neither this Agreement nor any actions pursuant to this Agreement nor any negotiations or discussions among Borrower and Lender shall be deemed or construed to cure any existing defaults under the Loan Documents, constitute a reinstatement, novation or release of the Loan or the Loan Documents or an extension of the maturity date of the Loan, or constitute a modification, amendment or waiver of the Loan or Loan Documents. In addition and not in limitation of the foregoing, it is expressly understood and agreed that Borrower's defaults under the Loan Documents are not cured or waived by the acceptance of any funds paid by or on behalf of Borrower pursuant to this Agreement.

7.10 Future Negotiations. Borrower acknowledges and agrees that Lender has no obligation whatsoever to discuss, negotiate or to agree to any restructuring of the Loan, or any modification, amendment, restructuring or reinstatement of the Loan Documents or to forbear from exercising its rights and remedies under the Loan Documents, except as expressly provided in this Agreement.

8. Incorporation. The documents referred to herein are incorporated by reference and made a part hereof with the same force and effect as if herein restated in full. However, the following provisions of this Agreement shall prevail over any inconsistent provisions contained in the materials incorporated herein.

9. Lender's Account.

9.1 Pursuant to Section 2.2, all amounts received by Borrower of any kind shall be directly deposited into the account specified below:

Bank Name: Bell State Bank & Trust
ABA #: 091310521
Beneficiary: GWG MCA Capital Inc.
Account #: 6520532786
Telephone: 701-298-1500; 800-450-8949

10. Miscellaneous.

10.1 Counterparts. This Agreement may be executed in any number of identical counterparts, each of which shall be deemed to be an original, and all of which shall collectively constitute a single agreement, fully binding upon and enforceable against the parties hereto. No amendment or supplement to this Agreement shall be valid or binding unless made in writing and executed by all the parties hereto.

10.2 Binding Effect. This Agreement shall be binding upon the Borrower and Lender and their respective heirs, successors, and assigns.

10.3 Choice of Law. This Agreement shall be governed by the laws of the State of New York, without giving effect to principles of conflicts of laws.

10.4 Jurisdiction. The state and federal courts located in the State of New York shall have exclusive jurisdiction to hear and determine any claims or disputes between Borrower and Lender, pertaining to this Agreement. Borrower expressly submits and consents in advance to such exclusive jurisdiction in any action or proceeding commenced in such courts.

10.5 No Third Party Beneficiaries. The Borrower acknowledges and agrees that the acceptance by the Lender of the terms of this Agreement and the assignment to the Lender of various contracts and agreements pertaining to the Property will not create any obligation on the part of the Lender to third parties which might have claims of any kind whatsoever against the Borrower and that the Lender does not assume or agree to discharge any liabilities pertaining to the Property now or hereafter arising. No person not a party to this Agreement will be a third-party beneficiary or acquire any rights hereunder.

10.6 Time of Essence. Time is of the essence of this Agreement and each provision of this Agreement.

10.7 Notices. All notices which may be given pursuant to this Agreement or the Loan Documents shall be in writing and shall be personally delivered or sent by first-class certified or registered United States mail, postage prepaid, return receipt requested, and sent to the party at its address appearing above or such other address as any party shall hereafter designate by notice to the other party given as aforesaid. All notices shall be deemed effective upon receipt or, if mailed, upon the expiration of the third day following the date of mailing, whichever occurs first.

10.8 Severability. If any clause or provision of this Agreement is determined to be illegal, invalid or unenforceable under any present or future law by the final judgment of a court of competent jurisdiction, the remainder of this Agreement will not be affected thereby if the essential terms of the Agreement upon which Lender relied remain in effect.248 It is the intention of the parties that if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible and be legal, valid and enforceable.

10.9 Confidentiality. It is important to the Parties to maintain a reasonable confidentiality regarding the subject matter hereof. Accordingly, no Party shall disclose the undertaking of the terms or conditions of this Agreement, any materials, information (written, oral or observed) or incidents related to this Agreement, or any document executed or prepared in connection herewith, including, without limitation, correspondence, electronic transmissions, voice recordings, notes, analyses based on confidential material, budgets and projections, except as may be required by applicable law, pursuant to a court order or subpoena, or to such Party's counsel or advisers a reasonably necessary to assist such Party in the conduct of any negotiations related to this Agreement, or to the extent such information could have been derived through civil litigation discovery procedures will be admissible in any subsequent proceedings, if such evidence would otherwise be admissible, without regard to whether it was originally derived in the context of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and delivered effective as of the date and year first above written.

NULOOK CAPITAL LLC
(BORROWER)

By: _____
Name:
Title:

GWG MCA CAPITAL, INC.
(LENDER)

By: _____
Name:
Title:

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE:	Case No. 17-72013 (las)
NULOOK CAPITAL, LLC,	
Debtor in Possession.	

ORDER TO SHOW CAUSE FOR AN ORDER: (i) PURSUANT TO 11 U.S.C. § 363(c)(2) AUTHORIZING THE DEBTOR TO USE CASH COLLATERAL AND (ii) FIXING PRELIMINARY AND FINAL HEARINGS AND NOTICE REQUIREMENTS

Upon the annexed motion by order to show cause (the "Motion") of NuLook Capital, LLC, Debtor and Debtor-in-Possession in the captioned Chapter 11 case (hereinafter the "Debtor"), dated April 15, 2017seeking entry of an order: (a) pursuant to Section 363(c) of Title 11, United States Code, 11 U.S.C. Sections 101 et seq. (the "Bankruptcy Code"), authorizing the Debtor, to the extent requested in the Motion on an emergency basis to avoid immediate and irreparable harm to the Debtor's business pending a preliminary and final hearing, to use certain cash on hand and accounts receivable generated in the ordinary course of the Debtor's business or otherwise (the "Cash Collateral"), with respect to which GWG MCA Capital, LLC ("GWG") asserts a first priority security interest; (b) scheduling interim and final hearings on the Motion and fixing notice requirements with respect thereto, pursuant to Section 363(c) of Bankruptcy Code and Bankruptcy Rule 4001(b); and (c) granting such other and further relief as may be just and proper; and upon the Declaration of Randall S. D. Jacobs, Esq. dated April 15, 2017pursuant to LDNY LBR 9077-1; and upon due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that GWG, the Office of the United States Trustee, the Debtor's twenty (20) largest unsecured creditors, and all other persons having filed notice of appearance in this Case show cause before the Honorable Louis A. Scarella, United States Bankruptcy Judge, at the United States Bankruptcy Court, 290 Federal Plaza, Central Islip, New York 11722, at a preliminary hearing (as such term is used in Bankruptcy Rule 4001[b]) on April 20, 2017 at 11:00 in the forenoon of that day or as soon thereafter as counsel may be heard (the "Preliminary Hearing"), and at a final hearing (as such term is used in Bankruptcy Rule 4001(b) on May __ , 2017 at _____ in the _____ noon of that day or as soon thereafter as counsel may be heard, why an order substantially in the form annexed to the Motion (the "Interim Order") should not be entered: (a) authorizing the Debtor to use, pursuant to Section 363(c)(2)(B) of Bankruptcy Code, the Cash Collateral, constituting certain cash collateral as such term is defined in Section 363(a) of Bankruptcy Code in which GWG claims a security interest, such use conditioned to the extent and on the terms and provisions set forth in the Motion and Interim Order; and (b) for such other and further relief as may be just and proper, and it is further

ORDERED, that pending a hearing and determination of the Debtor's request to use Cash Collateral at the Preliminary Hearing but in no event beyond June 30, 2017, the Debtor is hereby authorized to utilize Cash Collateral solely for the purposes and up to the specific amounts set forth in the Budget annexed to the Motion for the period ending May 30, 2017, and it is further

ORDERED, that as adequate protection for the Debtor's use of cash collateral as authorized by this Order actually used by the Debtor from the Filing Date through and including the date of entry of the Interim Order, GWG is hereby granted a valid, fully enforceable and

perfected post-petition lien and security interest in all of the Debtor's assets to the same extent and in the same priority as its pre-petition security interest, nunc pro tunc to the Filing Date; and it is further

ORDERED, that nothing in the preceding paragraph shall be deemed to be consent by GWG to the Debtor's use of cash collateral for purposes or in amounts other than what is set forth in the budget annexed to the Motion for the period ending May 30, 2017; and it is further

ORDERED, that GWG shall have the right, during ordinary business hours and upon twenty four (24) hours prior written notice to the Debtor, to inspect the Debtor's pre-petition and post-petition collateral securing its obligations to GWG, and the Debtor shall cooperate with GWG to provide full access to all such collateral and all related documents, books and records, as well as provide copies of the Debtor's Merchant Cash Agreements and it is further

ORDERED, that service upon the (i) Office of the United States Trustee, (ii) Edward Stone, Esq., counsel for GWG, (iii) International PSC, Inc., and (iv) Discount Merchant Funding, and any persons filing notice of appearance herein, of a copy of this Order to Show Cause and the Motion on or before April_____, 2017, by fax, e-mail or overnight or express mail, shall constitute good and sufficient service and notice hereof.

Dated: Central Islip, New York
April , 2017

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE: NULOOK CAPITAL, LLC, Debtor in Possession.	Case No. 17- 72013 (las)

MOTION OF NULOOK CAPITAL, LLC, CHAPTER 11 DEBTOR-IN-POSSESSION FOR ORDER AUTHORIZING THE USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. §363(c)(2) AND RELATED RELIEF

TO: THE HONORABLE LOUIS A. SCARELLA, UNITED STATES BANKRUPTCY JUDGE:

BANKRUPTCY RULE 4001(b)(1)(B) STATEMENT

(i) A summary of the relief requested by the Motion is set forth immediately below.

(ii) The entity holding an interest in the Cash Collateral (as defined below) is GWG MCA Capital, LLC ("GWG"), fully described in paragraphs 24-37 and 53-55.

(iii) The purpose for the use of the Cash Collateral are set forth in paragraph 67 and Exhibit 1;

(iv) The material terms of the use of the Cash Collateral are set forth in paragraphs 59-64 and in the Budget (as defined herein);

(v) The adequate protection proposed to be given is set forth in paragraphs 59 and 60.

Pursuant to LBR 4001-5, the instant Motion contains a provision: (i) creating a "carve-out" for allowed professional fees as a retainer of the Debtor's counsel in the sum of $15,000 together with $1,717[1] for payment of the filing fee and $2,500 for the Debtor's accountant and

[1] NuLook issued its prepetition check to Counsel for $15,000 as a retainer plus $1,717 for the filing fee, aggregating $16,717; however, then GWG asserted its prior lien on *all of the Debtor's cash* (notwithstanding whether it was NuLook's cash or from third party loans or proceeds of such loan transactions *which GWG had rejected*.) In an abundance of caution counsel returned the funds from his escrow account to the Debtor in full (although Counsel paid for the chapter 11 petition filing fee of $1,717 on line by credit card prior to GWG's objection.)

excludes any "carve-out" for professional fees related to investigation of the validity of the secured creditor's lien; and it does not contain (ii) a provision requiring the Debtor to pay the secured creditor's expenses and attorney's fees, without notice.

NuLook Capital, LLC ("NuLook"), now a debtor and debtor-in-possession (the "Debtor") herein, makes this Motion for an Order or Orders pursuant to 11 U.S.C. Section363(c)(2) and Rule 4001(b) of the Federal Rules of Bankruptcy Procedure ("FRBP") substantially in the form annexed hereto at Exhibit "2" (the "Proposed Order"): (1) granting the Debtor use of the cash collateral on an emergency basis in accordance with the budget annexed hereto as Exhibit "1") (the "Budget"); (2) granting GWG adequate protection, to the extent necessary considering its line of credit owed by the Debtor is an estimated 250% oversecured, pursuant to 11 U.S.C. Section 361; (3) scheduling an interim and final hearing on the Motion and establishing notice requirements therefor; and (4) granting related relief.

PROCEDURE AND JURISDICTION

1. On April 4, 2017 (the "Filing Date"), the Debtor filed a voluntary petition for reorganization under Chapter 11 of Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of New York and an order for relief was simultaneously entered.

2. The Debtor has been authorized to continue in possession of its property and in the operation and management of its business as a debtor in possession pursuant to §§ 1107 and 1108 of the Code.

3. No trustee or examiner has been appointed in this case, nor has an official committee of unsecured creditors been formed.

4. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. Sections 157 and 1334.

5. This matter is a core proceeding pursuant to 28 U.S.C. Sections 157(b). Venue is proper before this Court pursuant to 28 U.S.C. Sections 1408 and 1409. The statutory and other predicates for the relief sought herein are 11 U.S.C. Sections 361 and 363(c)(2), FRBP 4001(b), and Local Rule 4001-5.

6. The factual background of this case are somewhat unusual and the business operations of the parties engaged in the "merchant cash advance" business not well known. Accordingly, counsel believes that the following detailed background explanation is warranted and will supplement this application with the Declaration of the Debtor's accountants.

BACKGROUND

I. The Debtor's Business

7. NuLook is engaged in business funding merchant cash advances ("MCAs"), *i.e.*, "[F]unding cash advances to selected merchants ("Merchants") by purchasing their future receivables ("Future Receivables") at a discount for cash and regularly transacted such business as both (i) a direct purchaser of Future Receivables using its own capital and reinvesting the proceeds in more MCAs, and (ii) as the lead purchaser syndicating such purchases with other participating purchasers through 2013.

8. In 2014, NuLook arranged for a $2.5 million revolving line of credit with which to fund many merchant cash advances ultimately generating multiples of that amount in cash proceeds from this profitable business. See "Revolving Credit Agreement between MCA Capital, LLC ("MCAC") and NuLook (the "Line of Credit") dated May 22, 2014, a copy of which is attached hereto as **Exhibit A.**

9. MCAC initially agreed to be the "sole source of funding for the $2.5 million revolving loan program" to enable NuLook to make MCAs pursuant to a Future Receivables Purchase Agreement between NuLook and selected Merchants (the "FRPA").

10. NuLook advanced Cash for MCAs to merchants (generally engaged in retail businesses) who were unable to obtain working capital otherwise from traditional lenders for various reasons, but generally related to their lower credit rating. Thus, NuLook is not a lender nor does it charge interest to these generally higher risk Merchants whose assets were, generally, previously pledged to other lenders or no longer available as collateral for any loan.

11. In exchange for the MCA, however, NuLook received an assignment of the Merchant's future credit card receipts, debit card receipts, cash, or other receipts generating an "minimum expected return for an eligible MCA" . . . . of "60% per annum" resulting from the discounted purchase price paid to the Merchant and the resale price received from the Merchant by NuLook, thereby providing the Debtor with a substantial profit on each fully repaid transaction. See Line of Credit, Exhibit A.

12. As a result, most Merchants agreeing to MCAs view such transactions as necessities, *i.e.*, to agree to sell their future receivables to Nulook at a substantial discount from face value and to pay back NuLook at full face value. Therefore, these Merchants generally resent NuLook's profitability and do not hesitate to delay or even refuse repayment to NuLook as a result of nearly any error or imagined slight attributable to the Debtor or its agents.

13. To reduce the amount of their outstanding MCA, Merchants either (i) authorize their credit card processor to send an agreed upon amount of daily sales receipts to NuLook or (ii) authorize the Debtor to debit an agreed amount from the Merchant's checking account directly (the "Cash Proceeds").

14. NuLook generally does not receive the Cash Proceeds directly from the Merchants; instead, to most efficiently receive their daily paid Cash Proceeds, the Debtor engaged an ACH processor, T$$, LLC d/b/a "ACHWorks" ("ACHWorks"), to see that the Merchants' Cash Proceeds received by ACHWorks are received by NuLook. A copy of the ACHWorks agreement (the "ACHWorks Agreement") and related consent agreement also executed by GWG is attached hereto as Exhibit B.

15. Further, NuLook does not directly service its Merchants accounts; instead NuLook utilizes an agent to provide such services. On May 22, 2014, Nulook entered into an agreement with International Professional Services Inc. d/b/a PSC ("PSC") to service its MCA business. A copy of the PSC form of "ARMS" Agreement is attached hereto as Exhibit C.

16. PSC is in business to facilitate the cash advance business such as NuLook. PSC designed its "platform" to enable its cash advance customers to "rely on their support staff and technology to track all Motions, documents, deals, commissions and provides members with management reports to manage their business efficiently." See Exhibit C.

17. However, as a result of its intimate services provided to NuLook, PSC obtained access to NuLook's and its Merchants' confidential financial information, including from their bank accounts. It also provided the service of directing monies intended by Merchants for NuLook, collect monies owed from third-party loan syndications through PSC's "merchant cash advance exchange" (the "MCA Exchange") and caused repayments thereof, direct daily "sweeps" or "pulls" of Cash Proceeds from ACHWorks to Nulook and enabled transfer of the Cash Proceeds to NuLook's operating TD Bank account (or such other bank account as directed by PSC for any reason (the significance of which is explained below).

18. Accordingly, PSC was an insider of the Debtor within the definition of §101 (31) of Bankruptcy Code having confidential information regarding virtually all aspects of the Debtor's business operations, banking and cash flow.

II. The Debtor's Initial Financial Structure

19. Over and above NuLook's own working capital provided directly by NuLook's Members, it increased is business volume many times by utilizing the MCAC $3.75 million revolving Credit Line (See Exhibit A) as amended (increased from an initial amount of $2.5 million to$3.5 million and then to $3.75 million.)

20. Significantly, however, MCAC's financing required that it provide no more than 90% of the financing for new MCAs and that NuLook provide the remaining 10% from its own capital. Until February, 2016, NuLook operated profitably and reduced its Line of Credit on a regular basis in compliance with its terms.

21. In fact, using the MCAC Credit Line, as of the Filing Date NuLook had generated gross receipts in excess of $30,000,000 and amassed more than $6.5 million in booked accounts receivable over-collateralizing MCA's Line of Credit. Further, NuLook's current accounts receivable pay approximately $500,000 annually on a timely basis and the remainder pays an additional $300-500,000 through various stages of the collection process.[2]

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[2] See attached Declaration of Anthony Mannino, Managing Member of the Debtor, dated April 15, 2017 (the "Mannino Declaration") attesting to NuLook's profitability and the fact that MCA's collateral is over secured and the supporting declaration of Anthony Mariani, CPA, of Sheeran & Co., CPAs, confirming this indisputable reality. The Debtor disputes many of the statements and conclusions in the declaration of William B. Acheson, CFO of GWG, dated April 7, 2017 (the "Acheson Declaration") submitted by GWG in support of its Motion to lift the automatic stay. However, on this point, he confirms at paragraph 25 that *in the last 3 month period,* "from December 21, 2016 until February 16, 2017, Nulook received total deposits and credits in the amount of $983,620.00 (more than $300,000 per month) and **$715,000.00 was paid to GWG** to reduce the Loan balance' owed by NuLook.

22. Pursuant to the Line of Credit, NuLook and MCAC each shared the Cash Proceeds generated by its accounts receivable in excess of $1 million per month or $50,000 per day depending upon the amount of new MCAs provided to Merchants and payment received from them. NuLook used its share of the proceeds to pay its operating expenses as well as interest to MCAC in the amounts of as much as $62,500 per month.

23. In addition, as of February 2016, NuLook had approximately $600,000 in its book of ongoing syndicated loans. See Exhibit D below, Section 1., 1.1, (a).

24. Significantly, however, MCAC refused to finance more than 90% of any MCA to a Merchant, and required the remaining 10% of the funds to be, in effect, "syndicated" by NuLook's" with its own capital or capital provided by third parties. See Exhibit A, Section II. F of the MCAC Credit Line.

25. At the same time, GWG required the Debtor and PSC enter into a Collection Subordination Agreement (the "CSA") pursuant to which GWG's senior secured lien and perfected security interest with respect to GWG's Collateral was acknowledged by both NuLook and PSC.

26. Moreover, the Debtor and MCAC entered into a Notification of and Consent to Assignment with ACHWorks which provided that upon MCAC's notice to ACHWorks that the NuLook was in default of its Credit Line, MCAC could instruct ACHWorks to segregate incoming Cash Proceeds into a new settlement account or a suspense account pending further instructions and thereby protect its cash collateral. In the absence of such Notice, ACHWorks would have not reason to be aware of any problem or diversion of funds (as explained below) intended for NuLook before they were received by ACHWorks. See Exhibit B above.

III. GWG Acquires MCAC's Assets and Ends NuLook's Use of its Credit

27. On or about February 16, 2016, GWG MCA Capital, LLC ("GWG") an insurance company with no prior experience in Merchant Cash Advances, entered into an asset purchase agreement (the "APA") directly with MCA, without any participation or representations from NuLook whatsoever. GWG acquired the Credit Line from MCAC in an entirely separate and distinct transaction in which NuLook played no part. An unsigned copy of GWG's APA sent to NuLook, is attached hereto as Exhibit D.

28. Although NuLook played no part in that transaction or the APA agreement, the Debtor believes that either MCAC's staff which promoted the sale of the Credit Line to GWG (and moved to work for GWG along with the Credit Line), either did not fully explain the MCA business or the Credit Line to GWG or GWG simply did not fully understand what it was buying, or a combination of both.

29. GWG's lack of familiarity with the MCA business evidenced itself immediately thereafter because GWG refused to provide any new capital to NuLook for new MCAs. Shortly thereafter, on July 28, 2016, GWG decided that the Line of Credit was in a "Borrowing Base Deficiency," relying upon NuLook's reported metrics that NuLook was in default.[3]

30. NuLook's overall profitable performance at the time of the APA was in large part, a function of the profitable new MCAs NuLook generated using MCAC's capital, although a

[3] The Debtor is unaware of any representations made by the principal managers of the Line of Credit while owned by MCAC in order to sell it to GWG, but it appears that GWG was surprised to find errors and other inaccuracies contained within the Borrowing Base essentially from its purchase, many of which were directly related to PSC's inaccurate reporting. The Debtor believes that the condition of the Borrowing Base was not accurately stated or represented before GWG's acquisition from MCA a condition which likely continued upon GWG's purchase from MCAC.

significant part of revenues come from collection efforts on its accounts receivable. Accordingly, GWG's refusing to provide NuLook with new funding was likely the single most damaging thing GWG could do to NuLook's ability to repay the Line of Credit to GWG.

31. Moreover, and of even greater significance, GWG apparently did not realize that by refusing to finance all new business by NuLook, pursuant the Credit Line, in effect, GWG was authorizing NuLook to "finance any new cash advance transaction to be syndicated by Borrower" and/or "Borrower shall be free to solicit other lenders to finance such additional loans." Accordingly, upon acquisition of the Credit Line, GWG's continuing refusal to finance new MCAs for NuLook, caused NuLook to use third-party financing, of self-finance, new MCAs as to which GWG apparently now asserts are also subject to its lien even though it refused to finance the very same MCAs.

32. Paragraph XVIII (a) and (b) of the Credit Line, at page 14, provides as follows:

> **XVIII Commitment and Exclusivity**:
>
> A. Exclusivity With Respect to Syndications of MCAs: The Lender will have the exclusive right of first refusal to finance any new cash advance transaction (i) to be syndicated by Borrower or (ii) rejected by Borrower based upon the terms of the respective FRPA; Lender will not unreasonably delay or withhold its notice of rejection of or consent thereto.
>
> B. Exclusivity with Respect to Loan Financing to Borrower: The Borrower agrees that it will first provide the Lender the opportunity to finance any additional loans under the same terms and conditions in this program. If the Lender declines to or cannot provide such additional loans, the Borrower shall be free to solicit other lenders to finance such additional loans. (Emphasis added).

33. Notwithstanding the cut-off of NuLook's funding for new MCAs by GWG, on or about on December 16, 2016 GWG entered into a Forbearance Agreement with NuLook, a copy

of which is attached hereto as Exhibit E. Pursuant thereto, GWG agreed that NuLook was to maximize its share of collected Cash Proceeds of MCAs at 50% until it received $20,000 for the given calendar month (to pay for its operating expenses), and thereafter all receipts were to go to GWG's account. See Exhibit E, Section 2.2

34. After the execution of the Forbearance Agreement, in the absence of new funding from GWG, the Debtor continued to repay GWG by collections of receivables from its substantial book, which NuLook advises is currently in excess of $6.5 million (or on its face, or about 300% of total NuLook debt). Moreover, as confirmed by the Acheson Declaration in Footnote 3 above, for the prior three months "from December 21, 2016 until February 16, 2017, Nulook received total deposits and credits in the amount of $983,620.00 and $715,000.00 was paid to GWG to reduce the Loan balance" owed by NuLook. (Accordingly, there is little merit to GWG's half hearted assertions of lack of adequate security.) The simple fact is that GWG never funded any new MCAs for NuLook and purchased an existing Line of Credit directly from MCAC without NuLook's involvement.

35. In a further effort to generate more profits with which to repay GWG, NuLook continued to enter into additional syndications sponsored by IPSC, the proceeds of which were all deposited into NuLook's account and primarily used to reduce its obligation to GWG after payment of operating expenses.

36. Upon receipt of the first proposed transaction in 2015, Mr. Mannino was concerned with a possible conflict of the IPSC transaction terms with MCAC's first priority secured claim on its collateral. Accordingly, he contacted MCAC's primary liason with NuLook, Sandeep Srinath ("Mr. Srinath") explained the transaction and requested his approval of it. A copy of Mr. Mannino's email to Mr. Srinath at MCAC is attached hereto as **Exhibit F.**

37. Mr. Srinath replied in writing that Mr. Mannino's understanding that the proposed IPSC transaction was correct and did not present a conflict or a violation of NuLook's Credit Line from MCAC. A copy of Mr. Srinath's responsive email confirming that position is attached hereto as **Exhibit G**.

38. As a result, NuLook entered into a series of five more similar transactions with IPSC over the next two years without objection or comment from MCAC. MCAC obviously did not care where its funds came from as long as the proceeds thereof were paid to reduce the Credit Line. Copies of each of the IPSC transactions approved by MCAC are collectively attached hereto as **Exhibit H**.

39. Such transactions were not altogether new to NuLook. Prior to obtaining the MCAC Credit Line in May 2014, NuLook arranged additional financing from individual lenders, each in the amount of $100,00 (the "Individual Loans"), although one of which may have occurred after May 2014. Copies of each of these Individual Loan transactions are collectively attached hereto as **Exhibit I**. When these loans were called by the individual lenders, NuLook repaid their loans in November, 2016 and continued to repay GWG as confirmed by Mr. Acheson.

40. Most significantly, as sworn to in the attached Mannino Declaration, none of the proceeds of either the IPSC transactions nor the Individual Loans was ever diverted or otherwise used personally by NuLook or its Members for anything other than new MCAs generating new profits which were paid to its primary secured creditor as usual. The aggregate amount of those transactions and loans was in excess of $1.2 million. Further, Mr. Mannino swears that the entire proceeds of the last $500,000 IPSC transaction was directly and immediately paid to GWG's

account upon its demand and therefore could never be used to generate any new MCAs and additional profits.

41. Accordingly, while it is apparent that there is a conflict between the priority of the MCAC Credit Line and the language of the IPSC transaction documents and the Individual Loan documents, no loss was suffered by MCAC, GWG or any other lender as a result thereof. In fact, quite the opposite is true.

42. Finally, in an effort to further pay back more of GWG's Credit Line, NuLook has recently terminated all of its employees so that it is now operated and managed solely by the two operating Members, Mr. Mannino and Mr. Guzzetti, on the lowest cost basis as is possible. NuLook has also terminated its costly former office lease on Merrick Road and after temporarily moving the operation into the private home of Co-Managing Member, John Guzzetti in Melville until it obtained a lease for inexpensive office space in Massapequa Park. The Debtor's current monthly office rental is $750 and the move was completed at or about the same time as its Petition was filed.

43. Notwithstanding all of the forgoing, GWG continually received sufficient payments to substantially reduce the Credit Line by approximately $750,000 from the continued operation of Nulook through February 16, 2017 during the period of the Forbearance Agreement.

IV. IPSC's Apparently Concealed Its Diversion of The Debtor's Cash Proceeds to Its Own Use

44. On or about February 17, 2016, without notice to, or the consent of, the Debtor upon information and belief, ***IPSC or their servicing agents, affiliates or co-conspirators acting in concert, apparently began to surreptitiously divert all Cash Proceeds destined by NuLook's***

Merchant customers through IPSC to pay NuLook, before being received by ACHWorks's settlement account and "pulled" all the Cash Proceeds so that they only went to the accounts of PSC or for its benefit, or for the benefit of others acting in concert with it. For the past months prior to February 17, 2017, NuLook had been paying GWG approximately $14,000 to $16,000 per day to reduce its Credit Line. IPSC's unlawful taking of NuLooks Cash Proceeds was solely the responsibility of IPSC.

45. As set forth in Mr. Mannino's Declaration, it was not obvious to NuLook for several days into weeks that its funds were not reaching its TD Bank operating account; Mr. Mannino made several calls to ACHWorks trying to learn where NuLook's funds were, *i.e.*, in suspense, on hold, in another account, or what, but to no avail. Finally, as sworn by Mr. Mannino, it was not until March 10, 2017 during a conference call that ACHWorks informed him that it could do nothing to affect the flow of Cash Proceeds one way or *another because they had been diverted before they ever reached its accounts at ACHWorks*. Mr. Mannino was at a loss to determine where NuLook's Cash Proceeds were and how to recover them because there seemed to be no trail to follow: the funds never were received by ACHWorks from whom he had previously received virtually all prior ACH Cash Proceeds.

46. From that day until now, all Cash Proceeds that had previously been intended for NuLook's TD Bank operating account have apparently been misappropriated by IPSC. The Debtor did not know what to advise GWG as it was unaware of any changes to its servicing or collections procedures or what instructions GWG had given with respect to its Cash Proceeds.

47. Shortly before the Filing Date, the NuLook learned that IPSC had apparently been diverting the Cash Proceeds destined for NuLook at the source, *i.e*., by carefully diverting

Merchant payments to or through other service processors before being received by NuLook and redirecting all funds for its own purposes.

48. Prior to the Filing Date, Nulook and its counsel engaged in numerous exchanges with GWG's counsel explaining that NuLook had no control over the Cash Proceeds which had never reached ACHWorks or NuLook's bank account. This fact was met with disbelief by GWG's representatives who impetuously wanted to impose a receiver in state court action and take control of NuLooks' MCAs and merchant contracts in utter disastrous disregard of the negative consequences to both.

49. NuLook strongly advised against such precipitous action for two important reasons: first, virtually all MCA Merchants would like nothing better as an excuse to stop further payments than a third party asserting their rights to their payments and claiming that prior payments had been converted; in effect, NuLook advised that this was tantamount to destruction of the active merchant accounts which were otherwise paying $500,000 per year to Nulook to reduce GWG's Credit Line.

50. Second, IPSC's tentacles are so deeply embedded in NuLook's operations, the information in its bank accounts, its merchant relationships and its business practices and operations and were so well concealed that the any receiver (or trustee's appointment) would necessarily cause operational delays, if not inoperability, which would be equally damaging to NuLook's Cash Proceeds and business as a whole. This assessment is directly confirmed by NuLook's accountants who will submit their own declaration in opposition to precipitously lifting the stay or imposing a trustee in this case.

51. Compounding IPSC's apparent conversion of approximately $400,000 in Cash Proceeds intended for NuLook from February 17, 2017 to date, and despite NuLook's prior

participation in the IPSC Transactions having been expressly approved by MCA from 2015 without change, GWG's representatives subsequently declared that NuLook's participation such transactions "violated" its security interests, *i.e*., "double" pledging its collateral. GWG makes this complaint notwithstanding it *not having suffered any damages as a result* of this assertion of form over substance: it has received all such funds from all such transactions with the only exception being IPSC's concealed, unilateral wrongful diversions.

52. Further, despite NuLook's protestations and denials of wrongdoing, GWG seemed to believe that NuLook was somehow acting in concert with IPSC, and was not the victim of its wrongdoing to just as GWG was. As a result, GWG threatened immediate legal action against both IPSC and NuLook.

53. In addition, it its ill-considered and rash action seeking to lift the automatic stay regardless of the consequences, GWG failed to consider the economic effect of its rejection and refusal to fund new MCAs and that therefore, some amount (to be calculated) is actually Cash Proceeds that do not fall within its "collateral" having either been return of NuLook's or third party lender's authorized capital, or the profits generated therefrom but, in neither event, did they contain any funds loaned by GWG or the profits generated by loaned capital from GWG.

54. The Debtor has downsized its operations, reduced all costs as is necessary and appropriate to operate profitably even at the current level of revenues received. The Debtor's quick and decisive action to dramatically reduce its operation costs, laying off its employees enabled its operated solely by equity Members.

55. With the proposed minimal use of GWG's fully secured cash collateral, the Debtor is convinced it can continue to operate profitably, to continue to repay the balance owed to GWG. It will do this at the same time it is prosecuting an adversary proceeding against IPSC

to recover at least the diverted $400,000 if not the additional $1.2 million repaid over the past two years, and to dismiss any of its claims in this case until such funds are repaid.. In the event that it can secure additional funding for new cash advance transactions, the Debtor believes that it will not only be able to continually reduce GWG's outstanding balance on its Credit Line even faster but generate even more profits for itself and its unsecured creditors.

56. Unfortunately, GWG''s premature litigation is intent upon appointing a receiver or a trustee regardless of the negative consequences to NuLook as well as to its final return of capital from its Credit Line. Nulook has advised GWG's counsel that any such premature seizure action will likely be damaging if not destructive to the Debtor's Merchant relationships and have disastrous effect on their payments to Debtor.

57. Likewise, a trustee appointed to oversee IPSC's operations would also be immediately destructive of its daily operations, Cash Proceeds distributions, and overall operation for the fundamental reason that no proposed trustee knows how to operate IPSC's far ranging business; this would have the opposite effect that GWG seeks to accomplish.

58. All that is needed is a simple stay of IPSC's control of Cash Proceeds intended by Merchants for NuLook so that they are not diverted or interfered with in any way. That would bring the situation back to the status quo that had been acceptable to GWG before February 17, 2017 when NuLook was paying its Credit Line in amounts of $14-$16,000 daily. Since GWG is more than 100% secured in NuLook's accounts receivable GWG can suffer no diminution of its collateral if replacement liens proposed herein on new MCAs are authorized.

59. The Debtor requires the breathing room afforded by Chapter 11 to enable it to continue operations wherein it believes that it will be able to generate sufficient funds to

promulgate a viable chapter 11 plan involving operating its accounts receivable as it was successfully doing prior to IPSC's cash proceeds diversions in February 2017.

60. Unfortunately, GWG has already commenced litigation in the United States District Court, Eastern District of New York, captioned GWG MCA CAPITAL, INC. v. Nulook Capital, LLC, International Professional Services Inc. dba PSC, PSC Financial, a division of PSC, Anthony Mannino, Joel Nazareno, and Robert Aurigema, (Case No. 2:17-cv-01724 -ADS-GRB) (the "Federal Action"). The Debtor has no objection to such Action to the extent that it prosecutes IPSC for the recovery of any funds wrongfully diverted but and entirely separate federal court action for the same relief seems to be another example of overkill, unnecessary expense and endangerment of the"goose the lays the golden eggs", NuLook's Merchant base.

61. Shortly after advising Debtor of the filing of that Federal Action, the Debtor filed its petition in this case seeking to protect its business and avoid any premature interruption of ISPC's operations and NuLook's Merchant relationships. NuLook believes that this Court is the only appropriate forum in which the Debtor can both reorganize as well as seek to recover its assets from IPSC at the same time with a minimum of cost and damage to its business operations and Merchant relationships.

GWG'S ASSERTED INTEREST IN CASH COLLATERAL

62. GWG has a claim against the Debtor in excess of $2,000,000 plus interest and penalties, *etc*., through April 4, 2017. The Debtor does not dispute that GWG holds a first priority lien on *substantially* all of the Debtor's assets, with the exception of the Debtor's and

third party loans and the proceeds thereof directly used to finance MCAs and syndicated transactions rejected by either or both MCAC and GWG.

63. Moreover, the Debtor believes that GWG is fully secured in that the value of the Debtor's booked accounts receivable that substantially exceeds the outstanding debt (notwithstanding that its receivables in most cases are "short term"). Further some of such receivables are not single transactions but are renewed again as per the Merchants' needs. Finally, the Debtor's collection attorneys have been continually productive in recovering from late paying Merchants. Accordingly a "short-term" label of the Debtor's accounts receivable is simply incomplete and misleading.

64. GWG is the undisputed the first priority secured creditor in the Debtor's case. The Debtor also believes that any of the Debtor's obligations to both IPSC and Discount Merchant Funding are secondary or otherwise junior to GWG, thereby providing it priority recovery from its funded transactions and the loan proceeds, accounts receivable and collections arising therefrom, to the extent not funded by NuLook's or third party approved capital loans.

RELIEF REQUESTED

The Debtor Must Be Granted Use of Cash Collateral

65. The Debtor requires the use of GWG's Cash Collateral on an emergency, interim and final basis to: (1) operate its business and (ii) fund working capital needs and allow for a carve-out for its professionals as set forth in the Budget attached as Exhibit "1." Absent the use of Cash Collateral, the Debtor will be forced to cease business operations. If it is forced to do so, it believes that GWG will be fundamentally unsuccessful in the collection of its accounts receivable and will be unable to collect anywhere near the Credit Line balance owed by the Debtor.

66. 11 U.S.C. Section 363(c)(2) provides, in pertinent part:

2) The trustee may not use, sell, or lease cash collateral under paragraph (1) of this subsection unless——

(A) each entity that has an interest in such cash collateral consents; or

(B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.

67. Furthermore, Section 363(e) provides that "on request of an entity that has an interest in property...proposed to be used...the court...shall prohibit or condition such use, sale or lease as is necessary to provide adequate protection of such interest." 11 U.S.C. Section 363(e).

68. Adequate protection is defined at 11 U.S.C. Section 361, which specifically states:

> When adequate protection is required under section 362, 363, or 364 of this title of an interest of an entity in property, such adequate protection may be provided by -
>
> (1) requiring the trustee to make a cash payment or periodic cash payments to such entity, to the extent that the stay under section 362 of this title, use, sale, or lease under section 363 of this title, or any grant of a lien under section 364 of this title results in a decrease in the value of such entity''s interest in such property;
>
> (2) *providing to such entity an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of such entity''s interest in such property*; or (Emphasis added)
>
> (3) granting such other relief, other than entitling such entity to compensation allowable under section 503 (b)(1) of this title as an administrative expense, as will result in the realization by such entity of the indubitable equivalent of such entity''s interest in such property. While the Debtor believes that GWG's interest in the Cash Collateral is substantially over-secured, the Debtor proposes to provide additional adequate protection to GWG the Debtor proposes to provide additional adequate protection to GWG by granting to GWG, pursuant to and in accordance with Sections 361 and 363 of Bankruptcy Code, replacement liens and security

interests in the Debtor's accounts receivable acquired by the Debtor post-petition up to the amount of GWG's lien (collectively, the "Replacement Liens").

69. The Debtor proposes that the Replacement Liens shall be deemed perfected as of the commencement of the Debtor's chapter 11 case to the same extent, validity and priority as GWG's security interest existed pre-petition.

70. The Debtor believes that its disbursements for 40-days from April 20, through May 30, 2017, will be approximately $38,160 as set forth in the Budget, a copy of which is annexed hereto at Exhibit "1". Under the Debtor's projections, the Debtor requires approximately $12,500 for the period April 15, 2017 through April 30, 2017 to cover its ordinary monthly operating expenses and the balance for this month. The Debtor believes that these projections, which are based upon historical costs before its cost cutting measures, will serve to be true and accurate projections of its operating expenses during the initial stages of the Chapter 11 case. The Debtor proposes to continue repayment of all proceeds received over and above the Budget amounts allocated for the Debtor to GWG in payments on a daily or other reasonable basis acceptable to GWG, *i.e,* weekly or every other day.

71. The Debtor believes that the net recoverable value of GWG's accounts receivable by the Debtor is substantially more than the balance of the Credit Line. In fact that was essentially the state of affairs after GWG refused any new financing but still required repayments daily to reduce its Credit Line balance. The Debtor received no complaint from GWG operating on such a basis until IPSC's diversion of the $400,000 taken from NuLook and, by extension, from GWG's accounts.

72. The Debtor submits that the use of cash collateral will maintain, preserve and enhance the Debtor's business and, at the very least, will maintain, preserve and enhance the

value of the Collateral as well as the results of its collection efforts. The use of Cash Collateral will ensure that the Debtor's operations are sufficiently funded, thereby stabilizing such operations and providing the Debtor's vendors and customers with necessary assurance that the Debtor has adequate funds to maintain its business operations.

73. Based upon the foregoing, the Debtor respectfully submits that GWG is adequately protected pursuant to 11 U.S.C. Section 361, and this Court should grant the Motion.

REQUEST FOR ENTRY OF EMERGENCY, INTERIM AND FINAL ORDERS TO AVOID IRREPARABLE HARM

74. Pursuant to FRBP 4001(b)(2), a minimum of fifteen (15) days notice is required before a final hearing on this Motion may commence. However, such Rule provides that the Court "may conduct a preliminary hearing before such 15 day period expires, but the court may authorize the use of only that amount of cash collateral as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing." FRBP 4001(b)(2).

75. As noted above, it is essential to the continued operation of the Debtor's business that it be authorized by this Court to use Cash Collateral on an emergency, interim and final basis. Funds are urgently needed to meet the Debtor's immediate working capital and other liquidity needs and to pursue the Chapter 11 case in an orderly manner. In the absence of immediate use of the Cash Collateral, the Debtor's chapter 11 efforts would be immediately and irreparably jeopardized.

76. No prior request for the relief sought herein has been made to this or any other court.

77. No trustee, examiner, or creditors' committee has been appointed in the Debtor's case. Subject to the directions pf the Court, the Debtor proposed to give notice of the instant Motion as follows: (a) the Office of the United States Trustee; (b) GWG and its counsel; (c) IPSC (d) Discount Merchant Funding, and (e) the Debtor's twenty (20) largest unsecured creditors. The Debtor respectfully submits that no further notice is necessary under the facts and circumstances of this matter.

78. Since no novel or complex issues of law are raised by the instant Motion, it is respectfully submitted that the requirement of a memorandum of law pursuant to EDNY LBR 9013-1(a) be dispensed with.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that this Court enter an order granting the instant Motion authorizing the use of cash collateral as requested in all respects, together with such other and further relief as may be just and proper.

Dated: New York, New York
April 15, 2017

/s/ *Randall S. D. Jacobs*
Randall S. D. Jacobs

Exhibit “1”

NULOOK CAPITAL, LLC, CHAPTER 11 DEBTOR

ESTIMATED RECEIPTS AND DISBURSEMENTS April 20 to May 30, 2017

TOTAL RECEIPTS:		$100,000.
MONTHLY DISBURSEMENTS:		
Rent	$750.	
Salaries (including Taxes)	$15,500.	
Accountant	$2,500.	
Health Insurance	$4,000.	
Phone	$200.	
Cable Internet Service	$150.	
IPSC or other Service Provider	$2,875.	
IT Services	$350.	
Car Leases Allowance	$1,550.	
Copier Lease	$285.	
Total Disbursements:	$28,160 + $10,000 (for 10 days from April 20 to April 30, 2017) = $38,160	
Net Cash Proceeds:		$61,840.
Less: April Carve out For Professionals		- $19,217.
Net Proceeds Payable to GWG		**$42,623**

Exhibit “2”

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

IN RE:	Case No. 17-72013 (las)
NULOOK CAPITAL, LLC,	
Debtor in Possession.	

INTERIM ORDER AUTHORIZING DEBTOR'S USE OF COLLATERAL OF FINANCIAL FEDERAL CREDIT, INC. AND GRANTING ADEQUATE PROTECTION CLAIM AND LIEN

WHEREAS, on April 4, 2017 (the "Petition Date"), NuLook Capital, LLC, as debtor and debtor in possession (the "Debtor") filed a voluntary petition for reorganization pursuant to Chapter 11 of Title 11, United States Code (the "Bankruptcy Code"); and

WHEREAS, the Debtor has continued in the management and operation of its business pursuant to Bankruptcy Code §§ 1107 and 1108, and no trustee or examiner has been appointed in this Chapter 11 case (the "Chapter 11 Case"); and

WHEREAS, the Debtor has moved the Court (the "Motion") for authority, pursuant to Bankruptcy Code §§ 105(a), 361 and 363, to use the Pre-Petition Collateral (as such term is defined herein) and Cash Collateral (as such term is defined in Bankruptcy Code § 363(a)), of GWG MCA Capital, LLC ("GWG") in accordance with the budget annexed as Exhibit "A" hereto (the "Budget") subject to the terms and conditions of this Order; and

WHEREAS, the Debtor has admitted, represented and stipulated to the Court, Without prejudice to the rights of third parties, the following (collectively, the "Debtor's Admissions"): (a) pursuant to an Revolving Credit Agreement dated May 22, 2014 (the "Credit Line") secured

by valid, enforceable, unavoidable and properly perfected priority liens on and security interests (the "Pre-Petition Lien") in substantially all of the Debtor's assets, including without limitation its accounts receivable, contract rights and general intangibles, except to the extent such receivables are the product of the Debtor's or third party loans and syndicated MCAs not arising from use of GWG's capital (collectively, the "Pre-Petition Collateral"); (b) as of April 4, 2017 in accordance with the Credit Line (1) the Debtor was indebted to GWG, without defense, counterclaim, recoupment or offset of any kind, in the aggregate amount of at least $2,000,000 in respect of loans, advances and other financial accommodations made under Line of Credit (the "Pre-Petition Obligations"), and (2) the Pre-Petition Obligations were secured by valid, enforceable and properly perfected priority liens on and security interests in the Pre-Petition collateral; (3) the Debtor reasonably and in good faith believes that the Budget is sufficient to fund all projected legitimate and allowable expenses of its Chapter 11 case during the period to which the Budget pertains; and

WHEREAS, the Court held an interim hearing with respect to the Motion on April 20, 2017 (the "Interim Hearing"); and the Court, having considered the Motion and the proceedings before the Court at the Interim Hearing; and said objection having been incorporated into this Order as reflected on the record of the Interim Hearing;

THE COURT HEREBY FINDS AND DETERMINES THAT:

A. Notice of the Interim Hearing has been given pursuant to Bankruptcy Rule 4001(c) to the Debtor's secured creditors, those creditors holding the twenty largest unsecured claims against the Debtor's estate, and the Office of the US. Trustee, and no further notice of, or hearing on, the interim relief sought in the Motion is required;

B. The Court has core jurisdiction over the Debtor's bankruptcy case, the Motion, and } To the extent any findings of fact constitute conclusions of law, they are adopted as such, and vice versa, pursuant to Fed. R. Bankr, P. 2052. the parties and property affected by this Order pursuant to 28 U.S.C. §§ 157(b) and 1334, and venue is proper before the Court pursuant to '28 U.S.C. §§ 1408 and 1409; and (c) good and sufficient cause exists for the issuance of this Order, to prevent immediate and irreparable harm to the Debtor's estate.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Motion is granted on an interim basis on the terms and conditions of this Interim Order. Nothing in this Interim Order shall preclude this Court from entering a final order containing provisions inconsistent with or contrary to the provisions of this Interim Order.

2. The Debtor is hereby authorized to use the Pro-Petition Collateral and Cash Collateral solely in accordance with the terms, provisions and conditions of this Order and the Budget, on an interim basis in aggregate amount not to exceed $12,500 for the remainder of April, 2017 and $25, 660 from May 1 through May 30, 2017, together with a carve-out of Cash Collateral for the payment of the Debtor's counsel retainer in the amount of $15,000 together with reimbursement of $1,717 paid for the Debtor's Filing Fee herein, and $2,500 for its accountant, with all subsequent professional fees to be submitted by application to the Court for approval before payment; otherwise a maximum of $30,160 per month as per the Budget annexed as Exhibit 1. All of the following terms and conditions of this Order, including without limitation the Debtor's covenants memorialized herein, shall constitute adequate protection of GWG's interests in the Pre~Petition Collateral as defined herein, whether or not such terms, conditions and covenants are specifically denominated in the detrital paragraphs of this Order as

being granted as adequate protection of such interests, and all of such adequate protection granted by this Order shall be without prejudice to GWG'S right to seek additional adequate protection from this Court, or the Debtor's right to oppose same.

3. Pursuant to Bankruptcy Code §§ 361, 362, and 363(e), as adequate protection for any diminution occurring subsequent to the Petition Date in the value of GWG's interests in the Pre-Petition Collateral ("Diminution in Value"), including without limitation such diminution as may be caused by the imposition of the automatic stay of Bankruptcy Code § 362(a) and by the Debtor's use of the Pre-Petition Collateral and/or Cash Collateral, GWG is hereby granted a valid, binding, enforceable and automatically perfected lien, mortgage and/or security interest (collectively, "Liens", and as so granted to GWG, the "Adequate Protection Lien") in all of the Debtor's presently owned or hereafter acquired property and assets, whether such property and assets were acquired by the Debtor before or after the Petition Date, of any kind or nature, whether real or personal, tangible or intangible, wherever located, and the proceeds and products thereof, except those receivables which are the product of third party loans and the proceeds thereof otherwise refused by GWG (collectively, the "Collateral") and to the extent acquired after the Petition Date, the "Post-Petition Collateral"), provided, however, that the Collateral shall not include causes of action brought pursuant to Bankruptcy Code §§ 544, 547, 548, 549, 550 and 553 and recoveries upon such causes of action, nor those receivables which are the product of third party loans and the proceeds thereof which GWG refused to fund, but shall include other causes of action of the Debtor that are not within the scope of said statutory provisions and recoveries upon such other causes of action. Notwithstanding the foregoing, the Adequate Protection Lien shall be subject to (a) Liens and other interests in property of the

Debtor's estate existing as of the Petition Date that are (1) valid, enforceable and not subject to avoidance by a trustee under Bankruptcy Code and (2) senior liens under applicable non-bankruptcy law to assets not encumbered by GWG'S Lien in the Pre-Petition Collateral as of the Petition Date.

4. In the event that the Adequate Protection Lien is insufficient, for any reason, to adequately protect GWG against Diminution in Value, GWG is hereby granted a post-petition administrative expense claim (the "Adequate Protection Claim") jointly and severally against the Debtor's Estate, the Adequate Protection Claim shall have priority in payment over any other indebtedness and/or obligations now in existence or incurred hereafter by the Debtor and over all administrative expenses or charges against the Debtor's property arising in the Chapter 11 Case including without limitation those specified in Bankruptcy Code §§ 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 546(c), 1113 or 1114.

5. The automatic stay provisions of Bankruptcy Code § 362 are hereby modified to permit: (a) the Debtor to implement and perform the terms of this Order, and (b) the Debtor to create, and GWG to perfect, the Adequate Protection Lien and any other Liens granted hereunder. GWG shall not be required to file UCC financing statements or other instruments with any other filing authority to perfect the Liens granted by this Order or take any other action to perfect such Liens, which shall be deemed automatically perfected by the docket entry of this Order by the Clerk of this Court, at the time of the commencement of the Debtor's bankruptcy case on the Petition Date. If, however, GWG shall elect for any reason to file, record or serve any such financing statements or other documents with respect to such Liens, then the Debtor is

hereby deemed to authorize GWG to do so and which shall be deemed to be effective at the time of the commencement of the Chapter 11 Case on the Petition Date.

6. Each of the following shall constitute an "Event of Default" for purposes of this Order: (a) a Chapter 11 trustee, or an examiner with expanded powers beyond those set forth in Bankruptcy Code §§ 1106(3X3) and 1106(a)(4), is appointed by order of this Court, the effect of which has not been stayed, in any of the Chapter 11 Case; (b) this Court enters an order, the effect of which has not been stayed, granting relief from the automatic stay to third parties with respect to assets of the Debtor's estate having an aggregate and cumulative value in excess of $100,000; (c) the Debtor ceases operations of its present business or take any material action for the purpose of effecting the foregoing without the prior written consent of GWG, except to the extent contemplated by the Budget and the business plan underlying the Budget; (c) any material and/or intentional misrepresentation by the Debtor following the Petition Date in the financial reporting or certifications to be provided by the Debtor to GWG under the Line of Credit and/or this Order; and (f) non-compliance or default by the Debtor with any of the terms, provisions and conditions of this Order; provided, however, that said non-compliance or default shall not be deemed an Event of Default if curable and cured by the Debtor within ten (10) business days after notice of such non~compliance or default is given to the Debtor by GWG.

7. Each of the following shall constitute a "Termination Event" for purposes of this Order: (a) the Chapter 11 Case is either dismissed or converted to Chapter 7 case pursuant to an order of this Court, the effect of which has not been stayed; and (b) the occurrence of the Expiration Date (as such term is defined in Paragraph 29 below)

8. Upon the occurrence of a Termination Event and the giving of written notice thereof by GWG to the Noticed Parties which shall have ten (10) business days from receipt of the notice to obtain-an order of this Court on notice to GWG enjoining or restraining GWG from exercising its rights and remedies based upon the Termination Event specified in the notice (which notice may be given by facsimile or email transmission, the automatic stay being deemed lifted for such purpose), payment of any and all Obligations of the Debtor to GWG shall be due and payable, the Debtor's use of the Collateral and Cash Collateral pursuant to this Order and the Budget shall cease.

9. The Debtor, at its expense, shall continue to keep the Collateral fully insured against all loss, peril and hazard and make GWG loss payee as its interests appear under such policies. The Debtor shall pay any and all undisputed post~petition taxes, assessments and governmental charges with respect to the Collateral.

10. The Debtor shall provide GWG with such written reports, certified by an officer of the Debtor acceptable to GWG to be accurate to the best of such officer's knowledge, information and belief, as are required under the Line of Credit.

11. GWG shall have the right, upon one (1) business day's written notice to the Debtor, at any time during the Debtor's normal business hours, to inspect, audit, examine, check, make copies of or extracts from the books, accounts, checks, invoices, correspondence and other records of the Debtor, and to inspect, audit and monitor all or any part of the Collateral, and the Debtor shall make all of same reasonably available to GWG and its representatives, for such purposes.

12. For purposes of this Order, "Proceeds" shall mean any and all payments, proceeds or other consideration realized upon the sale, liquidation, collection or disposition of the Collateral, whether in the ordinary course of the Debtor's business (including without limitation accounts and other proceeds arising from the Debtor's services) or other than in the ordinary course of the Debtor's business and other than those arising from third party loans to the Debtor generating such Cash Proceeds.

13. This Order shall be binding upon and inure to the benefit of GWG, the Debtor and its successors and assigns, including, without limitation, any trustee, responsible officer, examiner, estate administrator er representative, or similar person appointed in this Bankruptcy Case under any chapter the Bankruptcy Code.

14. The terms and conditions of this Order shall be (a) effective and immediately enforceable upon its entry by the clerk of this Court notwithstanding any potential Motion of Fed. R. Bankr. P. 6004(g), 7062., 9014 or otherwise, and (b) not be stayed absent (1) an Motion by a party in interest for such stay in conformance with such Fed, R. Bankr, P. 8005, and (2) a hearing upon notice to the Noticed Parties and GWG.

15. The provisions (if this Order and any actions taken pursuant hereto shall survive entry (if any orders which may be entered confirming any plan of reorganization or which may be entered converting the Chapter 11 Case to a case under Chapter 7 of Bankruptcy Code. The terms and provisions of this Order, as well as the Adequate Protection Claim, the Adequate Protection Lien and all ether claims and Liens granted by this Order, shall (a) continue in these or any superseding case under Bankruptcy Code, (b) be valid and binding on all parties in interest, including without limitation any Committee, Chapter 11 Trustee, examiner or Chapter 7 Trustee,

and (c) continue notwithstanding any dismissal of the Debtor's Bankruptcy Case (and any such order of dismissal shall so provide), and such claims and Liens shall maintain their priority as presided by this Order until the Obligations are satisfied in fall. Net Proceeds, Cash Collateral or Carve-Out may be used by any party in interest seeking to modify any of the rights granted to GWG under this Order in a manner adverse to GWG.

16. To the extent that any at the provisions of this Order shall conflict with any of the provisions at the Line of Credit, this Order is deemed to control and shall supersede the conflicting provisions in said agreements.

17. The Debtor's authorized use of Collateral and Cash Collateral pursuant to this Order, subject to GWG's right to terminate such use following an Event of Default in accordance with the terms and conditions of this Order, shall be in effect for the period commencing with the Petition Date through and including on _____, 2017.

18. A final hearing with respect to the Motion is scheduled for _____, 2017 at ___ pm. (the "Final Hearing"). The Debtor shall promptly mail copies of this Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing, and to any other party that has filed a request for notices with the Court and to any Committee after the same has been appointed, or Committee counsel, if the same shall have been appointed. Any party in interest objecting to the relief sought at the Final Hearing shall serve and file written objections; which objections shall be served upon (a) GWG by its counsel, (b) IPSC by its counsel should it appear herein, (c) the Debtor's 20 largest unsecured creditors and (c) the Office of the United States Trustee for the Eastern District of New York, Attn: Mr. Fusto, and which objections shall be filed with the Clerk of the Court, in

each case so as to be received no later than three (3) business days before the hearing date for the Final Hearing.

Dated: Central Islip, New York
April , 2017