

EXHIBIT 20

DECLARATION OF ED HORNER

Pursuant to 28 U.S.C. Section 1746, the undersigned states as follows:

1. My name is Ed Horner. I am over twenty-one years of age and have personal knowledge of the matters set forth herein. I work as an investigator for a company by the name of Reehl Investigations, LLC ("Reehl") located in Marlton, New Jersey.

2. On November 21, 2019, at the request of a client of Reehl, I attended an investment seminar hosted by A Better Financial Plan in King of Prussia, Pennsylvania, and made a video and audio recording of the event. I saved the audio file recording for the entire presentation as the following files:

- a. MOV10005.mp4
- b. MOV10006.mp4
- c. MOV10007.mp4
- d. MOV10008.mp4
- e. MOV10009.mp4
- f. MOV10010.mp4
- g. MOV10011.mp4
- h. MOV10012.mp
- i. MOV10013.mp4
- j. MOV10014.mp4

A true and correct copy of the recordings I made listed above is attached hereto as Exhibit "A."

3. Also attached hereto, as Exhibit "B," is a true and correct copy of a document I prepared concerning the event and the recording I made that evening. I noticed that at least 300 people attended this event.

4. I obtained marketing materials that were distributed at the investment seminar. A true and correct copy of the materials I received are attached hereto as Exhibit "C."

I declare under penalty of perjury that the foregoing is true, correct, and made in good faith.

Executed on this 20 day of July 2020.


ED HORNER

1 THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2

3 In the Matter of:)

4) File No. FL-04188-A

5 UNITED FIDELIS GROUP) AMENDED 7-13-2020

6

7 SUBJECT: November 21, 2019 Solicitation Event

8 Videos MOVI0005.mp4 through MOVI0014.mp4

9 PAGES: 1 through 77

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16 AUDIO TRANSCRIPTION

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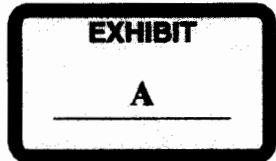
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24 Diversified Reporting Services, Inc.

25 (202) 467-9200



C O N T E N T S

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P R O C E E D I N G S

Video File: MOVI0005.mp4

(Brief video, 49 seconds in length,
showing a formal dinner setting, with multiple
inaudible conversations in the backdrop. No
clear conversation is audible.)

(End of video.)

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1 Video File: MOVI0006.mp4

2 FEMALE PARTICIPANT: I want to (inaudible) our
3 whole presentation up here. Come on, I just want to
4 (inaudible) --

5 MALE PARTICIPANT: So rule number one of
6 speaking in front of (inaudible) --

7 FEMALE PARTICIPANT: I'm going to keep going.
8 So years ago, my brother, we did (inaudible) four people
9 showed up, and I would go where I would get in trouble,
10 still get in trouble, and now see all you here tonight,
11 I'm very excited. We're about to hand out a million
12 dollars to investors who had faith in my brother or took
13 a chance in our investments.

14 For those of you who don't know me, he is the
15 hardest working, most passionate man -- and funny --
16 that you'll ever meet. And I love him.

17 So he keeps my on my toes. So everyone I'd
18 like you to welcome my brother Dean (inaudible.)

19 (Applause.)

20 FEMALE PARTICIPANT: And I didn't even cry.
21 And I didn't even cry.

22 MR. VAGNOZZI: Thank you. Dana is the
23 gatekeeper to the office, as you may know (inaudible).
24 I'll show the picture in a second, Dana.

25 DANA: Thank you. (Applause.)

1 MR. VAGNOZZI: (Inaudible) my slide advancer
2 here. I'm sorry. Probably in my pocket. I guess I put
3 it (inaudible) this is like 10 years ago. This is like
4 the beginning.

5 I eat -- I've eaten more steak at Ruth Chris,
6 right? And we had, you know, modest beginnings. But now
7 we've put 200 people in a room.

8 Who is here for the million bucks? Or who is
9 here for the free meal? Or a combination of both? All
10 right.

11 So show of hands, who is not a client? Not a
12 client? Excellent, excellent.

13 Where is Dave Stovaditch (ph)?

14 MR. STOVADITCH: Right here.

15 MR. VAGNOZZI: There he is (inaudible). This
16 guy is the top dog for KYW News Radio. What do you
17 think? And you're all here because of this man?
18 Where's Tom? Tom Humphrey?

19 MR. HUMPHREY: Right here.

20 MR. VAGNOZZI: There you go. And Tom is
21 (inaudible). Our business when through the roof when we
22 started advertising on (inaudible) that worked well.
23 Did you hear what I said (inaudible) fantastic.

24 MR. HUMPHREY: (Inaudible.)

25 MR. VAGNOZZI: What's that?

1 MR. HUMPHREY: (Inaudible.)

2 MR. VAGNOZZI: Let me go back here. So I
3 appreciate everybody coming out. So if you're not -- if
4 you're not a customer, talk to -- ask anybody anything
5 you want. How is that?

6 Why do you think we're doing this? We -- this
7 is our way -- this is the best form of advertising. The
8 commercials help get people in. If you are not an
9 investor already, talk to anybody surrounding you, ask
10 them whatever you want about their experience, about the
11 investments.

12 And if that doesn't make you want to come in,
13 I don't know. I give up. Okay, because what we're
14 doing is real. There's great returns.

15 We feel -- we feel -- there's risk in
16 everything, and when you come into the office, we'll
17 explain everything -- we'll get into some of the stuff
18 tonight.

19 But we just think there's a heck of a lot risk
20 in -- less risk in what we're doing than what we
21 (inaudible) okay? So let's just leave it at that.

22 The cameras -- what we do on our website, so
23 you're seeing videos, cameras, so bear with all that.

24 So let me go through a few things. First
25 thing I want to do is I want to get my team up here,

1 okay?

2 We're going over the team. I'll tell you what
3 we do. And we'll talk about dinner. At dinner, we're
4 going to -- talk (inaudible). We're going to hand out a
5 million bucks. Right?

6 Does Phil Cannell hand out a million bucks?
7 Does that crash-proof guy hand out a million bucks? No,
8 he takes that million bucks and you never see it again.

9 (Inaudible) we're going to hand out a million
10 bucks. You see the spelling errors? It's because I
11 didn't do well in English, and you probably see a couple
12 today (inaudible).

13 We're going to talk about the (inaudible) cash
14 investment, which is -- we are -- we are knocking it out
15 of the park with.

16 You know what you have tonight -- what you
17 have tonight is if you're an investor, you're going to
18 hear from the executive staff with the merchant cash
19 investment, which so many of you are a part of.

20 You've heard from Perry. We have the -- I
21 call it the honor of having the -- all the execs here,
22 and you're going to hear about the state of the merchant
23 cash business.

24 This company, CBSG is buying a bank, right?
25 They're buying a bank and they're looking for investors.

1 They don't need investors. Right, they can write a
2 check to acquire this bank all by themselves.

3 But bank regulations require that they only
4 own like 5 percent of it for the first three years. So
5 they're forced to get other people to help raise the
6 money.

7 So this is what we do. We've got a handful of
8 stable investments. But every now and then you come
9 across stuff that -- opportunities that are outside the
10 box that you may or many not want to get involved in,
11 okay?

12 And this Bank One -- this bank presentation,
13 you're going to be really excited about. We had a small
14 -- we had about 30 people in their office about a month
15 and a half ago, and everybody wants to be a part of it.

16 So you're going to hear about that. That will be the
17 last thing we cover.

18 And look, we're here -- this is how I make a
19 living. This is how we make a living. And we're trying
20 to -- everything we do -- who -- if you're not an
21 investor, raise your hand if you're skeptical.

22 Really? If you don't have your hand up,
23 you're lying.

24 You should be skeptical. How about this? Who
25 is an investor that was skeptical? Ah -- okay.

1 So, yeah, we can show this photo here. Let's
2 get my team up here, okay? Okay (inaudible).

3 Oh, by the way, we're going to hand out these
4 forms here. We want you to fill out the forms.
5 (Inaudible) the meeting -- what you like and what you
6 don't like. We're going to want you to book an
7 appointment, by the way.

8 If you want to come see us, we will not chase
9 you. Call us. We won't chase you. But if you want to
10 come in -- it's impossible to pull up 200 (inaudible)
11 tonight, we want you fill these out. We want you to
12 tell us the time and the date you can come in.

13 And as soon -- as if there's a conflict,
14 you'll sit with one of our team members -- and if
15 there's a conflict, then we're going to reschedule, all
16 right?

17 So I just want you to (inaudible). All right,
18 let's -- let's start with (inaudible) Dana is the
19 gatekeeper. Dana does the tough -- she -- her job is to
20 make sure her candidate, that you only get into her
21 office if you're serious about (inaudible).

22 Right? That's the word. We're not interested
23 -- we're interested in people that want to take action,
24 and her job is to make sure that we don't get browsers,
25 okay? That's it. We want people not to -- do you

1 agree? Was there any pressure on anybody to invest?

2 No pressure. But in fairness to us, we want
3 people that are serious that have game and want to
4 invest. We won't pressure you.

5 That's Dana's job. She's pretty much the
6 first impression that everybody looks into her office.

7 Where's Perry? Perry Nadel (ph). I married
8 this man's daughter. And it reminds me like every week
9 that, you know, I got the better end of the deal. And i
10 did.

11 So my father-in-law Perry, obviously retired,
12 but I pulled him out of retirement to -- he ran a
13 business with 130 employees, \$50 million of revenues
14 back in the late '90s, early 2000s. He's got a ton of
15 wisdom that he's helping me expand. So Perry Nadel.

16 Anita. Where's Anita? Anita is --
17 (inaudible) Anita is when you come into our office,
18 Anita and Joanie sit at the desk, we have a mountain of
19 paperwork that is involved in what we do. And Anita
20 keeps it all straight.

21 Joanie I'll introduce in a second, but Anita
22 is -- Anita is -- I sat next to -- Anita sat next to me
23 during my senior prom. Right? She kept rubbing my leg
24 (inaudible).

25 Actually, here's a plug, you guys know Gino's

1 Restaurant in (inaudible)? That's Anita's restaurant.
2 Anita's family owns that. It's best Italian food in the
3 area. Go patronize Gino's Restaurant and tell them
4 Anita sent you. They won't give you any discounts. I
5 wish they would. It's a great spot. It's one of those
6 BYOB places where you eat and you got lunch the next day
7 and the next three days.

8 Jody -- Jody Markey -- there's Jody. Jody and
9 Anita are like, fused at the hip (inaudible). What does
10 Jody do? Everything.

11 Like anything we want to get done -- the other
12 day my cabinets in my office kept opening, you know, so
13 it had like a little metal sticker that, like, that you
14 put in the cabinet and it connects it. They weren't
15 sticking.

16 Jody went to Home Depot and fixed them. You
17 know, Jody does whatever -- I don't know how to work a
18 hammer. But Jody -- now, she's integral -- she's
19 important -- integral -- help with that word, integral?

20 Integral? She's really fabulous. That's it. She's
21 important.

22 Again, she's at the front desk with Anita, and
23 they're touching every piece of paperwork that comes in,
24 a very organized individual.

25 Michelle and Karen. Where are they? Okay,

1 Michelle Karen are -- we have two CPAs, right? Every
2 dollar that comes through here, these ladies make sure
3 is in the right spot and (inaudible) and they're the
4 ones obviously helping with the check distributions.

5 So our job is to leave them alone was much as
6 we can. But they're fantastic, okay? I can't -- maybe
7 you don't speak to them, but they are the guts of our
8 operation here. And Michelle has been with me for how
9 long -- three? Three years?

10 MICHELLE: Five years.

11 MR. VAGNOZZI: Has it been five years? I'm
12 not -- it's been three years -- it's five years. It
13 seems like yesterday.

14 Anyway, Karen just joined us how long ago now,
15 two months? How are we going so far? Okay, you're
16 doing a very good job.

17 All right, thank you. Dominic. Where's
18 Dominic. Dominic, what's your major, Dominic?

19 DOMINIC: Chemical engineering.

20 MR. VAGNOZZI: Chemical engineering. We have
21 a chemical engineer working for us. What do you think?

22 You glad -- Dominic joined us how long ago? So my
23 daughter played soccer at St. Joe's with his girlfriend.

24 That's how I met him.

25 He was looking for a job. We sat down,

1 talked. This kind is great, okay? So he's new. He's
2 like a sponge soaking up everything.

3 But he's going to be superstar for us. He's
4 brining in his friends and family. He's doing really
5 well.

6 John. Where's John? John Dorr is one of our
7 advisors, so there's a good chance when you come in,
8 you're going to see John. So if you're not a current
9 investor, John will be one of the guys you're speaking
10 with.

11 Andy -- actually, (inaudible) John, you were a
12 client of mine 10 years ago (inaudible) we've known each
13 other a long time.

14 John is getting -- just got married, right?
15 Congratulations, John.

16 Andy? Where's Andy? Andy Zoff -- he's
17 another one of our advisors. Good chance many of you
18 will be working with Andy.

19 Andy is another client. Andy was a client
20 before. I got to tell you Andy was a client and
21 investor before he started working with me. Basically,
22 he came and talked to me. He said, you know, I love
23 this stuff, what can I do -- to join your firm
24 (inaudible). Andy, you tell me how long you've been
25 working -- five years -- (inaudible) fantastic.

1 Where's Jason? Jason. Who has worked with
2 Jason? Jason like, has -- like I don't know, like his
3 office bigger than mine. He reminds of -- he's an Ohio
4 State fan, by the way.

5 So he tells us -- he reminds us about the Penn
6 State -- anyway. So if you're a Penn State alumni, we
7 will not put you with Jason. Jason -- Jason, how long
8 were you working basically on Wall Street before you
9 joined? Twenty-five years -- you're with us now two
10 years -- night and day.

11 And how much better is what we're doing than
12 what you were doing?

13 JASON: A lot better.

14 MR. VAGNOZZI: A lot better. Okay. Jason is
15 fantastic. Okay, many you work with him -- a good
16 chance some of you will sit with Jason.

17 Mike Tarry -- where's Mike? Mike -- Mike --
18 I've known Mike -- Mike is the longest partner of mine.
19 I met Mike in 2006.

20 One of those little rinky-dink seminars I did
21 at Ruth Chris, he shows up. And I knew this guy wasn't
22 (inaudible) who are you?

23 He's like I was referred to you by such and
24 such, and I'm not leaving until you hire me. I was
25 like, okay -- that's pretty much how it went, right?

1 Great guy.

2 Who else? Alec. My son Alec -- all right?

3 So Alec graduated Penn State. Him and Jason don't get
4 along well. He went to work for JPMorgan for a year,
5 and I basically told him to come work with me. And he's
6 with me now six months, and he's going to obviously be a
7 huge part for all my business. So he's doing a
8 fantastic job.

9 And last but not least (inaudible) Shannon is
10 -- Shannon, I could quickly, somebody heard this -- so
11 three years ago -- three years ago -- again, my daughter
12 played soccer at St. Joe's, and she just finished her
13 last game (inaudible) she played in Italy a couple years
14 ago. St. Joe's played in Italy, and Shannon played for
15 St. Joe's a couple years ago.

16 And as a courtesy they let the former players
17 come play with the current players. So she gets on the
18 bus, and like -- everybody is like, looking at her --
19 like who is this. I made it a mission to talk to her
20 the rest of the four days. And she was looking for a
21 job.

22 And what's your major? Psychology. This --

23 (End of video.)

24 * * * * *

25

1 Video File: MOVI0007.mp4

2 MR. VAGNOZZI: (Inaudible) and she is aces.
3 They're all aces. Everybody here -- we really -- do we
4 have a cool team?

5 MALE PARTICIPANT: Yes.

6 MR. VAGNOZZI: We have a family-oriented
7 business. Everybody gets along. And I -- I cannot be
8 any more proud to say that this is my team.

9 And if you haven't met them, talk to them,
10 whatever, I just -- I do all the talking, but I am
11 nothing without this group of people. So thank you.

12 Okay, why do you need a better financial
13 planner? Market is in its 11th year of growth, okay?
14 Everybody -- how is this for going out on a ledge --
15 everybody wants to get money out of the market, yes or
16 no?

17 Everybody. But wait, Dean, the market is
18 killing it. The better it does, the more people want to
19 get money out, yes or no? The market is in its 11th
20 year of growth. Again, I'm not (inaudible) that you
21 hear on the radio, like -- I'm not saying the market is
22 going to crash. I'm not saying you're going to lose all
23 your money. I'm not saying you should be out of the
24 market.

25 But with the piece of the portfolio that you

1 want to get out, what's the dilemma? The dilemma is
2 where do you put it that it still gets good returns and
3 be protected from the volatility.

4 That's the million dollar question. We think
5 we've got four outstanding offers for that. You have --
6 again, you've got volatility of market, mutual funds,
7 annuities, who -- again, I'm licensed to sell annuities.

8 And I would love for every one of you to come in and
9 buy an annuity from me.

10 You know why? Because I'll make a big
11 commission. It will never lose money, right? It's not
12 right (inaudible).

13 If you are okay with 2 percent to 4 percent
14 returns over a 10-year period, get an annuity. Okay?
15 Anybody -- an annuity is safe, but you'll be lucky 10
16 years from now if you're up more than (inaudible).

17 Annuities are interest rate sensitive.
18 They're interest rate sensitive. Where are interest
19 rates today?

20 Because interest rates are so low, the caps on
21 these index annuities, the caps limit your upside.
22 Again, I'll spend time with you in the office showing
23 you why -- again, if you've got enough money to put into
24 an annuity, and you're okay 4 percent, get one.

25 Most -- who wants more than 4 percent?

1 MALE PARTICIPANT: Everybody.

2 MR. VAGNOZZI: Everybody. Again, I'm not
3 trying -- I'm not trying to (inaudible) if you got
4 enough money for a piece of your portfolio to buy an
5 annuity, but most people want more than that.

6 And that's where we're going to deliver for
7 you, okay? We have stock market alternative investments
8 that are secure, insulated from the models on like, Wall
9 Street and that are proven -- not guaranteed -- proven
10 track record (inaudible).

11 All right? Did I say we're guaranteed? You
12 know people come in (inaudible) you guaranteed. No, I
13 didn't guarantee anything. There's risk (inaudible)
14 pros and cons when you come in.

15 But we've got some solid investments that are
16 going to be the cure to your -- for your need to get
17 into the market.

18 I just want to spend -- so you understand what
19 we're doing, how this kind of evolved, I'm going to tell
20 a quick story (inaudible) so I'll go back.

21 How did I -- how does the business evolve
22 (inaudible)? It was 2001, 2002. What was happening
23 (inaudible) up here -- and by the way, for those of you
24 who have heard this kind of story 10 times, I apologize.

25 I'm kind of speaking to the people who are meeting us

1 for the first time today.

2 2001, 2002, my kids were four or five years
3 old. They were young. What was happening? The stock
4 market was getting beat up in 2000 (inaudible) what was
5 also happening, simultaneously, the real estate market
6 was going up, right?

7 The market was going down, real estate was
8 going up. My kids were young. I was in the software
9 business. I worked for SAP America. I wanted to get a
10 piece of the real estate profits.

11 I had a ton of energy. I had no money that
12 was accessible to me, except in the cash value of my
13 life insurance, which is a whole other subject.

14 We sell a ton of life insurance by the way.
15 It's the most misunderstood financial vehicle in the
16 world, but it's liquid. The key to the cash value on
17 our life insurance was liquid.

18 And I took the money out of my policy and I
19 started using it to buy real estate. Okay, so I started
20 doing the single-family homes. These fix and flip
21 properties. I was making 10, 20 grand. I had 15 rental
22 -- I had 15 rental units. I bought 15 (inaudible) and I
23 built these homes. I made \$600,00 -- \$700,000 over an
24 eight-year period in the real estate market, okay?

25 Single-family real estate (inaudible) however

1 in 2005 (inaudible) I got introduced to a couple guys
2 that had access to a 110 acres off Route 100 in
3 (inaudible). Everybody familiar with that area? Off
4 122 (inaudible) -- guess what they were doing?

5 They were trying to find somebody to invest a
6 million dollars -- they were looking for one person to
7 invest a million dollars to fund the development of the
8 shopping center.

9 And guess how many people wanted to write a
10 million dollar check? Nobody. But I looked at this. I
11 had some success with real estate, and I'm like, I can
12 put people together.

13 Because I went to all my -- I'd made a career
14 change. I was now selling life insurance for a living,
15 and I went through all my life insurance clients, and I
16 put them in a room, let these guys talk about the pros
17 and cons of this real estate property (inaudible) it's
18 called Upland Square. Who has heard of it?

19 Upland Square -- 680,000 square feet of
20 shopping center. I raised a million bucks with 30
21 different individuals -- one person put in 50, another
22 person put in 80, another person put in 20. We formed a
23 corporation. We worked with a law firm (inaudible) --
24 we raised a million bucks amongst 30 people.

25 We gave these developers the money. Three

1 years later they sold the property for 22 million, and
2 our investors their million turned into 4.5 million --
3 okay. Yeah.

4 So -- so what do you think I did? That's the
5 profit. Upland Square -- you drive by it. If we don't
6 raise the money, it's a big piece of land with a
7 (inaudible) on it right now.

8 There's when a light bulb went off for me.
9 I'm like, wait a minute, I think we can make good money
10 in single-family homes. You can make really big money
11 pooling money with other people, right?

12 That's what launched my business. So although
13 we do some -- we have a real estate investment, which
14 we're not going to talk about tonight, because we'll be
15 here all night, but that's when I started pooling money
16 to people, right?

17 Because hey, can you afford this property by
18 yourself?

19 FEMALE PARTICIPANT: No.

20 MR. VAGNOZZI: Right? Almost -- but you can't
21 afford it. This costs -- it costs 22 million. You
22 can't afford it. But you can if I take 30,000 from you
23 and 100,000 from Phil, right? And 200,000 from that guy
24 and 75,000 from that -- now we can pool the money, and
25 now we can get the investment, right?

1 Isn't that a simple concept? The bottom line
2 is this. There are a ton of really cool investments out
3 there that you can't afford by yourself, and they're
4 cash intensive, get it?

5 It's that simple. All we do is have a better
6 financial plan because we have identified before what we
7 feel are secure places to put your money that have a
8 proven track record that are cash intensive. It's
9 simple.

10 We take all your money, pool it together, and
11 work Eckert-Seams in Philadelphia, one of the largest
12 law firms in Philly, we put -- we form what's called
13 private placements.

14 These are securities that -- they comply with
15 all state and federal securities laws, and we raise your
16 money. And my team (inaudible) manages the money, puts
17 it to use in the investments, and the returns again come
18 to us, and we distribute them to you. Okay?

19 Is that simple enough? That's all we're
20 doing. Now why isn't everybody doing this? This is
21 very important. Why isn't everybody doing this if this
22 such a great idea?

23 So -- here's why. So let's say -- (inaudible)
24 let's just stick with Joe Blow is at Merrill Lynch. You
25 want to be a financial planner. Let's go become a

1 financial planner.

2 The thing with financial planning, you're
3 going to go -- what does everybody own? Everybody here
4 owns a mutual fund. Yes or no? Name me (inaudible)
5 doesn't it make sense if you're going to get into
6 financial planning to get the securities license needed
7 to sell -- are you (inaudible) -- yes, help me. Yes?
8 I'm paying the bill for dinner tonight, yes? There you
9 go.

10 (Inaudible) I'm speaking to the skeptics here,
11 all the new people. So when you go sign up with Merrill
12 Lynch, you're going to sign a piece of paper -- you pass
13 all these exams, and you sign up with Merrill Lynch.

14 And it all kind of basically says, thank you
15 for joining our firm. You can sell stocks, bonds, and
16 mutual funds. That's it.

17 None of this out of the box stuff. Okay? So
18 what I'm doing is legal, but most financial advisors
19 don't have a set of you-know-what's to drop that license
20 so they can do what I'm doing. Okay?

21 Jason did it. Jason did it (inaudible) most
22 people what happens when you get -- (inaudible) they
23 have to leave the securities firm with and also leave
24 the recurring revenue they get in there.

25 Wait a minute, I've got 100 million in

1 management, that pays me, you know, 250,000 a year. I'm
2 not leaving that.

3 That's why nobody else does this. We don't
4 have a securities license. I can sell you a mutual fund
5 (inaudible) you want to get some great returns
6 (inaudible) won't go up and down with Korean wars, won't
7 go up and down with whatever.

8 This stuff is insulated from the market's
9 volatility. That's it. We pool money so you can get
10 involved in investments that you can't afford.

11 And candidly, you're going to hear from the
12 (inaudible) you want 250 investors walking into your
13 office?

14 MALE PARTICIPANT: (Inaudible.)

15 MR. VAGNOZZI: The point is -- the point is we
16 deal with (inaudible) and we write them one check. We
17 write them a \$5 million check every two weeks. Does
18 that make sense? Help me. Okay.

19 Let's eat dinner. So here's what we're going
20 to do (inaudible). What I'm going to do is -- are we
21 going to do this -- how are we doing this in (inaudible)
22 I'm going to leave it up to the staff here. I want you
23 to listen -- hold on -- before you get up. I want you
24 to grab something to eat. Sit down. I could care less
25 about your (inaudible). I want you to hurry up and sit

1 down and eat.

2 I'm going to give you like, four minutes
3 without me talking. Enjoy -- I'll give you 10, 15
4 minutes. Eat dinner. But as you're kind of 15 minutes
5 into dinner, I'm going to get up and start talking,
6 okay? I'm going to talk about (inaudible) we're going
7 to hand out a million bucks (inaudible).

8 So I'll be back up (inaudible) I'm so thrilled
9 that you're here. Thank you, thank you.

10 (Conversation inaudible.)

11 (End of video.)

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1 Video File: MOVI0008.mp4

2 (Conversation inaudible.)

3 MR. VAGNOZZI: So (inaudible) is the world's
4 largest purchaser of other people's life insurance
5 policies. Conveniently for us they're in (inaudible),
6 Pennsylvania.

7 Okay, now this is not (inaudible) but this is
8 a few years old, and this is shown on CNN, nationally
9 televised, five minutes before Trump accepts his
10 nomination, if you are sitting home that day watching
11 cable TV, this commercial is run every day of the week
12 all across the country, okay?

13 This commercial generates about 1,000 phone
14 calls a week (inaudible) elderly people that have these
15 life insurance policies and can't afford them, or just
16 want the money today, okay?

17 I'm going to -- I'm going to go do this
18 quickly. I will answer all your questions, of course,
19 in the office about how this works. But you get the
20 idea.

21 The coverage you get from these policies
22 (inaudible) my point is we have the biggest company in
23 the world right here in our back yard that buys these
24 policies, and they turn around and they sell them to us.

25 I want to make another kind of credibility

1 statement here. This is Children's Hospital website,
2 and I want to make a point here. Right next to Franklin
3 Field is the (inaudible) screenshot of Children's
4 Hospital website.

5 Alan Berger is the CEO of Coventry. Five
6 years ago he donated 50 million to build the
7 (inaudible). What's the moral of that story? How much
8 money do you have to be making to donate 50 million?

9 MALE PARTICIPANT: A lot.

10 MR. VAGNOZZI: Alan Berger is a 72-year-old
11 guy that all he's done the past 30 years is just buy
12 other people's life insurance policies, and when they
13 pass away, he gets the death benefit.

14 No (inaudible) volatility. No up and down
15 stock market. It's pretty much recession proof. You
16 guys hear my commercials. Some of my commercials say,
17 we have an investment with a fixed future payout. Guess
18 where I'm going with that.

19 MALE PARTICIPANT: Excuse me.

20 MALE PARTICIPANT: Sure.

21 MR. VAGNOZZI: Doesn't change value every day
22 like the stock market, right? Understand that. That's
23 all I've said. I can't explain what it is on the TV
24 commercial. Nobody would come in.

25 Hi, come in. I want to talk to you about

1 making money when people die (inaudible).

2 Okay, so how does it work? I'm going to zip
3 through this quickly, then I'm going to show you three -
4 - our last three maturities.

5 This is a few years old, but you get the idea.

6 Mary (inaudible) 87-year-old woman. We bought her
7 policy (inaudible) \$837,000 death benefit. We paid
8 \$307,00 for the policy.

9 She had a 50-month life expectancy before the
10 policy was purchased -- would I ever buy your house
11 without what? What would I get done before I buy your
12 house? An appraisal.

13 This is, in essence, an appraisal on
14 somebody's life. We talk about death here, and I don't
15 mean to make light of it, but this is a business
16 transaction, okay?

17 These people are getting top dollar for the
18 policy, and their kids sign off on it conceding that
19 it's good for mom and dad, okay?

20 (Inaudible) she was giving a 50-month life
21 expectancy -- 50 month means if we bought a 100 of these
22 policies, at 50 months, 50 percent of the people will
23 have passed away by the first 50 months.

24 The second 50 months is when the second half
25 pass away, get it? Okay.

1 If she passed away in the 50th month -- this
2 is before I bought it -- if she passed away in the 50th
3 month, factoring in the upfront costs and the monthly
4 premiums, because we still have to pay for these, it's a
5 14 percent compounded (inaudible) okay.

6 So we go ahead and we bought the policy.
7 There's a company out there by the name of 21st
8 Services. They're in Minneapolis. They underwrite
9 these policies.

10 They look at the medical records, family
11 history, you know, what illnesses they have today.
12 They're not looking at life expectancy like oh, the
13 average man lives to 75 -- no, they're looking at that
14 person's medical background to come up with a scary,
15 accurate life expectancy.

16 She had a -- she had a 50-month life
17 expectancy, right? This is like (inaudible) all I care
18 is about what the life expectancy says. This is not
19 designed (inaudible) called the medical information that
20 they provide to us.

21 Bottom line, we go ahead and buy this policy.
22 There's the graph to the expected number of people that
23 pass away each year over the next 100 months -- again,
24 50 percent of them pass away in the first 50 months in
25 this situation.

1 The whole investment is boiled down into a
2 graph like this. Look at this -- what's the upside of
3 the stock market -- 20, 30, 40 percent?

4 What's the downside of the stock market? Minus
5 10, 20, 30 percent? If these actuaries are right it's a
6 14 percent compounded return.

7 If she passed away sooner than expected, the
8 return is what -- higher or lower? Higher. We look at
9 this -- if this woman double life expectancy, it's
10 basically a break-even.

11 If she gets to the 50 -- forgive me
12 (inaudible) -- if she gets to the 100 months, it's a
13 .51 percent rate -- it's basically a wash. How do you
14 lose money on this? If this person doubles life
15 expectancy plus a year, you're going to lose .67
16 percent.

17 This person basically lives two years past
18 life expectancy, you're losing 1.6 percent. Can you all
19 survive a 1.6 percent loss? Right?

20 It's the negative 10s and 20s we're trying to
21 avoid. We go ahead (inaudible) this policy -- and
22 again, this is change in ownership form from John
23 Hancock. The circled section says we took over
24 ownership of it on October the 18th, 2013.

25 Here's her -- here's her obituary (inaudible)

1 we generally know when someone passes away two days
2 after they pass away, okay? (Inaudible) I said, Cousin
3 Vinny.

4 Come on. Anyway, there we go. (Inaudible)
5 anyway, here's the check (inaudible) that check gets
6 distributed to you, the investor, which is what we're
7 about to do.

8 So what happens is look average -- so finally,
9 she died in the 33rd month of a 50-month life
10 expectancy. So the rate of the return for her is 26
11 percent (inaudible).

12 You already know 90 percent of what you need
13 to know in this investment. Here's the thing, this
14 policy costs us 300,000. Who can write a \$300,000
15 check? Maybe you can. But do you want one of these or
16 do you want 20 of these?

17 Here's why nobody invests -- here's why none
18 of your friends have this. Dean, it's so good. Why
19 doesn't everybody (inaudible)?

20 Here's why. Because you can't afford it. The
21 average policy costs us about 500,000. And you want to
22 have 10, correct?

23 Help me. Why do you want more than one? If
24 you buy one that will be the guy that (inaudible) and
25 lives to 110. If we buy 10 what's a reasonable person

1 going to expect if we buy 10 policies on 10 83-year-
2 olds. What's going to happen (inaudible)? It's going
3 to average out.

4 So we want 10. Well, if the average one costs
5 500,000, and we want 10, we need 5 million. Who here
6 has got 5 million.

7 Maybe you do, but let's say you do have 5
8 million. Would you put all of your money into one
9 investment? No.

10 So you really need 20 million. And I think
11 there's a couple here that do have that. But most
12 people don't have 20 million to go take the 5 million to
13 put their own portfolio together. Get it?

14 That's why nobody has this. But all of you
15 together, we can go buy a ton of these. That's the
16 beauty of what we do.

17 So we have a fund. We have a fund. Now this
18 is a fund. This is a real, live fund that we shut down
19 six months ago, which 100 of you were in.

20 We bought -- forgive me, you got to stand up,
21 stand up. We have -- this fund -- we have 22 policies.

22 These are the names of the individuals. The life
23 expectancy is in months. The average life expectancy is
24 31 months.

25 What's the average cost of the policy?

1 528,000 -- see my point? Who can afford it. So we
2 bought -- we paid 11 million to get 21 million in death
3 benefit.

4 If everybody passed away at life expectancy,
5 which they won't -- but if they did, that's the green
6 column -- 14.89 percent compounded rate of return. How
7 does that sound?

8 Here's what's awesome about this -- let me put
9 this in perspective. You can buy -- this guy knows it
10 more than everybody here -- if you -- you told me a
11 bunch of stuff, if you could buy 100 grand of Apple
12 stock and be guaranteed to buy -- (inaudible) buy 100
13 grand of Apple stock, and be guaranteed that it will
14 turn into 160 grand in a four-, five-, six-year period,
15 who would do that? Would you put that money into it?
16 Would you put some? Of course you would.

17 Guess what. That opportunity doesn't exist.
18 If you could buy a single family home (inaudible) for
19 100 grand and could be certain you could sell it for 170
20 grand in a five-, six-, seven-year period, would you do
21 that? Of course you would.

22 That doesn't exist either. But that is
23 exactly what this is. We know what we're paying. We
24 know what we're getting.

25 But what don't we know? Exactly when. So my

1 job -- when you come in is not to put all your money
2 into an investment that you don't know it's going to pay
3 out. That's my job, okay?

4 You want money today, we're going to get to
5 the (inaudible) blow your hair back. How awesome that
6 is. But this is an investment that you got to be able
7 to forget about for 20 years.

8 And some of you in this room, you know who I'm
9 talking about, I already talked to you today -- like
10 asking you, when is somebody going to die?

11 So this is -- so this fund -- this fund shut
12 down, meaning we stopped taking investors for this fund.

13 Where did he go? (Inaudible) where did he go -- so
14 this fund, we had 22 policies. We shut this down in
15 February.

16 And by the way, we have a big binder.
17 Everybody gets a binder from all the policies, all the
18 information, proof of ownership. Right, guys? You guys
19 got those binders.

20 We've had three people pass away in basically
21 in the first seven, eight months. Let me show you
22 (inaudible) on the first one -- okay, again, I know this
23 is tough to see, but the point is the first guy -- for
24 those people upfront, last name was Blanco -- can you
25 see the date? What's the date? Ron, what's the date up

1 there? December 21, 2018.

2 This is Protective Life sending us a piece of
3 paper saying we now own this policy effective December
4 21, 2018. Guess what. This guy had a 27-month life
5 expectancy.

6 Here's the check on July 3rd, he passed away.

7 He passed away eight months into a 20-some month life
8 expectancy. So we paid 1.6 for the policy. We got
9 253,000 back. You see it. There's the calculator.
10 It's a 107 percent compounded return with no market
11 volatility -- 107 percent return.

12 The next person who passed away -- let's go --
13 was last name of Newman. We bought this policy --
14 again, let me say this again, I don't mean to make light
15 of making money when people pass away, okay?

16 I mean that. I mean that. I'll now say it
17 again. These people got top dollar. And most of these
18 people are about to get nothing. Their policy is about
19 to lapse. If it lapses, what do they get?

20 MALE PARTICIPANT: Zero.

21 MR. VAGNOZZI: One of these. They get
22 nothing. We're giving them hundreds of thousands of
23 dollars. They're happy with it. They know that when
24 they pass away, you get the money. But they don't care.
25 They're dead. They don't care.

1 November 3rd, we buy this policy. Here's the
2 check. June 20th -- basically eight months later, we
3 paid 90,000 for this policy -- 90,000 turned to 125,000.

4 Here's the calculator -- 63 percent rate of return.
5 How does that sound? Pretty good.

6 Here's the one that we're about to pay up.
7 Okay, bought this policy -- can you see this okay --
8 August 31, 2018. It says it -- by the way, see the
9 name? There's the guy's last name -- Tolbert. It says
10 ownership is now the AVFD (inaudible) Multi-strategy
11 Investment Fund. That's us. That's proof that we own
12 it, took ownership last August.

13 There's the check. I forgot (inaudible) a
14 million dollar payout. One -- we got a million dollars.

15 There's \$107 in interest payments. The point is it is
16 a 100 (inaudible).

17 We paid -- this individual was 95 years old,
18 and the policy was costing them 13,000 a month. The
19 family couldn't afford it. They were trying to hang
20 onto it. They were about to get what?

21 MALE PARTICIPANT: Nothing.

22 MR. VAGNOZZI: Nothing.

23 (End of video.)

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1 Video File: MOVI009.mp4

2 MR. VAGNOZZI: We gave them 300,000. Did they
3 -- are they mad at me? They're likely sending Christmas
4 cards. Thank you.

5 So 300,000. We paid 13,000 long for the next
6 -- using your money. Paid that premium. Again, up to
7 100 percent return. This (inaudible) were added 90
8 percent compounded (inaudible).

9 Now, listen, this -- it's not going to stay
10 that high. As people live longer, we will get to --
11 that rate of return obviously is going to go way down.

12 But with these three early maturities, we're
13 almost guaranteed to be in double digits for this month.

14 If you get one fund and make 100 percent return, and
15 another you make negative 10, what's your average?
16 Forty-five percent -- is 45 percent good?

17 Okay, that is (inaudible). And they're happy
18 to talk about it. Well, let's hand out a million bucks,
19 how is that?

20 What I'm going to do -- so I'm want to get a
21 picture with everybody in the corner. If you want to
22 bring your spouses up -- I'm not going to read off --
23 let me just round off some numbers.

24 So we've got -- in this stack, we've got
25 \$37,000 checks, \$18,000 checks, 12,000, 16,000 --

1 12,000; 12,000; 13,000; 16,00; 22,000. You get the
2 idea? How cool is that?

3 So I made the mistake a couple years ago. I
4 was (inaudible) so look come on over, hear your name,
5 and I want to get a picture of you. If you want to
6 bring your spouse, the more, the merrier.

7 This check (inaudible) it's an envelope, then
8 you can cash this check. If it's in a -- it's a
9 photocopy, then that means you use your IRA (inaudible)
10 use IRA money.

11 All this -- everything we do, you can use your
12 IRA to invest. So we use a self-directed IRA
13 (inaudible) no penalties.

14 It goes -- this check is being mailed to
15 people already into their IRA account. It's already
16 sitting there, but we want you to see the photocopy.
17 How is that?

18 Who we got here first? (Inaudible) nobody can
19 ask me more questions than this guy did (inaudible) the
20 money. Here take this. Here we're all ready. Come on
21 over here (inaudible) sorry, too much information there.

22 Fred (inaudible) -- Fred, come on up
23 (inaudible) --

24 (End of video.)

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1 Video File: MOVI0010.mp4

2 MR. VAGNOZZI: (Inaudible) I apologize.

3 Joseph Cabrioni, okay. Bruce and Jen Carter (inaudible)
4 come up here. Bruce and Jen Carter.

5 Take this. We got one or two. You have one.
6 You have one. Is that good? What are you looking at?
7 Like, you don't believe it?

8 MALE PARTICIPANT: (Inaudible.)

9 MR. VAGNOZZI: It's there. It's real
10 (inaudible). Linda DeMartino. Lisa Ducks. Neil
11 Fisher. Robin Fisher. Richard Fiorino. Where is he
12 at? I haven't seen Richard. Ricard Fiorino?

13 MALE PARTICIPANT: I'll take his.

14 MR. VAGNOZZI: You got to be present to win.
15 I'm giving this to Richard. John Gallagher. Joseph
16 Gaspe. Okay, this is one of those --

17 MALE PARTICIPANT: I asked more questions that
18 he did.

19 MR. VAGNOZZI: Yes, you did. Ann -- what is
20 it -- Garrett? Did I pronounce that wrong?

21 FEMALE PARTICIPANT: (Inaudible.)

22 MR. VAGNOZZI: Okay, I'm sorry.

23 FEMALE PARTICIPANT: That's okay.

24 MR. VAGNOZZI: I'm Vagnozzi. You know
25 how many people called me Vagnozzi my whole life. Let's

1 see. Robert Glenn. Dennis Brody. Where is he at?

2 Where's Dennis (inaudible)?

3 Tom McCann (inaudible). Joseph Major. By the
4 way -- Joseph -- Joe has done a testimonial for me on
5 the radio (inaudible) you guys have heard his voice.

6 Jateen -- where's Jateen? Nina -- Jateen
7 (inaudible). Karen Myers. Bob Palmer. Here you go.
8 Bob Palmer has two. Don Reed. David Ritter. Kevin
9 Roller. Dave Scobin is my boy from KYW News Radio.
10 There you go, Dave. KYW -- (inaudible). Three things
11 to know.

12 Eric Soaring. Eric. Al Tucker. Oh, and our
13 own Shannon Westhead is an investor. Where is she at?
14 Dennis, are you becoming a believer or what, brother?
15 Mark Griffin. That's -- that's everybody. All right,
16 let's get a picture. Let's all scrunch in. Come on,
17 (inaudible). I get a check too.

18 You know how many people (inaudible) you know
19 how many people are (inaudible) I want to be in your
20 next check (inaudible). Did I miss anybody?

21 (Inaudible) we'll get you a check. We have the check --
22 Michelle, we have one person who said they need a check.

23 Yeah, she's getting a check. Come on (inaudible).

24 It's all good.

25 (Conversation inaudible.)

1 MR. VAGNOZZI: Now hold your checks up. Hold
2 them up. That's it. That's it. Good. All right.
3 Let's go. Thank you, everybody.

4 Jason. Okay, you get it? All right, let's
5 keep going. All right. By the way, (inaudible) --
6 (Conversation inaudible.)

7 MR. VAGNOZZI: I just want to show one more
8 thing. Excuse me. Stay with me here (inaudible).

9 So for those of you who have -- maybe have a
10 little bit of like, (inaudible) I don't know -- are we
11 taking advantage of elderly people?

12 This is a real-life email. I want to show you
13 this. This is from an email that a client of mine about
14 six years ago -- I got a phone call from a friend of a
15 friend who lived in Houston, Texas.

16 I want to make sure everyone is here. And the
17 gentleman has a life insurance policy on his father. It
18 was \$100,000. It was about to lapse. It was about to
19 hit nothing. Their dad was 91 years old. It could --
20 it was costing \$800 a month.

21 He said, Dean, I hear you buy policies. Long
22 story short I gave him 22,000 for the policy. They were
23 about to get nothing, and I took over the 800 a month
24 payment. I did this personally (inaudible) it was like
25 the time I didn't have a fund over it. I bought it

1 myself.

2 Bottom line is this individual passed away
3 about four years later (inaudible) the exact date. On
4 May 25th of last year, I got an email from the son,
5 basically saying, Dean, my father passed away at 6:40
6 this morning. Note the time he sent the email to me.
7 What time did he send the email? 8:40 -- two hours
8 after his father passed away, he's emailing me to tell
9 me his father passed away. Are you guys connecting the
10 dots?

11 Is this guy (inaudible)? I did this guy a
12 favor. He didn't need to tell me. As a courtesy, he's
13 like -- (inaudible). This is a win for him. I put in
14 like, 35,000 -- bottom line I made about 40,000 on this
15 over like, three or four years.

16 Okay, I want to show you -- so now I want to
17 transition to the merchant cash, okay? I want to show
18 this video. Who has heard of Dan Cain -- who has heard
19 the Dan Cain commercial on the radio. I want you to
20 meet Dan Cain.

21 So this gentleman came to my office a couple
22 weeks ago. This was actually about two months ago. He
23 reinvested the money. It speaks for itself.

24 (Video plays.)

25 MR. VAGNOZZI: All right, that's it. So I'm

1 going to get into merchant cash. I've done this -- some
2 of you have done this before (inaudible).

3 So show hands -- show hands who has money --
4 get your cameras ready -- who has money in the merchant
5 cash investment? Show hands. Okay, (inaudible) please
6 if you can just stand up.

7 If you've got money in merchant cash, stand
8 up. All the non-investors look at this. How many of
9 you -- who here -- raise your hand, who here is getting
10 double-digit returns on their money?

11 Who here is getting a check every single
12 month, right? Who loves this investment? Has any
13 payment ever been late?

14 FEMALE PARTICIPANT: No.

15 MR. VAGNOZZI: Okay, this is merchant cash,
16 and we are knocking it out of the park, and you're going
17 to meet the people we've worked with to put this
18 together.

19 How many people, by the way, have reinvested
20 and got all five -- you got all your money back
21 (inaudible) one year, right? And who has reinvested?
22 Who has upped the investment, okay?

23 Thank you. You can sit down. Thank you. I
24 didn't give you anything for the new people here -- if
25 that's not going to tell you, I don't -- I give up,

1 okay?

2 Let's talk about merchant cash. Okay, so
3 (inaudible) -- so I'm going to show you a six-minute
4 video. This video will give you an overview of the
5 investment, and then, of course, we'll get up to --
6 we've (inaudible) talk about it.

7 Again, for those of you who are investors
8 already, (inaudible) you know this inside and out, but
9 this is for the people who just come here for the first
10 time (inaudible).

11 (Video plays.)

12 (End of video.)

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1 Video File: MOVI0011.mp4

2 (Video plays.)

3 MR. VAGNOZZI: To arrange for a mutually
4 agreed time to meet, just call me up.

5 Okay, that's merchant cash. Who has heard of
6 the industry before? Of course you have, you're an
7 investor. Who heard of the industry before?

8 Who is a small business owner? Okay, if
9 you're a small business owner, you have heard of this
10 industry, correct?

11 Most people here are not small business
12 owners. These companies do not call on individuals.
13 They are calling on small business owners that need
14 capital to -- again, expand their business.

15 Does anybody -- I have more money (inaudible)
16 than I've ever had, and about 16 months ago, it took me
17 four months to get approved for a line of credit -- a
18 bigger line of credit on my -- my business.

19 Like, who has got four months? These guys
20 give you the money in two days (inaudible) steal their
21 thunder, I like to talk about the business a little bit.

22 This industry -- if you don't know it, it is
23 huge. It is huge, and there's a ton of players in this,
24 okay? (Inaudible) if you don't own a small business,
25 you may have never even heard of it because they don't

1 solicit. They don't call the small businesses
2 individually. They call -- they call business owners.

3 So since fall of 2016, by the way, I'll give
4 you a quick story, the guys -- the owners that you'll
5 meet, they're members at the club that I belong to. And
6 I'm golfing with these guys a couple years ago. I'm
7 like, the peon in the club.

8 Jeffrey Laurie is a member of the golf course
9 I belong to. I just say that to kind of -- and I like -
10 - I don't know I like trying to (inaudible) -- I'm
11 golfing -- I'm golfing with a couple of these owners a
12 few years ago, and we're golfing like, the fourth or
13 fifth whole, and I'm talking to this guy Joe -- and I'm
14 like, what do you do? Here's my commercials. I'm
15 telling him about Life Settlements.

16 I'm like, what do you do? He's like, oh, you
17 know, we lend out money and long story, we loan it out
18 at like, 35 percent.

19 Who the heck borrows money at 35 percent?

20 He's like, everybody. And that's the biggest
21 thing that people can't get their hands around, that who
22 borrows money at 35 percent. If you're a roofer --
23 (inaudible) never finance your car at 35 percent. You
24 would never finance your house at 35 percent.

25 But if I'm a roofer and I'm (inaudible) and I

1 got a crew of three or four people and a hurricane comes
2 through, and I got a chance to fix 30 roofs, but I need
3 30 grand in material to get going, do I have three
4 months to wait for the bank to get me my 30 grand?

5 I'll gladly get the money from these guys.
6 I'll borrow the 30 grand. I'll pay back 37,000 in three
7 months, but I'm going to go make 100.

8 Get it? That is merchant cash, okay? We've
9 taken over 500 clients. Obviously many of you here,
10 over 110 million has come in. Everybody gets between 10
11 and 14 percent. The more money you put in, the more you
12 get.

13 Check -- your interest comes every single
14 month on the same day every single month -- 100 percent
15 of your principal comes back in one year. Nobody has
16 missed a payment. Nobody, okay?

17 At the end of the year, you can -- by the way,
18 you can do a two-year note or a three-year note. Most
19 new investors come in for one year, but the people who
20 have repeated year after year sign up for the two and
21 three-year commitment because they want to lock in that
22 rate, okay?

23 You invest up to 250,000, it's a 10 percent
24 return, okay? 251,000 to 500,000 -- it's a 12 percent
25 return.

1 Again, check every single month -- 100 percent
2 of your money comes back on your -- what would you
3 rather do buy an annuity from the other guy and get 2.5
4 percent return, your money is locked up for 12 years?

5 Or a one-year return of 12 percent -- 10
6 percent, 12 percent, your money comes back in one year -
7 - check (inaudible).

8 Five hundred grand or more -- which we have a
9 zillion of you here that have that -- you start out at
10 50, you start out at 100, you start out at 150 -- but
11 everybody puts more once they see that this works.

12 The contrast between this and Life Settlements
13 (inaudible). Life Settlements is backed by death. But
14 you need to be patient for Life Settlements.

15 This -- two months into this, you're like,
16 okay, I like this. Check every month (inaudible) ever
17 month. Right? (Inaudible) guys all see it.

18 I don't need -- I don't -- I mean, I'm
19 working. I don't need it. I have a very large amount
20 of money in this. I never get sick of seeing the money
21 coming in.

22 It's like, my dad -- the best endorsement is
23 my father is a retired police officer, 78-year-old guy
24 in Naples, Florida. Half his net worth is in this, and
25 this pays his bills every month.

1 He takes my mom out to dinner, like, X amount
2 of (inaudible) he knows how many rounds of golf he can
3 play because of the check he receives from this.

4 I'm not letting my dad expose to anything
5 that's going put him in too much risk, okay, so it's the
6 best referral I can give you.

7 Perry -- where's Perry -- come on, Perry.
8 Perry (inaudible) --

9 PERRY: He calls me up here because he's on
10 fire tonight.

11 This is like Dean Martin and Jerry Lewis. But
12 the real purpose of me being present with this gentleman
13 is first and foremost to thank all of my friends, and
14 there are many in here looking back three years ago that
15 entrusted hard-earned money with confidence and now
16 loyalty to this man and ultimately myself and my
17 esteemed partners who you will meet shortly.

18 Show of hands in this room for the benefit of
19 the newcomers, who has seen the movie "The Patriot"?
20 It's on TBS like, every week.

21 For the newcomers because everyone here that's
22 known this guy for more than five minutes can attest,
23 that you're in company this evening, folks, with the
24 true Patriot within the financial industry.

25 The movie evolves around Mel Gibson who leads

1 the colonies in what is perceived to be unconventional
2 warfare against the British. We didn't do things that
3 were proper or in a manual or were taught in military
4 schools in Great Britain.

5 He resorted to intuition, passion, fear, and
6 all of the above. That's who you're dealing with,
7 folks.

8 He's fighting every day to bring you
9 provocative ideas that you're not going to get anywhere
10 else.

11 And rather than me saying it, for those that
12 have been in the room and have dealt with this gentleman
13 for five years, am I saying the truth?

14 MALE PARTICIPANT: Yes.

15 PERRY: All right a little louder. Come on.
16 Three years ago, you folks -- under his leadership in
17 talking with my partner on that golf course -- gave me
18 an opportunity to meet with all of you in a room.

19 And going back to that movie, if you've
20 watched it, the -- the best line in the movie that Mel
21 Gibson instructs his child -- his young boy -- is to aim
22 small, miss small.

23 Remember that line? Very appropriate for
24 life.

25 It's most appropriate for the newcomers as you

1 proceed to meet with Dean and his staff in the ensuing
2 weeks before the holiday.

3 They'll take you through our model. And there
4 is, in fairness, a few moving parts.

5 Focus on one or two. Aim small, miss small.
6 And the net of the whole sale then and now -- the 10 to
7 14 percent is very enticing, but it's only enticing if
8 you leave the meeting with him, his staff, or perhaps
9 myself, and you're convinced that our company does a
10 proficient job of taking your money and availing it to
11 small businesses that we foster growth to.

12 Make sense? Because if we're not doing a
13 proper job of selecting the right businesses through the
14 best underwriting in the industry -- and this is what I
15 welcome you to visit our office down in Fall City --
16 many of you have been there.

17 We'll take you through and show you the
18 rigorous operational standards that have evolved six
19 years, almost seven in the making, and continue to be
20 imposed today, more vigilantly than any time in the
21 history of the company.

22 Our industry averages about 18.5 percent
23 default, meaning the money that is given to a small
24 business practitioner -- and they make a commitment to
25 pay it back, 18.5 times on average, they don't live up

1 to their commitment.

2 If enough of them don't meet the daily
3 commitment, at some point, that could impede our ability
4 to pay Dean's fund to ultimately pay you.

5 You're going to hear from the president of our
6 company in a few moments, the gentleman that does the
7 best job in multi-faceted businesses of exuding
8 operational excellence.

9 Seven years in the making, folks. And the
10 reason why man of you continue upon the expiration of
11 your notes with Dean to have -- our default rate is less
12 than 1 percent. It was actually higher when I met many
13 of you three years ago.

14 So things are only getting better. Focus on
15 that because that's most important to you.

16 I'm breaking it down to the simplest common
17 denominator. There are many attributes of why you
18 should invest with our company. But aim small, miss
19 small.

20 And most importantly, on behalf of our company
21 and a partner that I'm proud to work with each and every
22 day who has done a great job as a true patriot and a
23 happy Thanksgiving.

24 And we couldn't have accomplished growth that
25 started three years ago in 32 million with you, with

1 your support, we're going to cross 450 million this
2 year.

3 (End of video.)

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2 PERRY: We owe it to you. Thank you all.

3 Thanks again.

4 MR. VAGNOZZI: So again, I want to -- I want
5 to make another point. Perry, of all these individuals,
6 as much as we love working with them, like, you can't
7 have them marching into your office. That's the benefit
8 of the fund.

9 PERRY: Absolutely.

10 MR. VAGNOZZI: Again, we -- we write checks to
11 them every two weeks for 3 to 10 million. So it's
12 easier -- see the benefit to them? The benefit is this
13 is a -- they don't have the -- in fact, the office to
14 support so many investment (inaudible) -- but for them,
15 they just deal with us. We deal with it. It's that
16 simple, okay.

17 I want to introduce Joe LaForte. Come on up,
18 Joe. I've known Joe -- again, because Joe has been -- I
19 met him on the golf course, I referenced a few minutes
20 ago.

21 I cannot tell you that -- you want to go down
22 to their offices, they're not in some skyscraper in
23 downtown Philly.

24 They are in a very modest office on Third
25 Street -- Third and Market. How many employees

1 downtown?

2 MR. LAFORTE: Seventy-five.

3 MR. VAGNOZZI: Seventy-five. You want to go
4 down at eight o'clock at night, or 8:00 in the morning,
5 they are working their butt off, right?

6 This is the hardest working -- I'm not just
7 saying this because here's here. I'm trying to grow my
8 business the way he grows his business -- greatest
9 compliment I can give him.

10 Your money -- if whatever you measure with
11 work ethic, him and his staff have the hardest work
12 ethic that I've ever seen come (inaudible).

13 MR. LAFORTE: So as you can imagine, it's
14 probably going to be hard for me to match Perry's
15 opening speech. But -- or Dean's for that matter, but
16 I'll try to do -- I'll try to be brief and let you guys
17 go.

18 I'm really moved by --

19 (End of video.)

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2 MR. LAFORTE: -- realize that each and every
3 one of you have a big chunk of money in our company.
4 And that really drives us.

5 So every day when we go in the office, we
6 understand that there's real lives behind these
7 investments, including our own.

8 As far as the company goes, that's been our
9 corporate culture since day one. We really feel
10 strongly about the fact that people are trusting us.
11 You're putting your trust in our company. And that's
12 meant a lot to me since day one.

13 When I met Dean on the golf course, he --
14 again, about the 35 percent -- you know, we made sure
15 that we had a controlled growth. And people know we had
16 such success over the years, it's been -- it's been a
17 big grind to make sure that your capital is safe.

18 We've put things in place which I'll show you
19 again today that has helped us outdo the competition
20 from some of the people that Dean (inaudible) PayPal and
21 OnDeck and some of those other guys.

22 And you guys have allowed us the ability
23 (inaudible) to be better than that, meaning that a lot
24 of those companies don't truly understand small
25 businesses.

1 They're algorithmic lenders who have no feel
2 the same way I'm sitting here talking to you guys, or
3 Dean has spoken to you guys, or Perry has spoken to you
4 guys in the offices. They don't have a strong feel for
5 the small business in America.

6 And I think they're failing in the sense that
7 they're not customizing transactions for their clients.

8 Our success has been being able to innovate
9 and create products without covenants and restrictions
10 on our capital. And you guys have helped us do that.

11 Most institutions -- as Dean pointed out -- we
12 have good institutions to get capital. We could have
13 done it. We could have done it several times. We could
14 do it tomorrow.

15 We choose not to. We choose to work with you
16 because you understand the fact that we can do what we
17 need to do, and Dean could come to us, and we could talk
18 about corporate policy in a way that's outside the scope
19 of what Dean talks about -- outside of Wall Street,
20 outside of different types of investments.

21 All right, most companies have a box. We
22 don't have a box. If we see something we like, we're
23 going to get involved in it.

24 If we like (inaudible) and credit programs,
25 we're going to get involved in it. If we like

1 consolidation programs, we're going to do it.

2 If we don't buy trucking, or we don't like
3 certain issues, we're going to stay away from it. So
4 we're constantly moving and shaping to help grow the
5 profits.

6 And just to brag a little about the company,
7 we're probably the most profitable cash advance company
8 in the United States -- or maybe the world for that
9 matter, pound for pound.

10 OnDeck Capital -- if you guys looked at their
11 last quarter, they're \$8.7 million in revenue. Our
12 revenue last quarter was over \$50 million. That's
13 pretty good.

14 MR. VAGNOZZI: Hello.

15 MR. LAFORTE: And again, I'm real thankful to
16 you guys to allow me to work for you. I work for you
17 guys. Every day when I go to work at my company, the
18 people that work for me, we work for you because you've
19 given us the opportunity to be nimble -- to change and
20 transcend the business to where it is now, our business.

21 And I welcome all of you to come to the
22 office. I know Dean has mentioned (inaudible).

23 MR. VAGNOZZI: Open invitation. Any of you
24 can come down. For those, again, who have not invested
25 yet, I have like -- I have more parking tickets from

1 Philadelphia from outside of (inaudible) offices. I
2 can't figure out the parking signs. You know, which --
3 the arrow is pointing.

4 But the old city of Philadelphia is simple to
5 get to -- right down by the Liberty Bell. And it's not
6 a fancy office, but they are just grinding down there.

7 And my money -- my money I want to put it on
8 the backs of riders and guys and gals who get up in the
9 morning and go to work.

10 And they are there -- every time I go there,
11 I'm like, Joe, do you let them go home (inaudible)?

12 MR. LAFORTE: Yeah. Well, they're well
13 incentivized, and they know you're here, okay? I preach
14 that to them all the time the fact that you guys are our
15 clients. I work for you.

16 My job to our merchants, of course, is to put
17 together strong deals for them so that they pay, right?

18 So how do you -- how do you know what a merchant is
19 going to need or want unless you have a hands-on
20 approach to the advance?

21 Elon Musk and -- you know, all the rest of
22 these guys, they're not on the phone with these guys.
23 I'm on -- I'm on the phone with these guys all day.

24 And we're able to scale the business in that
25 respect. So I'm really proud of the stuff that you've

1 done, and I'm moved by you guys and how many people are
2 here today and how many guys have trusted in us.

3 And, you know, I can only give you my word
4 that I'll be in there every day thinking about each and
5 every one of you guys and the commitment that you've
6 made to my company. And I can't thank you guys enough
7 for that (inaudible).

8 Yeah, Joe -- Joe, our CFO, is going to come up
9 and talk a little bit about broad numbers and so I can
10 give you guys a little bit of the calendar where we're
11 at now.

12 So I started the company eight years ago with
13 \$500,000 of my own capital. I wanted to see if it was -
14 - what it was like, (inaudible) I wanted to see, you
15 know, how the business would shake out and then started
16 it up with \$500,000. And here we are \$434 million in
17 account receivable right now (inaudible) \$603 million.

18 Obviously, people -- Dean explained
19 (inaudible) as you know, people pay back on a daily
20 basis. And we're able to re-put that capital out to the
21 street, which makes our number (inaudible) \$603 million.

22 Dealing count is about 3,500 clients right
23 now. So think about 3,500 clients -- managing 3,500
24 clients on a daily basis.

25 That's why (inaudible) by the way. 2019,

1 average term (inaudible) -- if we gave somebody \$10,000,
2 they got to pay us back \$13,300 over 111 business days.

3 MR. VAGNOZZI: I want to put that in
4 perspective, right? So would you bring everybody -- who
5 watches "Shark Tank"? Everybody -- it's addictive,
6 right?

7 Think about this. You know how many people
8 want to get on "Shark Tank"? Everybody wants to get on
9 "Shark Tank". Everybody wants to get their business,
10 have Kevin O'Leary invest in their business.

11 And they're waiting in line to give up 50
12 percent of their company to Kevin O'Leary so he gives
13 them a (inaudible).

14 These guys are charging high interest rate,
15 but in 90 days, they're out. What would you rather do?

16 Give up 50 percent of your company? They're going to
17 give them -- they're going to give them money. They're
18 going to give it quickly. They're not just handing it
19 over to them. They've got obviously underwriters.

20 You looking in that -- you're looking in that
21 perspective, it's a deal opener.

22 MR. LAFORTE: Yeah, just to add to what Dean is
23 saying (inaudible) we're purchasing future receivables
24 at a discounted price. So if somebody had a (inaudible)
25 receivables that they were waiting, to Dean's point

1 earlier, 45 business days, they want to sell some of
2 those -- those receivables to get liquid to do other
3 deals, so it's losses.

4 Opportunity (inaudible) to them, which will
5 supersede the amount of money that we make, and building
6 a (inaudible) partnership with a company like ours is
7 much better than giving away the stock.

8 The speed in which we could produce the
9 capital has been key. Dean mentioned 24 hours, and we
10 got that down to about six hours. We could fund the
11 deal with about five, six hours (inaudible) sure, sure,
12 some of these small business owners I've seen, it might
13 take months.

14 That's really our (inaudible) Joe Cole is the
15 CFO of accounting.

16 MR. COLE: Hey, guys. I've seen a few of you
17 in the office, and always fun to see you again.

18 I'm here to talk about the numbers. And as
19 Joe iterated, this is built on the backbone of your
20 investments with our company.

21 Our success story rides on the fact that you
22 guys put in capital to our business, and we've been able
23 to leverage that and grow it the way we have.

24 So what we have here is just the last 12-month
25 look-back from Q4 2018, to the last completed quarter Q3

1 2019.

2 If you look, the main thing to demonstrate on
3 is the consistency you grow with our (inaudible). We
4 started with about \$300 million at the beginning of Q4
5 last year. We're at 417 -- today we're at 434. Our
6 year-end projection (inaudible) we're going to be about
7 \$450 million in assets with the consistency of our
8 business.

9 Our revenue (inaudible) we're projecting \$170
10 million of gross revenue this year, and that's a big,
11 big increase.

12 When we started first started the team, we
13 were about a third of that, and again this is on the
14 backbone of your investments with our company.

15 We're continuing to grow the health of the
16 business is increasing. We're able to fund more deals.

17 I want to talk about our audit. We're
18 obviously getting more mature. We're having our
19 financial auditors (inaudible) now we're in 2018
20 financials in Q1.

21 I know a lot of you guys want to see some
22 numbers on this business. Obviously, we have a third-
23 party accounting firm validate the results.
24 Subsequently, they will get into 2019 right after them,
25 so we'll feel very strong about our position and our

1 financial health in the business.

2 But for those that need to see that, that's
3 what we'll have on the menu beginning of the year. And
4 this is just -- you know, the (inaudible) from 2016.
5 This paints a wider picture.

6 And again, the beginning of our relationship
7 around 2016, which is \$100 million company (inaudible)
8 in Philadelphia. We needed to leverage capital. We
9 needed to get creditors in here, start putting money in
10 the business, so we can take it out, have it run on the
11 engine that Joe has built with his origination platform
12 and continue to have more deals to our portfolio.

13 That's really our secret sauce.

14 And to segue into it, we are looking into that
15 same secret sauce into a new transaction. We have an
16 application out for a purchase of a bank in Dallas.

17 We're looking to take that sort of hard work
18 origination methodology and then use it into a
19 traditional banking model.

20 Now this isn't MCA -- this is stuff that --
21 you know, what you'd wait normally two or three months
22 for the bank, we're looking to start doing that in a
23 matter of weeks.

24 We think we can cut down the process for
25 traditional SBA deals, commercial loans, business credit

1 cards, all those traditional finance products that we're
2 looking to increase that -- the amount (inaudible) in a
3 short period of time.

4 So our methodology, we're looking to carry
5 over to a \$100 million bank in Dallas. This is a really
6 tiny baby bank that's only has --

7 MR. LAFORTE: It's not new. It's been around
8 since '95.

9 MR. COLE: It's been around. And the reason
10 we decided to buy this bank is we only have a 10 percent
11 -- or a 10 basis point (inaudible) .1. So we feel that
12 this bank was the perfect price for us. It's only \$28
13 million to purchase. But we can leverage and we can
14 grow this over the next three years to a greater amount.

15 So the big opportunity here is -- and we'll talk about
16 what I mean by two and a half points (inaudible) return
17 over 36 months.

18 Right now the bank is only producing \$1.2
19 million a year. Leverage that times 15, and you're
20 talking about an \$18 million bank.

21 Based on our very conservative pro forma that
22 we submitted to regulators in purchasing this bank,
23 we're looking to generate a net income of -- (inaudible)
24 income of \$4 million in three years.

25 So if you multiply that times four, we're

1 looking at a \$16 million valuation. That's a very
2 conservative -- that's I think what we would do minimum.

3 I think realistically we're going to be
4 shooting, you know, \$5 million, \$6 million annually out
5 at that point in time. So the opportunity that we're
6 working with Dean on this, this is the third thing we're
7 talking about today.

8 It's an opportunity to invest over a three-
9 year period to lock in your capital, and have a healthy
10 rate of return available after that 36 period.

11 That's at least going to give the reaction --
12 we think that's (inaudible) for this investment. And by
13 the time we're done building out the infrastructure,
14 getting to the same high standards that we do for our
15 MCA business in Philadelphia, we'll be able to grow this
16 into a much more mature bank.

17 MR. VAGNOZZI: Joe, talk about the -- so --
18 talk about the -- the synergy. I want to make sure
19 everybody hears clearly the opportunity.

20 The merchant cash -- CBSG has 4,000 merchants
21 -- give or take, right? They got 4,000 merchants that
22 are all need bank (inaudible), right? That's the --
23 talk about the synergy between buying into a nationally
24 chartered bank, right, then how you can basically cross
25 pollinate your 4,000 merchants that you guys have

1 massive profits with, to be able to introduce them to
2 bank products and take this bank with, what, 2, 3, 4
3 percent margins -- you got 4,000 merchants that are
4 paying 35 percent on their money.

5 MR. COLE: And it's not just the merchants. I
6 mean, internally, we're getting another -- over \$500,000
7 a year in banking. We'd rather pay that to ourselves
8 than TD Bank, right?

9 So we're working with our bank partnership.
10 There's a lot of synergies that's going to work with our
11 current business. All the (inaudible) we use. All the
12 ACUs processing fees. You know, all these -- the
13 capital that's sitting in the bank, we'll be able to
14 leverage that at a 20X leverage because there's just
15 money that's sitting in the bank.

16 We'll be able to send that out to commercial
17 lending deals. So along with getting our guys into
18 different products and also being able to do their
19 banking, this is going to present a really strong growth
20 opportunity for this bank in Dallas.

21 And to talk more about the (inaudible) I want
22 to -- you know, obviously, introduce our other partner,
23 Bill Bromley. He's been with us for a few years. We
24 have (inaudible) portfolio.

25 And I'll let Bill speak for himself, but he is

1 the banker and the chairman for this bank in Dallas.

2 MR. BROMLEY: Thanks, Joe. Thanks a lot. So,
3 yeah, I'm a local banker. I grew up here in Paoli. I
4 want to school here, went to graduate school downtown.

5 But I've been a banker for 30 years. I've run
6 banks for 30 years, and I started a bank back in --
7 about 1990, called Firth Sterling and pulled up five
8 times (inaudible) for Bank of America.

9 (End of video.)

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2 MR. BROMLEY: And we bought another bank
3 called Equal National. It was in trouble. We fixed it,
4 and it was sold in 2014.

5 If you were to say to me, well, let's get
6 another bank, let's do it again, I would never, ever do
7 it.

8 Until I met these guys, and that's what's
9 really important about this. Small banks struggle, and
10 they're going to continue to struggle when they're going
11 up against the JPMorganChases in New York, Goldman Sachs
12 or whatever.

13 But they don't do -- and you just heard this
14 story about how this merchant cash advance company has
15 been built, they don't do it the way these guys do it.

16 I've been -- I've done this. I know the
17 regulators well. I know the banking side. We have
18 acquired, and we've at least signed an agreement. We
19 have put it in with the regulators. We expect that
20 we'll probably have approval of the transaction by
21 December.

22 But the most important thing is that we
23 together -- as a partnership -- are taking the same
24 concepts that you have lived with, as you've invested
25 with these guys, watched the profits grow dramatically.

1 And we're going to apply it to a bank.

2 This is a national bank. It's got all the
3 right stuff. I can, you know, vouch for that. So when
4 they talk about, you know, increasing the profits of the
5 bank, this is totally different than your monthly check
6 that you -- that you like to get, and I'd like to get
7 too because I'm from the same deal with these guys.

8 This is about the appreciation of your
9 investment. So we talk about the bank making \$.12
10 million -- it's a relative modest return. In banking,
11 it's pretty good.

12 The bank is clean. It doesn't have any
13 problems. It doesn't have any delinquencies, et cetera.

14 But our ability to move that from 1.2 million to 2
15 million to 3 million to 4 million means that we're
16 talking about a bank that today might be valued at
17 roughly \$18 million and turning it into something that
18 will probably in a short period of -- I think we're
19 talking here, three years -- might be worth somewhere
20 between \$70 million and \$80 million.

21 We're all in it for the long haul. We talked
22 of how Dean and his funds come in. Have you guys have a
23 chance to come in with us.

24 But we see this is as a long-term play that
25 could multiply many, many more times than the 2, 3, 4

1 we're talking about. That's it in a nutshell.

2 Yeah.

3 FEMALE PARTICIPANT: (Inaudible.)

4 MR. VAGNOZZI: Great question. So she's
5 asking -- how about this -- you guys are closing on the
6 bank when?

7 MR. BROMLEY: We'll probably have to close
8 before the end of December.

9 MR. VAGNOZZI: We had a private placement. We
10 have a fund all ready to go. And I'm not going to --
11 I'm not going to get into the granular details right
12 now.

13 The point is your money will come full fund,
14 okay? We're not going to write individuals -- they
15 can't have 87 individual investors. You're going to
16 come into a fund. The fund will write one check for
17 these guys.

18 So you need to -- you're looking to close the
19 bank when?

20 MR. BROMLEY: By December 31st.

21 MR. VAGNOZZI: Yeah, so we are -- so everybody
22 is going to get a form here in a minute. And on the
23 form is a bank question.

24 And again, you'll see here (inaudible) a few
25 weeks ago. Okay? There was about 25, 30 -- like, just

1 about everybody there. She was like, you know, the
2 feedback was fantastic.

3 These guys -- listen -- they're in a big group
4 of people -- there's a big group of people. They're
5 being very conservative (inaudible) the opportunity at
6 the margins that they can take into this bank are -- the
7 opportunity is tremendous (inaudible).

8 Listen, I'm in this because of the work ethic
9 of these guys. I want to just ride their coattails,
10 okay?

11 So the fund -- if you have interest in this
12 bank, (inaudible) we think the minimum is going to be
13 100 grand, okay? You need to be able to forget this
14 money for three years. They're going to have auditing
15 statements. It's required -- by the way -- by the way,
16 how squeaky clean do you have to be to buy a bank?

17 Right? Just from -- just from you as a
18 merchant past investor, doesn't that feel good that
19 they're going to be acquiring National Charter Bank?
20 Right? For the skeptics.

21 So my point is this is -- we have a
22 (inaudible) company that's been around, that's -- money
23 is falling out of their pocket as far as progress, which
24 is good for you. It's going to acquire this bank, and
25 they're going to take the margins through the roof.

1 If you want to be a part of this, you need to
2 check the box, let us know, and we were -- we are going
3 to get to you like, immediately because we will have
4 multiple meetings over the next couple weeks to get you
5 in, to start -- to answer all your questions and to get
6 money transferred.

7 For the rest of you, again, not interested,
8 that's fine. But for those of you who have been with us
9 for a few years, know this investment works, this is not
10 the one you think about forever. If you -- come in and
11 answer all your questions --

12 MALE PARTICIPANT: Let me interrupt -- let me
13 interrupt. One second.

14 MR. VAGNOZZI: Yeah.

15 MR. BROMLEY: You're sitting here saying to
16 yourself why us. Frankly, three months ago, I have
17 plenty of connectivity on the Main Line. Bank deals are
18 the hardest to get involved with politically from an
19 investment perspective.

20 Joe LaForte came to me before I was calling
21 people from the Haverford School (inaudible) and said,
22 uh-huh, we're going to start with the people that gave
23 us the fuel to grow the companies.

24 That's why you're getting an opportunity and
25 I'm getting an opportunity. So please understand

1 there's a common theme here.

2 We appreciate you. That's why time is of the
3 essence. And that is why (inaudible) --

4 MR. VAGNOZZI: Yeah, so (inaudible) -- and the
5 reason why we're so -- we really have the idea is that
6 we needed to get involved in the bank -- I mean, if you
7 go to any big city, look on top of the buildings, what
8 do you see? Banks.

9 Go to all these meetings -- who do you see?
10 Banks. The multiples on these banks are 15 to 20 times.

11 I know we can make bigger profits in this bank that was
12 built in 1938 that has an antiquated computer system,
13 and a bunch of people that go home at two o'clock in the
14 afternoon every night. It's a perfect fit for us.

15 So the second -- the second thing is the
16 opportunity -- like Perry said -- is for you guys
17 because of the fact that we can only do 30 percent --
18 actually 25, right?

19 We're in for 25 percent of the bank. Okay, so
20 we're not -- the only reason why we're not taking all of
21 the bank is obviously to be frank -- I don't know
22 (inaudible). I don't (inaudible) because it's going to
23 be that profitable.

24 But this is an incredible opportunity. By the
25 rules and standards, we can only -- after 2008, after

1 the crisis, they want to make sure that they have a pool
2 of people involved in the bank.

3 So we only -- we're only allowed to be 25
4 percent. So to Perry's point, we came to you to give
5 you the opportunity.

6 They have access to the money (inaudible). We
7 don't have all day.

8 MALE PARTICIPANT: (Inaudible) the two
9 businesses --

10 MR. VAGNOZZI: No.

11 MR. BROMLEY: No, the two businesses will
12 remain totally separate. They're regulated differently.

13 MALE PARTICIPANT: I ask (inaudible) so we can
14 get back (inaudible) in part of the fund or individual
15 shares?

16 MR. VAGNOZZI: No, again, you're going to
17 invest in a fund.

18 MR. BROMLEY: You'll invest in a fund, but the
19 fund will own the shares. And the benefit of that is --

20 MALE PARTICIPANT: (Inaudible.)

21 MR. VAGNOZZI: Oh, great question. Great
22 question. Hold up. Let's go back to the Life
23 Settlements. Everybody is in a fund. So back to the
24 Life Settlements, if you want to get out -- if anybody
25 wants to get out of Life Settlements, who would want to

1 buy somebody out two years into a Life Settlement? The
2 guy is two years to death.

3 My point is these guys are going to have a
4 liquidation event --

5 (End of video.)

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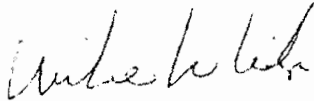
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TRANSCRIBER'S CERTIFICATE

I, Michael McCormick, hereby certify that the foregoing transcript is a complete, true and accurate transcription of all matters contained on the recorded United Fidelis Group video files showing the November 21, 2019 Solicitation Event.



6-22-2020

Reehl Investigations L.L.C

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February 7, 2020

Shane Heskin
White&Williams
1650 Market Street
Philadelphia, PA 19103

Mr. Heskin

On November 21, 2019 from 5:30PM-9:30PM Investigator Ed Horner of Reehl Investigations attended a seminar for "A Better Financial Plan". The seminar contained information on:

"Merchant Cash Advance"


"Commercial Real Estate"

"Litigation Funding"

"Life Settlements"

The device used for recording the event was a "Anysun AS820 Night Vision Camera" designed to look like the latest key fob. The device was given to "White&Williams" for sound and video and returned to Investigator.

Respectfully,



Inv. Ed Horner

EXHIBIT

B



A BETTER FINANCIAL PLAN

Increased Returns - Decreased Risk

MERCHANT CASH ADVANCE

- Interest paid monthly
- Principal returned in 1, 2 or 3 years
- 2% default rate
- Over \$100M raised in the past year

100k - 250k	250k - 500k	500k+
10%	12%	14%

COMMERCIAL REAL ESTATE

- 14.8% expected IRR, 8% annual preferred return
- Interest paid quarterly
- Estimated sale - 5-7 years
- 25% equity stake in the property value/profits

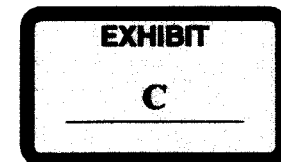
LITIGATION FUNDING

- Interest paid quarterly
- "Recession proof"
- 96% case win rate
- Term flexibility

2 years	3 years	4 years
6%	7.5%	9%

LIFE SETTLEMENTS

- 11-14% annual compounded return
- 3-6 year term
- "Recession proof"
- Our safest, highest yielding investment





A BETTER FINANCIAL PLAN
Increased Returns Decreased Risk

Name: Edward Cooper
Guest Name(s): _____
Cell Phone: (609) 744-5660
Email: Edward.Cooper@cbank.com
ABFP Advisor: _____

Circle investments you currently own:

- Merchant Cash Advance
- Litigation Funding
- Life Settlements
- Real Estate

Circle investments you want to own or add more (\$ Minimum):

- Merchant Cash Advance (\$100k): Amount: \$ _____
- Litigation Funding (\$50k): Amount: \$ _____
- Life Settlements (\$150k): Amount: \$ _____
- Real Estate (\$50k): Amount: \$ _____
- CBSG's BANK (\$100k): Amount: \$ _____

Schedule your appointment at our office! Specify a date, time, and office location:

Date: _____ Time: _____
King of Prussia, PA: _____ Marlton, NJ: _____

Sign up to schedule a visit to the KYW office in Philadelphia to record a Radio Commercial with Dean!

YES: _____ NO:

Notes / Questions / Comments: