

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

Case No. 17-cv-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

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**TITAN FUNDING, LLC'S MOTION TO VACATE THE MARCH 13, 2020 ORDER AND  
INITIAL RESPONSE TO RECEIVER'S AMENDED EXPEDITED MOTION TO  
COMPEL TITAN FUNDING, LLC TO COMPLY WITH THE PRELIMINARY  
INJUNCTION AND EXECUTE AN ASSIGNMENT OF RECEIVERSHIP ASSETS**

TITAN FUNDING, LLC (“**Titan**”), by and through its undersigned counsel, and pursuant to Fed. R. Civ. P. 60(b) and S.D. Local Rule 7.1, hereby files its Motion to Vacate the March 13, 2020 Order [DE 476] (“**Order**”) and its Initial Response to Receiver, JONATHAN E. PERLMAN’s (“**Receiver**”), Amended Expedited Motion to Compel Titan Funding, LLC to Comply With the Preliminary Injunction and Execute an Assignment of Receivership Assets [DE 470] (“**Motion**”).

**INTRODUCTION**

*(This section was added at the 11<sup>th</sup> hour and in rush due to the last-minute production of part of the underlying deal).*

After repeatedly requesting a copy of the deal referenced in the Receiver’s Motion for days so that Titan could understand the nature of the deal that has been kept secret from Titan and this Court, the Receiver’s counsel first provided a copy of same at approximately 6:30 PM on Sunday, March 15, 2020, a copy of which is attached as **Exhibit A**. While Titan agrees that the Receiver

has an interest in the loans, the underlying deal requires the assignment of: “Notes, Mortgages, Security Agreement, Other Loan Documents...[or] a Court order confirming that the receiver holds Titan’s rights under the agreements referenced therein.” See **Ex. A**, pg. 3, ¶3. It is axiomatic that the deal was kept secret for as long as possible, until last night (“**secret deal**”), because the Receiver intends to improperly provide the assignee a full assignment of the loan documents that it knows and recognizes that Titan has an interest in through a bridge loan approved by Receiver (to be fully explained hereinafter) and monies otherwise owed to Titan. The only collateral that Titan has to secure the bridge loan—which is outside of the Receivership loans—is being conveyed by the secret deal and the proposed Assignment, although the Receiver’s counsel has indicated that all it wants is the *Receiver’s interest* in the Loan Documents.

Moreover, despite what is alleged in the Amended Motion, there is no guarantee of \$2.7 Million being paid if an assignment is signed. The Motion was intended to have the Court presume that if the Assignment was executed, it would result in \$2.7 Million being paid on Monday, March 16<sup>th</sup>, or shortly thereafter. That is simply not the case. If the money is not paid by that date, then an increased amount would be due to be paid by the end of March. If that is not paid, the Receiver gets to keep a \$100,000 non-refundable deposit. The foregoing promises to pay pursuant to the secret deal are being made by the same representatives that defaulted on the subject loans and have wasted the time and money of both the Receiver and Titan with plenty of previous impractical, non-consummated deals. As this Court is aware, you cannot secure equitable relief with unclean hands. See *Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324 U.S. 806, 814-15 (1945) (“[H]e who comes into equity must come with clean hands’... is a self-imposed ordinance that closes the doors of a court of equity to one tainted with inequity or bad faith relative to the matter in which he seeks relief.”). Indeed, although the Receiver’s counsel has represented in correspondence to the undersigned that if the deal does not close, we are right back to where we

are now, that representation is incorrect. What the Receiver omits is that it gets to keep \$100,000 of a non-refundable deposit and gets to effectively skip Titan's priority to collecting on the subject loan documents, which will be discussed more fully below.

The Receiver also did not provide the entirety of the executed secret deal, as the attached proposed "Assignment" was not provided to the Court. It is important to note that the secret deal is subject to Kentucky law and the exclusive forum is Knott County, Kentucky. The Assignment the Receiver wants Titan to execute is subject to Florida law and requires this Court to be the exclusive jurisdiction. That inconsistency creates the potential for two different forums to decide disputes related to this Assignment.

Notwithstanding the foregoing, as Titan has always been prepared to do, (as evidenced by the facts detailed below), prior to filing this Motion, Titan provided a redlined version of the Assignment attached to the Motion and executed a clean version of the same that clearly assigns Receivers' interests in all of the Loan Documents mentioned in their proposed assignment, while also preserving Titan's interests. *See* both the redlined version and Titan partially-executed Assignment<sup>1</sup> attached hereto as **Composite Exhibit B**.

## **I. BACKGROUND**

With less than 24 business hours of advance notice of a demand to execute the proposed assignment, the Receiver filed the Motion in an attempt to compel Titan to execute an assignment of *its* [emphasis added] rights pertaining to certain loans that Titan funded to Kingdom Coal, LLC ("**Kingdom Coal**") for the operation of a coal mine in Kentucky ("**KC Loan**"). These Loans, which equal approximately \$5,550,000, are secured by a variety of collateral, including, but not

<sup>1</sup> The Titan partially-executed Assignment is still subject to the Parties agreeing to the exhibits referenced therein that are to be attached to and incorporated into the final executed version of the Agreement, and which were not attached to the Amended Motion to Compel.

limited to, royalties from coal sales, real property where the mine is located, and equipment. Kingdom Coal defaulted on the KC Loan. In an effort to avoid the effect of its default, Kingdom Coal filed a lawsuit in the Fayette Circuit Court of the Commonwealth of Kentucky. At its own expense and for approximately three years, Titan has defended this lawsuit and prosecuted a counterclaim against the Kingdom Coal entities, among other entities and individuals (collectively referred to as “KC Parties”), and it asserted a right to a judgment against the KC Parties for their failure to pay the amounts due under the loan documents of the KC loan (“**First KC Lawsuit**”). Titan already received a Final Judgment in that First KC Lawsuit that benefits the Receiver and Titan. Titan was litigating this lawsuit before the Receivership commenced, has continued to litigate this lawsuit through the present date, and has funded the legal representation therein, all of which has benefited the Receivership and Titan. The reason why Titan has litigated this lawsuit is that it has a financial interest in the outcome as it is owed money from the KC Loan, and because it has a bridge investor that funded an additional loan of \$1.55 million dollars, whose claim has priority over the interests of the Receivership and the KC Loan, as described below. In fact, the Receiver filed a motion to intervene in the First KC Lawsuit on or about January 31, 2019 and requested that the Kentucky Court, *inter alia*, declare the Receiver the owner and holder of Titan’s interests in the KC Loans. That matter is still pending.

Notwithstanding the Receiver’s attempt to acquire Titan’s interests in the KC Loans through judicial intervention in the First KC Lawsuit, Titan has maintained an open line of communication with the Receiver and has endeavored to negotiate a fair and reasonable assignment of the Receiver’s interests in these Loans. Indeed, nearly five months ago, on October 25, 2019, after back and forth written and oral communications on the issues of the Assignment, Titan proposed and drafted a partial assignment to effectuate the assignment of the Receiver’s interests in the Kingdom Coal Loans to the Receiver, a redlined copy of which, along with the transmitting email,

is attached hereto as **Composite Exhibit C**. In large part, it is a partial assignment due to an emergency \$1,550,000 bridge loan (“**New Loan**”) that was subsequently funded to Kingdom Coal with Titan as the lender, *with the consent and approval of the Receiver*, as the Receiver not only received the loan documents in advance, the Receiver’s counsel asked for a copy of the loan documents thereafter. Indeed, the Receiver even wrote in its first Motion to Intervene in the Kingdom Coal Lawsuit that it agreed to the New Loan. *See* Intervening Complaint paragraph 11 attached as **Exhibit D**. Without the New Loan, the coal mine would have been non-operational, and thus, any remuneration (and benefit to the Receivership Estate) from Kingdom Coal was in jeopardy. The New Loan documents, with the consent of approval of the Receiver, specifically provides that the New Loan has priority over the KC Loan. As such, the appropriately worded and heavily negotiated partial assignment, as can be seen from the redlines therein, clarified that the assignment did not include the New Loan or any collateral securing the New Loan. *See Ex. C*. Moreover, the KC Loans were not fully funded, and were short by approximately \$450,000 of the full \$5.55 Million. Thus, the full \$5.55 Million as indicated in the Receiver’s Motion was not fully funded.<sup>2</sup>

At all times, and as of the filing of this Motion/Response, Titan remained willing and able to agree to a partial assignment of Receiver’s interests to the Receiver which clearly states that the agreement is without waiver to Titan’s claims of priority in the collateral and loan documents, and which includes language that adequately represents the interests that are being assigned and the rights of the respective parties—which is what the proposed partial assignment that was previously provided to the Receiver accomplished. *See Ex. C*.

<sup>2</sup> The Receiver’s Assignment states that the amount of the obligations are \$5.5 Million Dollars whereas they are actually \$5.55 Million.

This Court's Order compelling Titan to execute the proposed Assignment attached to the Receiver's Amended Motion would render a disposition of priority of lien rights as between the Receiver and Titan a nullity, strip the New Loan of, among other things, its ability to even assert its rights to assess the value of the assets, or determine what assets should be sold globally in conjunction with this deal. Additionally, this Order would take monies that are due to be received in conjunction with the New Loan and re-direct them directly to the Receiver. To permit the foregoing would strip the New Loan and Titan of its constitutional due process rights without an opportunity to be heard. *See Fed. Deposit Ins. Corp. v. Morley*, 915 F.2d 1517, 1522 (11th Cir. 1990) (“[D]ue process requires the opportunity to be heard at a meaningful time and in a meaningful manner.”).

The Receiver never provided a material response to the proposed partial assignment sent on or about October 25, 2019 nor provided his input or changes to the partial assignment, notwithstanding Titan's, by and through its counsel, numerous attempts and follow up communications in order to finalize the partial assignment. *See* copies of several email communications from the undersigned attached as **Exhibit E**. Instead, in January of 2020, the Receiver filed a motion to intervene in a separate lawsuit that was filed against Kingdom Coal in the Knott Circuit Court of the Commonwealth of Kentucky (“**Second KC Lawsuit**”) by Kentucky River Properties, LLC (“**KRP**”) (owner of land where the coal mine used to operate). In the Second KC Lawsuit, the Receiver again requested for the Court to declare it the successor, owner, and holder of all rights and titles of Titan in the KC Loan. Titan has denied by answer in the Second KC Lawsuit that the Receiver has a full and unfettered claim to the KC Loan and has asserted a counterclaim against the Receiver therein. Thus, as of January of 2020, the Receiver had availed itself of the jurisdiction of two separate Courts to determine its rights and interests in the KC loan. Significantly, not once during the almost 3 years that this Receivership has been

pending did the Receiver attempt to bring this issue up to this Court so that a proper evidentiary hearing could take place regarding the priorities and rights related to various loan documents. Instead, it filed a kamikaze style Motion without exhibits and without advising the Court that it is relying on the same defaulting KC Parties to pay the alleged \$2.7 Million promised in its Motion. However, the only *certain* way for the deal to definitely result in \$2.7 Million (as represented by the Receiver to the Court in its Motion), is if the money is already in escrow pending the purported Monday, March 16<sup>th</sup> closing. That is certainly not the case as the secret deal is not even close to a guarantee as explained above.

On or about February 26, 2020, the undersigned, along with counsel for the Receiver and KRP, conducted a conference call to discuss a potential settlement with the KC Parties. During that call, counsel agreed that the potential deal with the defaulting borrowers made no sense. At the end of that call, all counsel agreed that each party would provide their respective position on the priorities among the parties with respect to the various available personal property, as the parties agreed that they each wanted to secure title to the personal property that they have rights to and sell it to cover Kingdom Coal's debts. However, following the February 26<sup>th</sup> telephone call, the undersigned did not receive any further communication or information pertaining to what was agreed to during the call. Once again, the Receiver did not present a response to the October 25<sup>th</sup> proposed Assignment. Instead, the Receiver ignored what was agreed to during the above-referenced call and entered into a secret deal with the KC Parties.

Thereafter, the Receiver's counsel sent the undersigned at 4:29 PM on Friday, March 6<sup>th</sup> an email demanding that the subject assignment be executed by Noon the following Monday, which represented about 4 hours of notice during business hours. The proposed assignment that the Receiver demanded to be executed would circumvent the disposition of priorities and deprive the New Loan investor's right to reimbursement and his security interest in the collateral. This begs

the obvious question—what investor would loan money on a deal in the middle of heavy litigation and not demand priority? The answer is emphatically clear—no lender would do that—which is why the New Loan has priority, a fact which the Receiver acquiesced to when it received the New Loan documents and never objected to the priority language. Up until approximately 6:35 PM on Sunday, March 15, 2020, Titan had not received a copy of that secret agreement, and interestingly enough, this Court up until this filing has not seen it, even though the Receiver has made several false assertions in its Amended Motion to Compel, as discussed below.

The Receiver, having been unsuccessful in acquiring Titan's rights to the KC Loan through either of the two judicial avenues, and failing to reasonably communicate with Titan pertaining to the interests, (as it was doing previously), filed the Amended Motion on March 9<sup>th</sup> requesting this Court to compel Titan to comply with the Preliminary Injunction and to execute the Assignment attached as Exhibit A to the Motion in less than 7 days.

The Assignment that the Receiver attached is confusing and intends to indicate that Titan is assigning all of its interests in the Kingdom Coal Loans, including potentially the New Loan based upon the current wording of the document, and that the KC loan have priority over the New Loan. The Assignment is further misleading as the total net funding to Kingdom Coal was less than \$5,100,00, not \$5,550,000 (or as Receiver incorrectly includes in his Amended Motion \$5.50 Million). Moreover, the Assignment references and incorporates Exhibits A–Q, but fails to attach them to the Assignment. Thus, the Assignment that the Receiver is requesting for this Court to compel Titan to sign is incomplete, and at the very least, would violate Titan and the new loan investor's due process rights with respect to determining its rights and priorities related to the collateral and the amounts of monies owed between the respective parties. *See Morley*, 915 F.2d at 1522. What is even more incredible than this obvious attempt at an end around, is that all of a sudden this is a matter that allegedly requires the immediate attention of this Court when the world

has been turned upside down by the coronavirus pandemic, and the issue of priority, has been debated between the Receiver and Titan for years.

Although being incorrectly titled as an “expedited” motion (as further discussed below), and the Court’s docket stated that Titan had until March 23, 2020 to file its Response, (*see* printout of the Court’s docket showing a deadline of March 23, 2020 to file a response to the Motion attached as **Exhibit F**), the Court entered an Order [DE 476] granting the Receiver’s Motion on or about March 13, 2020 (just four (4) days after the filing of the Motion), compelling Titan to execute the Assignment by Saturday, March 14, 2020. For the reasons set forth below, and as shall be supplemented hereafter with the Court’s permission, the Court should: i) vacate the Order pursuant to its discretionary power in the interest of justice; ii) deny the Receiver’s “expedited” Motion; iii) require the Receiver to provide a copy to this Court of the purported deal in place that allegedly necessitated this Court’s expedited attention in the wake of the current pandemic facing society; iv) require the Receiver to provide proof of funds; and iv) require the Receiver to provide its due diligence documents justifying a deal with the KC Parties that defaulted on the subject loans.

Due to the time constraints imposed as a result of the Order compelling Titan to comply with the Injunction and execute the Assignment by Saturday, March 14, 2020, and the Motion for Extension of Time in place, Titan hereby reserves its right to file a supplemental response to the Motion.

## **II. MEMORANDUM OF LAW**

### **A. The Court Should Reconsider its March 13th Order and Vacate the Order Pursuant to its Discretionary Power and in the Interest of Justice**

1. Fed. R. Civ. P. 54(b), provides, in pertinent part, that “any order or other decision, however designated, that adjudicates fewer than all the claims or the rights and liabilities of fewer than all the parties does not end the action as to any of the claims or parties and *may be revised at*

*any time before the entry of a judgment* adjudicating all the claims and all the parties' rights and liabilities." Fed. R. Civ. P. 54(b) (emphasis added).

2. Fed. R. Civ. P. 60 generally provides for relief from a final judgment or order based on clerical mistake or other circumstances enunciated in Rule 60(b). According to the Advisory Committee notes to Rule 60, "interlocutory judgments are not brought within the restrictions of the rule, *but rather they are left subject to the complete power of the court rendering them to afford such relief from them as justice requires.*" Fed. R. Civ. P. 60(b), Advisory Committee Notes, 1946 Amendments (emphasis added).

3. The power to change an interlocutory ruling is within the sound discretion of a trial judge conducting his court in the interest of furthering the administration of justice. *See Court-Appointed Receiver for Lancer Mgmt. Grp., LLC v. Redwood Fin. Grp., Inc.*, 2010 U.S. Dist. LEXIS 72544, at \*2 (S.D. Fla. July 15, 2010) ("[T]he trial court is free to reconsider and reverse its decision for any reason it deems sufficient, even in the absence of new evidence or an intervening change in or clarification of the substantive law."); *see also John Simmons Co. v. Grier Brothers Co.*, 258 U.S. 82, 88 (1922) (holding that, because the order was interlocutory, the court at any time before final decree (could) modify or rescind it").

4. Here, because the March 13<sup>th</sup> Order "adjudicate[d] fewer than all the claims or the rights and liabilities of fewer than all the parties," Fed. R. Civ. P. 54(b), it is interlocutory in nature and, as such, this Court "at any time before final decree may modify or rescind it." *John Simmons*, 258 U.S. at 88; *see also Siegmund v. Bian*, 2016 U.S. Dist. LEXIS 74627, at \*13–14 (S.D. Fla. June 8, 2016).

5. Unbeknownst to this Court, it did not have all of the facts before it rendered its Order.

6. For the reasons set forth below, justice requires for the Order to be vacated.

***a. Receiver's Request for "Expedited" Relief in the Motion is Improper and Violated Titan and its New Loan Investor's Due Process Rights***

7. Receiver incorrectly labeled the Motion as "expedited" yet requested for the Court to rule on the Motion by or on March 16, 2020. [DE 470, pg. 1].

8. Pursuant to Local Rule 7.1(d), "[t]he Court may, upon written motion and good cause shown...grant an immediate or expedited hearing on any matter requiring such expedited procedure." To receive such expedited consideration by the Court, the filer—here, the Receiver—may request it through either an "emergency" motion or an "expedited" motion. *See* Local Rule 7.1(d).

9. An emergency motion is one that will become moot if it is not ruled on within seven (7) days. *See* Local Rule 7.1(d)(1). It can therefore be assumed that a response to an emergency motion must be filed before the expiration of the 7 days. Moreover, an emergency motion requires the following certification by the filer:

After reviewing the facts and researching applicable legal principles, I certify that this motion in fact ***presents a true emergency*** (as opposed to a matter that may need only expedited treatment) and ***requires an immediate ruling*** because the Court would not be able to ***provide meaningful relief to a critical, non-routine issue after the expiration of seven days***. I understand that an unwarranted certification may lead to sanctions." Local Rule 7.1(d)(1).

10. In contrast, an expedited motion is one that does not qualify as an emergency motion but nevertheless requires an expedited ruling by a certain date, and the filer must set forth the reason why the ruling is needed by such date. *See* Local Rule 7.1(d)(2). However, the Rule is silent as to when a response to an expedited motion would be due.

11. The Receiver, as the basis for seeking "expedited" relief, asserts that he "requires a ruling on or before March 16, 2020" as a result of some purported assignment that "is expected to

close” on March 16<sup>th</sup> and “...**will** bring more than \$2,700,000 in cash to the receivership estate for the ultimate benefit of the victims.” [DE 470, pg. 1 & 2].

12. The Receiver filed the Motion on March 9, 2020. March 16<sup>th</sup> is **seven days** from the time the Receiver filed the Motion. As such, the Receiver is actually seeking “emergency” relief pursuant to Local Rule 7.1(d)(1), not “expedited” since he is requesting for the Court to enter the proposed order attached as Exhibit B to the Motion that compels Titan to execute the Assignment by **March 14, 2020** (less than 7 days from the date of filing the Motion).

13. However, for reasons unknown, the Receiver instead labeled his Motion as expedited, yet simultaneously requested emergency relief without the required certification for such relief. *See* Local Rule 7.1(d)(1).

14. According to the Local Rule and the Court’s Docket showing a deadline of March 23, 2020, *see* **Ex. F**, Titan had until March 23<sup>rd</sup> to file its Response to the Motion. However, the Court entered an Order on March 13, 2020—4 days after the Motion was filed.

15. Titan relied on the Receiver’s representation that the Motion was an “expedited” one and not an “emergency” motion under the Local Rules, and as such the time requirement for an emergency motion was not governing. Moreover, Titan relied on the docket entry that displayed a response date of March 23, 2020. *See* **Ex. F**. Titan was justified in relying on the foregoing; however, contrary to its own docket entry requiring a response by Titan by March 23<sup>rd</sup>, the Court entered the Order before Titan had the opportunity to oppose the Motion and the drastic and irreparable relief it is seeking from the Court.

16. As described above, the Receiver’s need to seek such expedited relief is unfounded as Titan and the Receiver had been negotiating a partial assignment in order for the Receiver to obtain the rights to the KC Loans that are applicable to be assigned to the Receiver pursuant to the Receivership Order, while preserving Titan’s and the New Loan investor’s rights. However,

instead of rejecting Titan's proposed assignment, the Receiver took it under advisement for nearly FIVE MONTHS and then demanded in less than a few business hours that Titan execute an Assignment it knew Titan would not execute based upon, among other reasons, the known priorities and monies owed to Titan.

17. Indeed, on November 9, 2019, after the undersigned forwarded Receiver's legal counsel and Receiver an email about the partial assignment, one of the Receiver's lawyers responded with a cordial thank you and also stated that "The Receiver is still eager to get the assignment done so he can protect his rights in the Kentucky Review litigation [the litigation the Receiver had intervened in earlier this year]. That may be the only path for anyone to get money out of this dire situation. I will call you on Monday to discuss the proposed Assignment." See **Ex. E**, November 9, 2019 emails.

18. After that email, there was no further material discussion related to the assignment until the Friday March 6<sup>th</sup> demand, even though the Receiver, through his legal counsel, had regularly communicated with counsel for Titan. Query: What happened between November 9, 2019 and March 6, 2020, wherein this could have all been dealt with by providing evidence to the Court, to obtain a ruling on the merits. Instead, we are faced with this unnecessary "expedited" situation.

19. In essence, the Court, by and through its Order compelling Titan to comply with the Preliminary Injunction and execute the Assignment, has also, in theory, decided the priority of the Loans in question and stripped Titan of its rights to the proceeds pursuant to the Loans, without the proper evidence before the Court, including, without limitation, all of the loan documents referenced and incorporated into the Assignment that the Court compelled Titan to execute.

20. It would also be necessary for the Court to understand what collateral is going to be sold by the KC Parties to fund this deal that the undersigned just received a copy of on the

evening before the filing of this Motion/Response. Upon information and belief based upon various conversations with counsel and a review of the agreement, it is the same collateral that Titan also has an independent interest in by and through the New Loan and monies owed to it via the net funding. Thus, permitting this deal will result in create a storm of litigation in Kentucky.

21. It is also critical to highlight that ALL of the pertinent loan documents are governed by Kentucky law and have forum selection clauses to litigate these matters in Kentucky, not Florida. That is probably why, among other reasons, the Receiver filed its Motion to Intervene in two separate Kentucky lawsuits involving the same loans.

22. Titan and the New Loan Investor's due process rights were violated when the Court issued the Order four days after the Receiver requested it, without affording Titan a reasonable opportunity to respond, which demands Titan to execute an Assignment that, as the record shows, is incomplete. *See Morley*, 915 F.2d at 1522.

23. In light of the foregoing, justice would require for the Court to vacate the March 13<sup>th</sup> Order and to provide Titan with additional time to provide further argument if this Court sees the need for the same. *See Hauck v. Borg Warner Corp.*, 2006 U.S. Dist. LEXIS 95909, at \*14 (M.D. Fla. Oct. 12, 2006).

***b. Receiver Has Falsely Stated Facts to the Court in an Effort to Convince the Court to Provide the Relief Sought Therein***

24. The factual allegations put forth in the Motion by the Receiver in order for this Court to grant it the relief sought within the Motion are inaccurate. The undersigned is mindful of the powers of the Receiver, and that this Court appointed the Receiver, and the undersigned has been transparent with the Receiver and his counsel during the entire process. Notwithstanding, the Receiver has not been completely forthcoming with the Court, as detailed below. *See Precision Instrument*, 324 U.S. at 814–15 (“[H]e who comes into equity must come with clean hands.”).

25. First, the Receiver's title of the Motion, and allegations therein, seem to indicate that Titan has failed to comply with the Court's Injunction Order, *see* [DE 470, p. 1, 3 ¶8]; however, such representation is false as Titan has maintained an open line of communication with the Receiver in an effort to continue to comply with the Injunction and to complete an appropriately worded partial Assignment. The Receiver failed to mention Titan's cooperation in that regard. In actuality, the Receiver is requesting for the Court to compel Titan to comply beyond what the Injunction requires. If Titan were to execute the Receiver proposed Assignment, then Titan would be waiving the proceeds it is entitled to under the New Loan that consummated **after** the Injunction was in place, and also negating the priority of the New Loan ahead of the KC Loan.

26. The Receiver attempts to portray that the issue of Titan's purported failure and noncompliance regarding Titan's assignment of its rights to the Kingdom Coal Loans has been ongoing; however, that is simply not true. As described above, for nearly five months prior to the Receiver filing the Motion, Titan has attempted to resolve this issue and come to an agreement where the Receiver will receive the interests subject to the Receivership Order and Titan will retain its interests in the New Loan. For the Receiver to represent to the Court that it is Titan who has not complied or has been uncooperative is false.

27. The Receiver fails to attach this secret "agreement" to support its position that the agreement is purportedly expected to close on March 16<sup>th</sup>, and which in order to close, allegedly requires Titan's execution of the attached Assignment. There is no evidence before the Court to support compelling Titan to execute the incomplete Assignment within less than 24-hour notice, and without the opportunity to properly be heard and object. Titan, as well as this Court, should be allowed to inquire further into this "secret deal" that the Receiver refers to in order to be better informed as to the facts of the deal and whether the relief the Receiver is seeking is proper.

28. The Receiver further alleges that this purported agreement “**will** bring more than \$2,700,000 in cash to the receivership estate for the ultimate benefit of victims.” [DE 470 p. 3, ¶6] (emphasis added). This representation contains language of “certainty” that the receivership estate is going to receive more than \$2.7 Million as a result of this purported agreement. However, such representation is false and misleading based upon the undersigned’s conversation with counsel for a party to that secret deal. According to that counsel, there are several contingencies to this purported agreement, and those are in line with the substance of the call that took place on February 26, 2020 between the undersigned, counsel for Receiver, and KRP’s counsel. The purported \$2.7 Million is contingent upon the sale of the equipment that is currently inside the coal mine and/or raising sufficient funds to fund the deal. However, the coal mine has flooded due to the electricity being shut down for nonpayment; and thus, the damage to the mine itself and to the equipment therein is currently unknown, and it is suspected to be a total loss. Neither the Receiver nor Kingdom Coal nor this purported third party can know if the equipment is even salvageable.

29. Furthermore, the Receiver omitted in its representations to the Court that it has been on notice since January of this year that the electricity would be turned off and that the subject mine would flood. Indeed, the Receiver received an e-mail dated February 25, 2020 from KRP’s President that the mine would flood and that thereafter, regulatory approval would be needed to enter the mine, a copy of which is attached hereto as **Exhibit G**. Thus, the “nuts and bolts” of the alleged deal, (i.e. the condition of the mine itself and the sale of the equipment), is likely impaired in whole or part, and this fact needs to be confirmed before the Court can enter an Order based upon the purported \$2.7 Million in proceeds, which may never actually be a viable source of funds to the Receiver.

30. Based upon the information available to Titan, which we believe to be the same as available to the Receiver, (unless the Receiver has an expert report that it has not shared with

Titan), the prep plant represents the majority of collateral value to both the Receivership and the New Loan. Neither the Receiver or Titan require the involvement of KRP or the KC Parties to sell the prep plant. Thus, it defies logic for the Receiver to enter into a deal with representatives of an entity that have in the opinions of the Receiver, Titan, and KRP, committed fraud and potentially stolen millions of dollars of monies. In short, a deal with the original defaulting parties in the form of a promise to pay is worthless.

31. The purported agreement is also contingent upon Kingdom Coal paying \$100,000 in an attempt to turn back on the electricity in the mine in order to pump the water out of the coal mine. Once the electricity is turned on, which may not happen until the end of the week due to coronavirus issues according to counsel, then water needs to be pumped out of the coal mine in order to make it safe to enter the mine and attempt to salvage the equipment. Incredulously, is that it is the undersigned's understanding from counsel and from reviewing the document that the Receiver provided on Sunday evening, that the deal is with the Kingdom Coal executives that promised several deals to the Receiver that have NEVER consummated and resulted in nothing but the useless expenditure of attorneys' fees by Titan and the Receiver.

32. As such, the Receiver's representation is simply not true that the **only** impediment that is in the way of the Receivership Estate receiving this purported \$2.7 Million (which cannot be accurate based upon, *inter alia*, the coal mine's condition, calls with counsel, and prior dealings with the Kingdom Coal representatives) is Titan's assignment of all its interests in the Kingdom Coal Loans, including the New Loan.

33. The Receiver falsely promised \$2,700,000 to the Receivership and this Court in its Motion in order for this Court to expedite the assignment of Titan's interests in the Kingdom Coal Loans based on a "secret deal," and at least from the way it has been described by counsel, that is far from what the Receiver has described in its Motion and the record before the Court.

34. If the \$2.7 Million is a guaranteed pay day, then the \$2.7 Million must either be in escrow or a proof of funds has been provided by the KC Parties or whoever is supposedly closing on Monday with the Receiver.

35. Moreover, by granting this relief, this Court would be giving priority of the loans to the Receiver, effectively waiving monies owed to Titan pursuant to the loans, and not involving Titan as an indispensable party to the deal.

36. Furthermore, Titan has hired professionals to investigate the subject collateral to evaluate the value of the same. Titan is unaware if the Receiver has done the same, as it would need a proper valuation to recommend any deal with the defaulting parties.

37. A copy of the “secret deal” that the undersigned just received at the eleventh hour before the filing of this Motion/Response should be provided by the Receiver to the Court in order for the Court to properly evaluate all of the Parties’ and non-parties’ respective interests. Just to pile on more “incredibles” to this situation, it is incredible that the Receiver would trust the KC representatives to handle this situation in an honest manner in light of their prior bad behavior.

38. Based upon the foregoing, justice would require the Court to vacate the March 13th Order. *See Hauck*, 2006 U.S. Dist. LEXIS 95909, at \*14.

**B. The Receiver’s Failure to Comply with Local Rule 7.1(A)(3) Requiring Pre-Filing Conferences of Counsel**

39. Local Rule 7.1(A)(3) requires for the moving party to confer in good faith with the opposing party in an attempt to resolve the dispute prior to filing a motion. The Rule further requires the movant to certify that it did confer in a good faith effort to resolve the issues and was unable to do so, or that the movant made reasonable efforts to confer but was unable to do so. *See* Local Rule 7.1(A)(3). Failure to comply with this Rule may be cause for the Court to grant or deny the motion and impose sanctions on the counsel which may include attorneys’ fees. *See id.*

40. The Receiver, by and through his counsel, certified that it **had** conferred with Titan’s counsel “in a good faith attempt to resolve the issue” and attached the email that was sent to Titan on Friday, March 6, 2020. [DE 470, p. 5]. However, the email that the Receiver attached does not show that it had conferred in any way with Titan. On the contrary, it shows that the Receiver *attempted* to confer.

41. The Receiver’s sole attempt to resolve the issues raised by the Motion was an succinct email sent on Friday, March 6th at **4:29 p.m.** [DE 470 p. 15] providing Titan until Monday, March 9, 2020 by **12:00 p.m.** in order to execute the Assignment before the Receiver filed the instant Motion—that is less than one business day notice provided to Titan (essentially only providing Titan with less than 4 hours to respond). The undersigned actually called receiver’s counsel prior to the Amended Motion being filed and left a message. That message was not returned and the Receiver’s counsel did not call or text the undersigned on his cell phone, which was a regular mode of communication between counsel.

42. The Receiver did file the Motion on March 9th before receiving any reasonable response from Titan and without making any further good faith attempt to contact Titan’s counsel, and represented that Titan did not respond to the Receiver’s purported good faith attempt. [DE 470, p. 5].

43. As such, the Receiver’s eleventh hour “conferral” with Titan is insufficient to meet the requirements imposed by this District’s Local Rules requiring the Receiver to confer in good faith with Titan prior to filing this “expedited” Motion.

44. Lastly, and of most import, the Receiver could have conferred from October 25<sup>th</sup> up through early March to work this out. Instead, there was radio silence from the Receiver from November 9<sup>th</sup> up until 4:29 PM on March 6<sup>th</sup> regarding the assignment issue.

**WHEREFORE**, TITAN FUNDING, LLC respectfully requests that the Court vacate its March 13, 2020 Order compelling Titan to Comply with the Preliminary Injunction and Execute an Assignment of Receivership Assets [DE 476], deny the Receiver, JONATHAN E. PERLMAN's, Expedited Motion to Compel Titan Funding, LLC to Comply With the Preliminary Injunction and Execute an Assignment of Receivership Assets, and Order the Receiver to produce the agreement that is supposedly guaranteeing the victims \$2,700,000, provide any due diligence justifying doing a deal with the KC Parties, provide any documents evidencing that the \$2.7 Million is available to close the deal, and order the Receiver to work with Titan to execute a reasonable assignment of the Receiver's rights in the property after it ensures that Titan's interest in any of the collateral will be sold in connection with the pending deal, and grant such other and further relief as the Court deems just and proper under the circumstances.

**CERTIFICATE OF GOOD FAITH CONFERENCE**

Pursuant to Local Rule 7.1(a)(3)(A), I hereby certify that counsel for the movant has attempted to confer with the Receiver's counsel via email, and text in a good faith effort to resolve the issues and the following is a result of the same:

Unable to reach an Agreement with the Receiver by and through his counsel after a discussion on Saturday, March 14<sup>th</sup> at about 6:50 PM as well as several email exchanges.

Respectfully submitted,

/s/ Adam J. Steinberg  
Adam J. Steinberg, Esq. (Fla. Bar No.: 389579)  
E-mail: [adam@adamsteinberglaw.com](mailto:adam@adamsteinberglaw.com)  
Law Offices of Adam J. Steinberg, P.A.  
200 S. Andrews Avenue, Ste. 903  
Ft. Lauderdale, FL 33301  
Telephone: 954-548-3357  
Facsimile: 888-222-4192  
Attorney for Titan Funding, LLC

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing was provided via the CM/ECF E-Filing Portal this 16<sup>th</sup> day of March, 2020 upon: Gregory M. Garno, Esq., GENOVESE JOBLOVE & BATTISTA, P.A., Attorneys for Receiver, at [ggarno@gib-law.com](mailto:ggarno@gib-law.com).

Respectfully submitted,

/s/ Adam J. Steinberg  
Adam J. Steinberg, Esq. (Fla. Bar No.: 389579)  
E-mail: [adam@adamsteinberglaw.com](mailto:adam@adamsteinberglaw.com)  
Law Offices of Adam J. Steinberg, P.A.  
200 S. Andrews Avenue, Ste. 903  
Ft. Lauderdale, FL 33301  
Telephone: 954-548-3357  
Facsimile: 888-222-4192  
Attorney for Titan Funding, LLC

**AGREEMENT FOR ASSIGNMENT OF NOTES, MORTGAGES, SECURITY  
AGREEMENTS, OTHER LOAN DOCUMENTS AND RIGHTS, CLAIMS AND  
INTERESTS**

This Agreement For Assignment of Notes, Mortgages, Security Agreements, Other Loan Documents and Rights, Claims and Interests ("Agreement"), is made and entered into as of March \_\_, 2020 by and among KC Logistics Sales, LLC ("KC Logistics"), a Wyoming limited liability company and its parent Kingdom Logistics, LLC ("KCL Sales") whose addresses are 8650 Freeport Parkway, Suite 100, Irving, Texas 75063, Jonathan E. Perlman, Esq. ("Receiver"), as and in his capacity as Court Appointed Permanent Receiver for Halfpay International, LLC and other related entities (collectively the "Receivership Entities") by the Order entered May 17, 2017 ("Receivership Order"), by the United States District Court, Southern District of Florida in Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer, whose address is c/o Genovese, Joblove & Battista, 100SE 2nd Street, Suite 4400, Miami, FL 33131, and Kentucky River Properties LLC, a Delaware limited liability company, whose address is 360 E. Vine Street, Suite 310, Lexington, Kentucky 40507 ("KRP").

**RECITALS**

A. The "KC Parties" which are comprised of Kingdom Coal, LLC, a Wyoming limited liability company ("KC"), KC II, LLC, a Wyoming limited liability company ("KC II"), Kingdom Resources, LLC, a Wyoming limited liability company ("KR"), KREG Equities, Ltd, a Texas limited partnership ("KREG"), Double Mining, LLC, a Wyoming limited liability company ("DMM"), Kingdom RE&M Holdings, LLC, a Wyoming limited liability company ("KREM"), Double Branch Energy, LLC ("DBE"), the "Titan Parties" comprised of Titan Funding, LLC, a Florida limited liability company ("Titan") and The Wolfe Group, LLC, a Michigan limited liability company ("TWG") and the Receiver are parties to Civil Action No. 17-CI-01143 now pending in the Division 3 of the Fayette Circuit Court, Commonwealth of Kentucky (the "Litigation"). For purposes of the releases set forth in Sections 5, 6, and 7, Michael A. Blubaugh, an individual resident of the State of Texas, shall be included as a KC Party

B. The Litigation arises by reason of defaults by the KC Parties under loan documents made by Titan, as former loan servicing agent for one or more of the Receivership Entities for the Receivership Entities.

C. The Receiver contends one or more of the Receivership Entities funded Five Million Five Hundred Thousand United States Dollars (\$5,500,000.00 U.S.D.) in principal of loans made by Titan of behalf of one or more of the Receivership Entities to the KC Parties and by reason thereof the Receiver is entitled to repayment from the KC Parties in the Litigation of the principal amount of Five Million Five Hundred Thousand United States Dollars (\$5,500,000.00 U.S.D.), together with interest thereon and costs and attorneys fees and to exercise numerous other rights and remedies.

D. KCL Sales desires to acquire all of the Receiver's rights, title and interest in and to under the loan documents made by Titan, as former loan servicing agent for one or more of the Receivership Entities for the Receivership Entities, the Litigation, and all other and related documents and instruments, and rights, interests and claims as more fully described herein, and

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the Receiver has agreed to sell and assign the same to KCL Sales on the terms and conditions hereof.

E. KRP owns the land and mineral rights for the Roxanna Mine (the "Roxanna Mining Property") and had leased certain coal mining rights on such property to one or more of the KC Parties ("KRP Lease"), but the parties to this Agreement acknowledge and agree that the KRP Lease has been terminated. KRP has made certain demands and claims against one or more of the KC Parties, including a claim for \$2,418,452.97, plus interest for unpaid royalties and taxes due under the KRP Lease, and has asserted a lien with respect to certain assets that may also be encumbered by the Receiver's rights, interest and claims, which assets appear on the list attached hereto as **Exhibit B** (the "Assets").

**NOW THEREFORE**, for and in consideration of the mutual promises, agreements, covenants, representations and obligations herein contained, and for such other good and valuable consideration, the adequacy, sufficiency and receipt of which is hereby irrevocably acknowledged the parties do hereby agree as follows:

**1. Incorporation of Recitals.** The recitals are incorporated herein and made a part hereof as if set forth at length.

**2. Purchase Price For Assignments.** For and in consideration of Receiver having made, executed and delivered on the date and upon payment in full of the purchase price ("Purchase Price") to the Receiver in care of McBrayer PLLC as counsel for the Receiver, according to the following schedule, the Receiver shall make execute and deliver the Instrument of Assignment, as hereinafter provided for, to KC Logistics and KCL Sales, jointly and severally:

A. The first payment ("First Payment") on account of the Purchase Price is in the amount of One Hundred Thousand United States Dollars (\$100,000.00 U.S.D.), is non-refundable and shall be made and paid within Forty-Eight (48) hours of the parties execution of this Agreement (the "First Payment"); and

B. The balance of the Purchase Price ("Purchase Price Balance") is in the amount of Two Million, Six Hundred Fifty Thousand United States Dollars (\$2,650,000.00 U.S.D.) and shall be due and payable on or before 5:00 pm, Central Daylight Savings Time on March 16, 2020; provided however, in the event payment of the Purchase Price Balance in the amount of Two Million, Six Hundred Fifty Thousand United States Dollars (\$2,650,000.00 U.S.D.) does not occur on or before 5:00 pm, Central Daylight Savings Time on March 16, 2020, the Purchase Price Balance shall increase to Three Million, Six Hundred Fifty Thousand United States Dollars (3,650,000.00 U.S.D.) and shall then be due and payable on or before 5:00 pm, Central Daylight Savings Time on March 31, 2020.

In the event payment of the Purchase Price Balance as increased to Three Million, Six Hundred Fifty Thousand United States Dollars (\$3,650,000.00 U.S.D.) does not occur by or before 5:00 pm, Central Daylight Savings Time on March 31, 2020, the First Payment is a non-refundable payment and the Receiver shall be entitled to said First Payment without claim, interest, entitlement or right of KC Logistics and KCL Sales, jointly or severally, and the McBrayer Firm

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shall disperse the First Payment to the account of the Receiver without claim, interests, entitlement or right of KC Logistics and KCL Sales, jointly or severally.

**3. Agreement to Make Instrument of Assignment.** On and subject to the Receiver's receipt of the First Payment and the Purchase Price Balance dispersed by the McBrayer Firm to the account of the Receiver without claim, interests, entitlement or right of KC Logistics and KCL Sales and pursuant to the Instrument of Assignment in the form of Exhibit A, attached hereto and made a part hereof, the Receiver shall sell, assign and transfer to KCL Sales without recourse, and without warranties, including without limitation without any warranties of collectability, balance due and enforceability the Assigned Agreements and Rights as provided for and set forth in the Assignment. Notwithstanding any provision in this Agreement, a condition to the Parties full performance under this Agreement is the Receiver providing the KC Parties (a) a fully executed copy of the Assignment of Notes, Mortgages, Security Agreements, Other Loan Documents attached hereto as Exhibit C, or other Assignment document acceptable to the KC Parties and the Receiver or (b) a Court order confirming that the Receiver holds Titan's rights under the agreements referenced therein.

**4. KRP Payment.** Upon execution of this Agreement, KC Logistics and KCL Sales, jointly and severally shall pay to KRP the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00 U.S.D.), which KRP shall use to request Kentucky Power Company ("KPC") to restore electrical service at the Roxanna Mining Property (the property on which the Assets are located) (the "Electric Payment") for the sole and limited purpose of allowing the KC Parties to enter the property to remove any Assets located thereon, but for no other purpose. KC Parties, KC Logistics and KCL Sales agree that they will pay for any repairs or replacement equipment required by KPC for the restoration of electrical service. KCL Sales will pay for any electric service charges in excess of \$100,000.00 in advance, promptly upon presentation of an estimate of the prospective bills (from KRP or from the electric service provider, if available) for same, and in the event KCL Sales fails to pay such bills when submitted by KRP, KRP shall instruct KPC to terminate the electrical service. In addition, on or before March 31, 2020, KC Logistics and KCL Sales, jointly and severally shall pay to KRP the sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00 U.S.D.) (the "KRP Payment"); provided however, in the event payment of the KRP Payment in the amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00 U.S.D.) does not occur on or before 5:00 pm, Central Daylight Savings Time on March 31, 2020, the KRP Payment shall increase to Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00 U.S.D.) and shall then be due and payable on or before 5:00 pm, Central Daylight Savings Time on or before April 30, 2020, which KRP Payment must be received by KRP prior to removal of any Assets from the KRP Property and/or the Roxanna Mining Property. Upon receipt of the Electric Payment, KRP will permit KC Parties, KC Logistics and KCL Sales to enter upon the KRP property and/or Roxanna Mining property under an expressed revocable license for the sole and limited purpose of marshalling and securing the Assets on the KRP Property, but said Assets shall not be removed from the KRP property until KRP has received the KRP Payment. This license shall terminate on the earlier of (1) the discontinuance of electrical service; or (2) the removal of the Assets from the KRP property; or (3) April 30, 2020. The provisions of this Agreement to the contrary notwithstanding, nothing contained herein shall permit any party to mine or remove coal, fixtures, or mine infrastructure from the KRP property and/or Roxanna Mining Property..

**5. Receiver's Release.** Upon receipt by the Receiver for the Receiver's account of the

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First Payment and the Purchase Price Balance, the Receiver shall have no claim or cause of action whatsoever against any of the KC Logistics and the KC Parties, jointly or severally or any of their respective property(ies) arising under the Assigned Agreements and Rights. Upon execution by the Receiver of the Assignment, the Receiver shall have, and be deemed to have, released, discharged, and waived any claim, demand, or action against KRP of every kind or nature whatsoever, whether know or unknown, seen or unforeseen.

**6. KRP's Release.** Except for the obligations of the KC Parties, KCL Sales, and KR Logistics in paragraph 8 below, and subject to and conditioned upon the receipt by KRP of the Electric Payment and the KRP Payment, KRP shall release, and shall have no claim or cause of action whatsoever against any of the KC Parties, KC Logistics or KCL Sales, jointly or severally, or any of their respective property(ies), including but not limited to the Assets, arising under any lease or other agreement by or among KRP and such parties relating to the Roxanna Mining Property. In addition, simultaneously with receipt of the KRP Payment for any and all sales of the Assets or any of them individually, KRP agrees to release such Asset(s) as has been sold and paid for from any lien or other encumbrance it may hold against such Asset(s).

**7. KC Logistics, KCL Sales and KC Parties Release.** KC Logistics, KCL Sales and the KC Parties, jointly and severally, do hereby fully release and discharge the Receiver, KRP and their respective employees, agents, reinsurers, trustees, attorneys, insurers, third-party claim administrators, parent companies, subsidiary companies, affiliated companies and entities, predecessors and contractors, jointly and severally, of and from any and all claims, actions, causes of action, liabilities, demands, debts, obligations, rights, damages, costs, expenses, restitutions and controversies of every kind and description, and whether, known or unknown, existing in law or in equity, contingent or accrued, liquidated or unliquidated which are now existing or which may or shall hereafter exist or arise from or by reason of facts and circumstances now in existence.

**8. KC Parties, KCL Sales and KC Logistics Indemnification Obligations.** The KC Parties, KCL Sales and KC Logistics, jointly and severally shall and do hereby agree to indemnify and hold harmless the Receiver and KRP together with their respective present and former affiliates, officers, directors, managers, accountants, members, agents, employees, independent contractors, attorneys, investors, heirs, assignees, owners, shareholders, subsidiaries, and any successors in interest, of and from all causes of action, suits, debts, sums of money, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, known or unknown, that KC Parties, KCL Sales and KC Logistics ever had, now have, or to which the KC Parties', KCL Sales' and KC Logistics', respective officers, directors, employees, agents, successors or assigns hereafter can, will or may have for, upon, or by any reason of any matter, cause or thing from the beginning of the world to the date of these presents, including, without limitation, any claims or demands or actions arising from, related to, or in connection with the matters referred to, directly or indirectly, herein including but not limited to this Agreement and the assigned agreements and rights contemplated herein. The obligations under this paragraph shall survive the expiration or termination of any rights, duties and/or obligations under this Agreement.

**9. Remedies Upon Failure by KC Logistics/KCL Sales.** Should the KC Parties, KCL Sales and KC Logistics fail to pay

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- (a) the First Payment and Purchase Price Balance as provided in Section 2, the obligation of the Receiver to execute the Assignment is terminated, and the Receiver shall retain all rights and interests to the Assigned Interests and Rights; and
- (b) the Electric Payment and KRP Payment as provided in Section 4, the releases and obligations of KRP set forth in this Agreement shall be null and void, *ab initio*.

**10. Representations and Warranties.** Each party hereby expressly warrants and represents that: (a) the party has full power and express authority to enter into this Agreement and perform its obligations as set forth herein; (b) except as set forth in this Agreement, there has not been made any assignment or transfer of the Assigned Agreements and Rights, in whole or in part, including but not limited to assignment or transfer by subrogation or by operation of law; (c) the party is not relying upon any statements, understandings, representations, expectations, or agreements other than those expressly set forth in this Agreement; (d) the party is represented and has been advised by counsel in connection with this Agreement, which such party executes wholly voluntarily and of its own choice, volition, judgment, belief and knowledge, after consultation with such counsel and not under coercion or duress; and (e) the party has made their own investigation of the facts and are relying solely upon their own knowledge and the advice of their counsel. The KC Parties, KC Logistics and KCL Sales jointly and severally represent and warrant to the Receiver and KRP that each is a sophisticated investor fully qualified and able to evaluate and make decisions as the transaction provided for herein, that each has made its own independent investigations and conducted its own due diligence as to the transaction provided for herein, that each can assume the complete loss of the investment made pursuant to this Agreement, that the transaction provided for herein is for the own account of the KC Parties, KC Logistics and KCL Sales and that each is not relying on any way or matter on the Receiver or KRP in making, entering into and performing this Agreement. Each of the parties agrees, stipulates, and acknowledges that they are relying upon these representations and warranties of the other parties in entering into this Agreement.

**11.0 Miscellaneous Provisions.**

**11.1 Effectiveness; Amendments.** . No modifications, amendments, or changes to this Agreement shall be binding or enforceable unless reduced to writing and signed by the party to be bound by such modification, amendment, or change.

**11.2 GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM; VENUE.** THIS AGREEMENT IS TO BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KENTUCKY APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each party hereto expressly and irrevocably agrees that any legal suit, claim, action, or proceeding arising out of or related to this Agreement shall be instituted and determined exclusively in the Knott County, Kentucky Circuit Court or the federal court located in the Eastern District of Kentucky. Each party hereby irrevocably submits with regard to any such suit, claim, action, or proceeding for themselves personally and also in respect to property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid court. For purposes of this Agreement, the parties consent to exclusive venue in the Knott Circuit Court or the federal court in the Eastern District of Kentucky and

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hereby waive any objection they may have now or hereafter to the venue of any such suit, claim, action, or proceeding arising out of or related to this Agreement proceeding in the Knott Circuit Court or the Eastern District of Kentucky . The parties further agree that, in the event of litigation arising out of in in connection with this Agreement, they will not contest or challenge the jurisdiction or venue of this court.

**11.3 Interpretation.** This Agreement is the product of joint drafting and negotiations between the parties, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any party by reason of that party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof.

**11.4 Successors and Assigns.** This Agreement is intended to bind and inure to the benefit of the parties and their respective successors, permitted assigns, heirs, executors, administrators and representatives.

**11.5 Waiver.** Except as expressly provided in this Agreement, nothing herein is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future, claim or right or the ability of the parties to protect and preserve their respective rights, remedies and interests and the parties each fully reserves any and all of their respective rights and remedies.

**11.6 Headings.** Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement.

**11.7 Future Assurances.** Each party shall execute any further documents and take all further actions as may be reasonably necessary to effectuate the terms and conditions of this Agreement.

**11.8 Attorney Review.** Each party has had a right to consult an attorney and has specifically consulted an attorney with respect to the terms and conditions of this Agreement and acknowledges that it fully understands this Agreement and the effect of signing and executing the Agreement.

**11.9 Severability.** Should any part of this Agreement be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provision shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Agreement shall remain binding upon the parties. Any partial performance of any duty or obligation by the KC Parties, KCL Sales or KC Logistics under this Agreement, shall not relieve the KC Parties, KCL Sales or KC Logistics of any other duty or obligation under this Agreement.

**11.10 Notices.** Whenever this Agreement requires or contemplates that one party shall or may give notice or communicate with another party, notice or communication can be provided by

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electronic mail and/or overnight mail and notice shall be deemed effective upon delivery to the overnight carrier, or successful transmission of the electronic mail.

**11.11 Attorneys' Fees.** Each party shall bear its own attorneys' fees and costs that were incurred in connection with the preparation of this Agreement..

**11.12 WAIVER OF JURY TRIAL:** IN ANY CIVIL ACTION, COUNTERCLAIM OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS OR RELATES TO THIS AGREEMENT, ANY TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT (STATUTORY, CONSTITUTIONAL, COMMON LAW OR OTHERWISE) IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE WAIVER OF THE OTHER PARTIES' RIGHT TO TRIAL BY JURY. NO PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

**11.13 Limitation of Liability of Receiver.** Jonathan E. Perlman, Esq., makes, executes and delivers this Assignment only and solely in his capacity as Court Appointed Permanent Receiver and incurs no personal liability hereunder.

**11.14 Entire Agreement.** The parties each represent and warrant that no promise or inducement has been offered or made except as set forth herein and that the consideration stated herein is the sole consideration for this Agreement. This Agreement constitutes the complete understanding among the parties with respect to the subject matter described herein and supersedes any and all prior agreements, promises, or inducements, no matter its or their form, concerning its subject matter.

**11.15 Modifications.** No modifications, amendments, or changes to this Agreement shall be binding or enforceable unless reduced to writing and signed by the party to be bound by such modification, amendment, or change.

**11.16 Counterparts.** This Agreement may be executed and delivered (by facsimile, electronic mail or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement.

*Handwritten signatures and initials:*  
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IN WITNESS WHEREOF, the parties, through their duly authorized representatives, have executed this Agreement as of the date first above written.

KCL Sales, LLC

By: [Signature]  
Printed Name: SCOTT A. HARRIS  
Title: MANAGER

[Signature]  
Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver

KINGDOM COAL, LLC

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: MANAGER

KC II, LLC

By: [Signature]  
Printed Name: CHRISTOPHER C. FLEMING  
Title: MANAGER

KINGDOM RESOURCES, LLC

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: Manager

KREG EQUITIES, LTD

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: PRESIDENT OF GENERAL PARTNER, KEYSTONE Real Estate Group, Inc.

DOUBLE MOUNTAIN MINING, LLC

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: Manager

KINGDOM RE&M HOLDINGS, LLC

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: manager

DOUBLE BRANCH ENERGY, LLC

By: [Signature]  
Printed Name: Michael A. Blubaugh  
Title: Manager

KENTUCKY RIVER PROPERTIES, LLC

By: [Signature]  
Printed Name: STEPHEN G. BARKER  
Title: President

[Signature]  
Michael A. Blubaugh

**ASSIGNMENT OF RECEIVER'S INTEREST IN NOTES,  
MORTGAGES, SECURITY AGREEMENTS  
AND OTHER LOAN DOCUMENTS**

Deleted:

This Assignment of Receiver's interest in Notes, Mortgages, Security Agreements and Other Loan Documents ("Agreement") is made and entered into this 16<sup>th</sup> day of March, 2020 by, between and among Titan Funding, LLC, a Florida Limited Liability Company ("Titan Funding"), whose addresses are 2701 N.W. Boca Raton Blvd., Suite 105, Boca Raton, FL 33431 and JONATHAN PERLMAN, Receiver for Halfpay NV, LLC, successor by merger with Halfpay International, LLC, A Delaware Limited Liability Company, c/o Genovese Joblove and Battista, P.A., 100 SE 2<sup>nd</sup> Street, 44<sup>th</sup> Floor, Miami, Florida 33131 ("Receiver" or "Assignee"), by the Order entered May 17, 2017 ("Receivership Order"), by the United States District Court, Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer*.

Deleted: and Titan Loan Servicing, LLC, a Florida Limited Liability Company ("Titan Servicing")

Deleted: Jonathan E. Perlman, Esq. ("Receiver"), as and in his capacity as Court Appointed Permanent Receiver for Halfpay International, LLC and other related entities (collectively the "Receivership Entities")

Deleted: , c/o Genovese, Joblove & Battista, 100 SE 2<sup>nd</sup> Street, Suite 4400, Miami, FL 33131.

**RECITALS**

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**WHEREAS,** The Balloon Promissory Note, dated January 12, 2017, in the principal amount of \$2,300,000.00 made by Kingdom Coal, LLC, a Wyoming Limited Liability Company dba Roxanna Prep Plant ("Kingdom Coal") to the order of Titan Funding, a true copy of which is attached hereto and made a part hereof as Exhibit A ("2,300,000.00 Balloon Note") advanced and loaned the net funded amount of \$2,300,000.00 of moneys of the Receivership Entities and Titan, jointly and severally, to Kingdom Coal;

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**WHEREAS,** as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding, pursuant to the Mortgage and Security Agreement dated January 12, 2017, a mortgage and security interest in and to certain real and personal property, which appears of record in Mortgage Book 328 Page 143 et seq., in the office of the Letcher County, Kentucky Clerk, a true copy of which is attached hereto and made a part hereof as Exhibit B ("Mortgage and Security Agreement");

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**WHEREAS,** as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding, pursuant to the Security Agreement, dated January 12, 2017, a security interest in and to certain personal property, a true copy of which is attached hereto and made a part hereof as Exhibit C ("Security Agreement"), as evidenced by the UCC financing statements filed in the Commonwealth of Kentucky, true copies of which are collectively attached hereto and made a part hereof as Exhibit D ("UCC's");

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**WHEREAS,** as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Resources, LLC, a Wyoming Limited Liability Company and the parent and controlling person of Kingdom Coal ("Kingdom Resources") granted Titan Funding, pursuant to the First Loan Pledge and Security Agreement dated January 12, 2017, a pledge and security interest in and to Eighty-Five Percent (85%) of the membership interests in Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit E ("Pledge Agreement");

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**WHEREAS,** for and in consideration of the \$2,300,000.00 Balloon Note, Kingdom Coal granted a royalty on certain coal production of Kingdom Coal, to Titan Funding, pursuant to the Royalty Agreement, dated January 12, 2017, a true copy of which is attached hereto and made a part hereof as Exhibit F ("Royalty Agreement");

WHEREAS, for and in consideration of the \$2,300,000.00 Balloon Note, Michael A. Blubaugh, personally and individually, Kingdom Resources, LLC and KREG Equities, Ltd., jointly and severally, guaranteed to Titan Funding, pursuant to the Guaranty of Payment and Performance Agreement, dated January 12, 2017, the performance and payment of the obligations of Kingdom Coal pursuant to the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement and the Security Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit G** ("Guaranty Agreement");

WHEREAS, The First Amendment to Balloon Promissory Note dated January 17, 2017, with Kingdom Coal, to modify and amend the \$2,300,000.00 Balloon Note, a true copy of which is attached hereto and made a part hereof as **Exhibit H** ("First Balloon Note Amendment");

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WHEREAS, The First Amendment to Pledge and Security Agreement dated January 31, 2017, with Kingdom Resources, LLC, to modify and amend the Pledge Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit I** ("First Amendment to Pledge Agreement");

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WHEREAS, As collateral security for the \$5,550,000.00 Balloon Note (as defined herein), Kingdom Resources granted Titan Funding, pursuant to the Pledge and Security Agreement dated February 2, 2017, a pledge and security interest in and to all of Kingdom Resources' right, title and interest of Kingdom RE & M Holdings, LLC, a subsidiary of Kingdom Resources and affiliate of Kingdom Coal (i.e., 99% of the interests of Kingdom RE & M Holdings, LLC), a true copy of which is attached hereto and made a part hereof as **Exhibit J** ("Kingdom Resources Pledge Agreement");

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WHEREAS, The First Restated and Second Amended Balloon Promissory Note, dated February 3, 2017, was net funded the amount of \$5,550,000.00 made by Kingdom Coal to the order of Titan Funding, a true copy of which is attached hereto and made a part hereof as **Exhibit K** ("\$5,500,000.00 Balloon Note"), modified the \$2,300,000.00 Balloon Note and additionally advanced and loaned the additional net funded amount of \$3,200,000.00 of monies, of the Receivership Entities, jointly and severally, to Kingdom Coal such that the total indebtedness of Kingdom Coal to Titan Funding, became and is in the net funded amount of \$5,550,000.00;

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WHEREAS, There is a Third Amended Balloon Promissory Note with Kingdom Coal, made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as **Exhibit L** ("Third Balloon Note Amendment"), to modify and amend the \$5,550,000.00 Balloon Note;

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WHEREAS, A First Amendment to Mortgage and Security Agreement dated February 3, 2017, with Kingdom Coal, to modify and amend the Mortgage and Security Agreement, which appears of record in Mortgage Book 329, Page 71 et seq. in the office of the Letcher County Clerk, a true copy of which is attached hereto and made a part hereof as **Exhibit M** ("Mortgage First Amendment");

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WHEREAS, The First Amendment to Security Agreement dated February 3, 2017 with Kingdom Coal, to modify and amend the Security Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit N** ("Security Agreement First Amendment");

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WHEREAS, The Restated and Amended Royalty Agreement dated February 1, 2017 with Kingdom Coal, to modify and amend and restate the Royalty Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit O** ("Restated Royalty Agreement");

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WHEREAS, for and in consideration of the \$5,550,000.00 Balloon Note, Michael A. Blubaugh, personally and individually, Kingdom Resources, LLC and KRED Equities, Ltd., jointly and severally, guaranteed to Titan Funding, pursuant to the First Amendment To Guaranty of Payment and Performance Agreement dated February 1, 2017, the performance and payment of the obligations of Kingdom Coal pursuant to the \$2,300,000.00 Balloon Note, First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the Kingdom RE & M Holdings Note, the \$5,550,000.00 Balloon Note, the Third Amendment, the Mortgage and Security Agreement, Mortgage First Amendment, the Security Agreement, the Security Agreement First Amendment, and the Guaranty Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit P** ("Guaranty Agreement First Amendment");

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WHEREAS, The Confidential Private Settlement and Release Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit Q** ("Settlement Agreement"); and

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WHEREAS, the parties do by these presents desire to memorialize and ratify that the Receiver has certain rights, titles and ownership in and to the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Pledge Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, the Guaranty Agreement First Amendment, the Settlement Agreement and any and all related and underlying documents and instruments.

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Deleted: WHEREAS, Receiver succeeded to all rights titles and interests of the Receivership Entities, jointly and severally, pursuant to the Receivership Order.¶

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Deleted: all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments.

NOW THEREFORE, in consideration of the above Recitals, which constitute part of this Agreement and for good and valuable consideration, the receipt and sufficiency of which the parties do hereby acknowledge, the parties do hereby agree as follows:

**1.0 Assignment.** Titan Funding does hereby transfer, set over and assign unto Receiver, without recourse in favor of Titan Funding, the Receiver's interest in the following: 2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the Kingdom RE & M Holdings Note, the \$5,550,000.00 Balloon Note, the Third Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement and the Guaranty Agreement First Amendment and all related and underlying documents and instruments.

Deleted: **2.0 → Principal and Interest Balance.** → The principal and interest due on the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Pledge Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, the Guaranty Agreement First Amendment, the Settlement Agreement and any and all related and underlying documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments the Receiver Loan as of February 1, 2019 is \$5,500,000.00 in principal together with an amount of interest thereon from and after February 1, 2019 as provided for and in amount determined in accordance with the foregoing instruments.¶

**2.0 Titan's \$1.55 Million New Loan ("New Loan"), its interest in the Settlement Agreement, and any collateral securing the New Loan are not being assigned to the Receiver. Titan extended a New Loan to Kingdom Coal, and other Kingdom Coal related and affiliated parties, in the amount of \$1.55 Million (the "New Loan") on or about April 20, 2018, which is secured by the collateral identified in this Assignment and is a component of the Settlement Agreement.**

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**3.0 Limitations of Warranties of Titan Funding and Titan Servicing.** Titan Funding does not make any guarantees or warranties regarding the \$2,300,000.00 Balloon Note, the Mortgage and Security

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Agreement, the Security Agreement, the UCC's, the Pledge Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the \$5,550,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, the Guaranty Agreement First Amendment, the Settlement Agreement and any and all related and underlying documents and instruments, or anything being assigned herein other than it is assigning solely and exclusively the Receiver's interest in the foregoing and not Titan's interest in the foregoing.

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**4.0 Miscellaneous Provisions.**

**4.1 Effectiveness; Amendments.** This Agreement may not be modified, amended or supplemented except in writing signed by all parties.

**1. 4.2 GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM; VENUE** THIS AGREEMENT IS TO BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KENTUCKY WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each party hereto expressly and irrevocably agrees that any legal suit, claim, action or proceeding arising out of or related to this Agreement shall be instituted and determined exclusively in Knott County, Kentucky Circuit Court or the federal court located in the Eastern District of Kentucky. Each party hereby irrevocably submits with regard to any such suit, claim, action, or proceeding for themselves personally and also in respect to property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid court. For purposes of this Agreement the parties consent to exclusive venue in the Knott County Circuit Court or the federal court in the Eastern District of Kentucky and hereby waive any objection they may have or hereafter to the venue of any such suit, claim, action, or proceeding arising out of or related to this Agreement proceeding in the Knott Circuit Court or the federal court of the Eastern District of Kentucky. The parties further agree that in the event of litigation arising out of or in connection with this Agreement, they will not contest or challenge the jurisdiction or venue of the aforementioned courts.

Deleted: THIS AGREEMENT IS TO BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each party hereto expressly and irrevocably agrees that any legal suit, claim, action, or proceeding arising out of or related to this Agreement shall be instituted and determined exclusively in and by the United States District Court, for the Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer*. Each party hereby irrevocably submits with regard to any such suit, claim, action, or proceeding for themselves personally and also in respect to property, generally and unconditionally, to the exclusive jurisdiction of the United States District Court, for the Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer*. For purposes of this Agreement, the parties consent to exclusive venue of the United States District Court, for the Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer* and hereby waive any objection they may have now or hereafter to the venue of any such suit, claim, action, or proceeding arising out of or related to this Agreement proceeding with the United States District Court, for the Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer*. The parties further agree that, in the event of litigation arising out of or in connection with this Agreement, they will not contest or challenge the jurisdiction or venue of this Court.

**4.3** Nothing contained in this Assignment is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future claim or right or the ability of the parties to protect and preserve their rights, remedies and interests and the parties each fully reserve any and all of their respective rights and remedies relating to one another, including the claims of the Assignor to a portion of the balance due under the above-referenced loan documents, including, but not limited to, monies owed to Titan for net funding the above-detailed loans, the new \$1.55 Million loan, or the claims of Assignor pursuant to the Settlement Agreement, and the documents relating thereto.

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**4.2 Interpretation.** This Agreement is the product of joint drafting and negotiations between the parties, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any party by reason of that party having

drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof.

**4.4 Successors and Assigns.** This Agreement is intended to bind and inure to the benefit of the parties and their respective successors, assigns, heirs, executors, administrators and representatives.

**4.5 Waiver.** Except as expressly provided in this Agreement, nothing herein is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future, claim or right or the ability of the parties to protect and preserve their respective rights, remedies and interests and the parties each fully reserves any and all of their respective rights and remedies, including, but not limited to, any of Titan's interests in anything that is being assigned herein.

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**4.6 Headings.** Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement.

Deleted: 4.7 → **Future Assurances.** Each party shall execute any further documents and take all further actions as may be reasonably necessary to effectuate the terms and conditions of this Agreement.

**4.7 Attorney Review.** Each party has had a right to consult an attorney and has specifically consulted an attorney with respect to the terms and conditions of this Agreement and acknowledges that it fully understands this Agreement and the effect of signing and executing the Agreement.

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**4.8 Severability.** Should any part of this Agreement be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provision shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Agreement shall remain binding upon the parties.

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**4.9 Attorneys' Fees.** Each party shall bear its own attorneys' fees and costs that were incurred in connection with the preparation of this Agreement; provided that the prevailing party in any action to enforce this Agreement or by reason of this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party.

Deleted: 4.10 → **Notices.** Whenever this Agreement requires or contemplates that one party shall or may give notice or communicate with another party, notice or communication can be provided by electronic mail and/or overnight mail and notice shall be deemed effective upon delivery to the overnight carrier, or successful transmission of the electronic mail.

**4.10 WAIVER OF JURY TRIAL: IN ANY CIVIL ACTION, COUNTERCLAIM OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS OR RELATES TO THIS AGREEMENT, ANY TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT (STATUTORY, CONSTITUTIONAL, COMMON LAW OR OTHERWISE) IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE WAIVER OF THE OTHER PARTIES' RIGHT TO TRIAL BY JURY. NO PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.**

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In Witness Whereof the parties have made and entered into this Agreement as of the date first above written.

Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver

Titan Funding, LLC, a Florida Limited Liability Company

By: John M. Mansour, Chief Executive Officer

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing Agreement was acknowledged, subscribed and sworn to before me by Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver, on this the \_\_\_\_ day March, 2020.

NOTARY PUBLIC, STATE OF \_\_\_\_\_ AT LARGE  
My commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing Agreement was acknowledged, subscribed and sworn to before me for and on behalf of Titan Funding, LLC, a Florida Limited Liability Company, by John M. Mansour, Chief Executive Officer, of said Titan Funding, LLC, on this the \_\_\_\_ day March, 2020.

NOTARY PUBLIC, STATE OF \_\_\_\_\_ AT LARGE, KY  
My commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

**Deleted:** Titan Loan Servicing, LLC, a Florida Limited Liability Company  
By: \_\_\_\_\_  
→ John M. Mansour, Chief Executive Officer  
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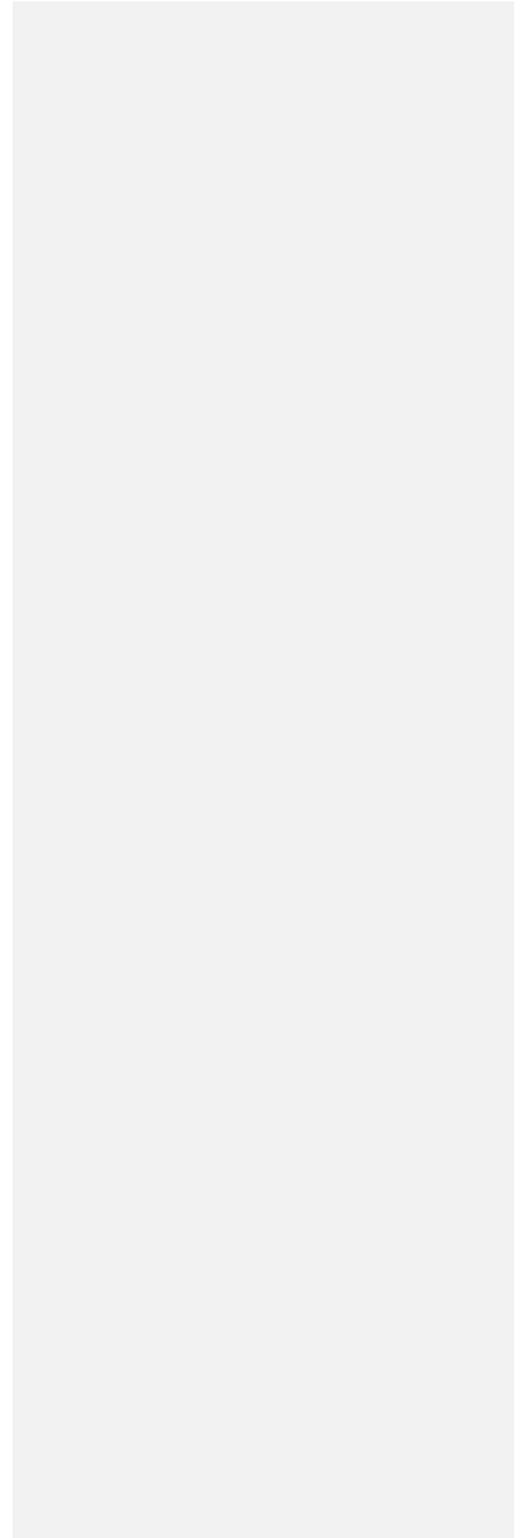
The foregoing Agreement was acknowledged, subscribed and sworn to before me for and on behalf of Titan Loan Servicing, LLC, a Florida Limited Liability Company, by John M. Mansour, Chief Executive Officer, of said Titan Loan Servicing, LLC, on this the \_\_\_\_\_ day March, 2020.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF \_\_\_\_\_ AT LARGE, KY

My commission expires: \_\_\_\_\_

This instrument prepared without examination  
or opinion of title by:

\_\_\_\_\_  
Robert E. Maclin, III  
McBrayer PLLC  
201 E. Main Street, Suite 900  
Lexington, Kentucky 40507  
(859)231-8780



**ASSIGNMENT OF RECEIVER'S INTEREST IN  
NOTES, MORTGAGES, SECURITY AGREEMENTS  
AND OTHER LOAN DOCUMENTS**

This Assignment of Receiver's interest in Notes, Mortgages, Security Agreements and Other Loan Documents ("Agreement") is made and entered into this 16<sup>th</sup> day of March, 2020 by, between and among Titan Funding, LLC, a Florida Limited Liability Company ("Titan Funding"), whose addresses are 2701 N.W. Boca Raton Blvd., Suite 105, Boca Raton, FL 33431 and JONATHAN PERLMAN, Receiver for Halfpay NV, LLC, successor by merger with Halfpay International, LLC, A Delaware Limited Liability Company, c/o Genovese Joblove and Battista, P.A., 100 SE 2<sup>nd</sup> Street, 44<sup>th</sup> Floor, Miami, Florida 33131 ("Receiver" or "Assignee") by the Order entered May 17, 2017 ("Receivership Order"), by the United States District Court, Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al., Case No. 17-60907-CIV-Moreno/Seltzer*.

**RECITALS**

**WHEREAS**, The Balloon Promissory Note, dated January 12, 2017, in the principal amount of \$2,300,000.00 made by Kingdom Coal, LLC, a Wyoming Limited Liability Company dba Roxanna Prep Plant ("Kingdom Coal") to the order of Titan Funding, a true copy of which is attached hereto and made a part hereof as **Exhibit A** ("2,300,000.00 Balloon Note") advanced and loaned the net funded amount of \$2,300,000.00 of moneys of the Receivership Entities and Titan, jointly and severally, to Kingdom Coal;

**WHEREAS**, as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding, pursuant to the Mortgage and Security Agreement dated January 12, 2017, a mortgage and security interest in and to certain real and personal property, which appears of record in Mortgage Book 328 Page 143 et seq., in the office of the Letcher County, Kentucky Clerk, a true copy of which is attached hereto and made a part hereof as **Exhibit B** ("Mortgage and Security Agreement");

**WHEREAS**, as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding, pursuant to the Security Agreement, dated January 12, 2017, a security interest in and to certain personal property, a true copy of which is attached hereto and made a part hereof as **Exhibit C** ("Security Agreement"), as evidenced by the UCC financing statements filed in the Commonwealth of Kentucky, true copies of which are collectively attached hereto and made a part hereof as **Exhibit D** ("UCC's");

**WHEREAS**, as collateral security for the \$2,300,000.00 Balloon Note, Kingdom Resources, LLC, a Wyoming Limited Liability Company and the parent and controlling person of Kingdom Coal ("Kingdom Resources") granted Titan Funding, pursuant to the First Loan Pledge and Security Agreement dated January 12, 2017, a pledge and security interest in and to Eighty Five Percent (85%) of the membership interests in Kingdom Coal, a true copy of which is attached hereto and made a part hereof as **Exhibit E** ("Pledge Agreement");

**WHEREAS**, for and in consideration of the \$2,300,000.00 Balloon Note, Kingdom Coal granted a royalty on certain coal production of Kingdom Coal, to Titan Funding, pursuant to the Royalty Agreement, dated January 12, 2017, a true copy of which is attached hereto and made a part hereof as **Exhibit F** ("Royalty Agreement");

**WHEREAS**, for and in consideration of the \$2,300,000.00 Balloon Note, Michael A. Blubaugh, personally and individually, Kingdom Resources, LLC and KREG Equities, Ltd., jointly and severally, guaranteed to Titan Funding, pursuant to the Guaranty of Payment and Performance Agreement, dated January 12, 2017, the performance and payment of the obligations of Kingdom Coal pursuant to the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement and the Security Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit G** ("Guaranty Agreement");

**WHEREAS**, The First Amendment to Balloon Promissory Note dated January 17, 2017, with Kingdom Coal, to modify and amend the \$2,300,000.00 Balloon Note, a true copy of which is attached hereto and made a part hereof as **Exhibit H** ("First Balloon Note Amendment");

**WHEREAS**, The First Amendment to Pledge and Security Agreement dated January 31, 2017, with Kingdom Resources, LLC, to modify and amend the Pledge Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit I** ("First Amendment to Pledge Agreement");

**WHEREAS**, As collateral security for the \$5,550,000.00 Balloon Note (as defined herein), Kingdom Resources granted Titan Funding, pursuant to the Pledge and Security Agreement dated February 2, 2017, a pledge and security interest in and to all of Kingdom Resources' right, title and interest of Kingdom RE & M Holdings, LLC, a subsidiary of Kingdom Resources and affiliate of Kingdom Coal (i.e., 99% of the interests of Kingdom RE & M Holdings, LLC), a true copy of which is attached hereto and made a part hereof as **Exhibit J** ("Kingdom Resources Pledge Agreement");

**WHEREAS**, The First Restated and Second Amended Balloon Promissory Note, dated February 3, 2017, was net funded the amount of \$5,550,000.00 made by Kingdom Coal to the order of Titan Funding, a true copy of which is attached hereto and made a part hereof as **Exhibit K** ("\$5,500,000.00 Balloon Note"), modified the \$2,300,000.00 Balloon Note and additionally advanced and loaned the additional net funded amount of \$3,200,000.00 of monies of the Receivership Entities, jointly and severally, to Kingdom Coal such that the total indebtedness of Kingdom Coal to Titan Funding, became and is in the net funded amount of \$5,550,000.00;

**WHEREAS**, There is a Third Amended Balloon Promissory Note with Kingdom Coal, made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as **Exhibit L** ("Third Balloon Note Amendment"), to modify and amend the \$5,550,000.00 Balloon Note;

**WHEREAS**, A First Amendment to Mortgage and Security Agreement dated February 3, 2017, with Kingdom Coal, to modify and amend the Mortgage and Security Agreement, which appears of record in Mortgage Book 329, Page 71 et seq. in the office of the Letcher County Clerk, a true copy of which is attached hereto and made a part hereof as **Exhibit M** ("Mortgage First Amendment");

**WHEREAS**, The First Amendment to Security Agreement dated February 3, 2017 with Kingdom Coal, to modify and amend the Security Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit N** ("Security Agreement First Amendment");

**WHEREAS**, The Restated and Amended Royalty Agreement dated February 1, 2017 with Kingdom Coal, to modify and amend and restate the Royalty Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit O** ("Restated Royalty Agreement");

**WHEREAS**, for and in consideration of the \$5,550,000.00 Balloon Note, Michael A. Blubaugh, personally and individually, Kingdom Resources, LLC and KRED Equities, Ltd., jointly and severally, guaranteed to Titan Funding, pursuant to the First Amendment To Guaranty of Payment and Performance Agreement dated February 1, 2017, the performance and payment of the obligations of Kingdom Coal pursuant to the \$2,300,000.00 Balloon Note, First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the Kingdom RE & M Holdings Note, the \$5,550,000.00 Balloon Note, the Third Amendment, the Mortgage and Security Agreement, Mortgage First Amendment, the Security Agreement, the Security Agreement First Amendment, and the Guaranty Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit P** ("Guaranty Agreement First Amendment");

**WHEREAS**, The Confidential Private Settlement and Release Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit Q** ("Settlement Agreement"); and

**WHEREAS**, the parties do by these presents desire to memorialize and ratify that the Receiver has certain rights, titles and ownership in and to the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Pledge Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, the Guaranty Agreement First Amendment, the Settlement Agreement and any and all related and underlying documents and instruments.

**NOW THEREFORE**, in consideration of the above Recitals, which constitute part of this Agreement and for good and valuable consideration, the receipt and sufficiency of which the parties do hereby acknowledge, the parties do hereby agree as follows:

**1.0 Assignment.** Titan Funding does hereby transfer, set over and assign unto Receiver, without recourse in favor of Titan Funding, the Receiver's interest in the following: 2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the Kingdom RE & M Holdings Note, the \$5,550,000.00 Balloon Note, the Third Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement and the Guaranty Agreement First Amendment and all related and underlying documents and instruments.

**2.0** Titan's \$1.55 Million New Loan ("New Loan"), its interest in the Settlement Agreement, and any collateral securing the New Loan are not being assigned to the Receiver. Titan extended a New Loan to Kingdom Coal, and other Kingdom Coal related and affiliated parties, in the amount of \$1.55 Million (the "New Loan") on or about April 20, 2018, which is secured by the collateral identified in this Assignment and is a component of the Settlement Agreement.

**3.0 Limitations of Warranties of Titan Funding and Titan Servicing.** Titan Funding does not make any guarantees or warranties regarding the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Pledge Agreement, the Royalty Agreement, the Guaranty Agreement, the First Balloon Note Amendment, the First Amendment to Pledge Agreement, the Kingdom Resources Pledge Agreement, the \$5,550,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, the Guaranty Agreement First Amendment, the Settlement Agreement and any and all related and underlying documents and instruments, or anything being assigned herein other than it is assigning solely and exclusively the Receiver's interest in the foregoing and not Titan's interest in the foregoing.

**4.0 Miscellaneous Provisions.**

**4.1 Effectiveness; Amendments.** This Agreement may not be modified, amended or supplemented except in writing signed by all parties.

**4.2 GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM; VENUE THIS AGREEMENT IS TO BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KENTUCKY WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each party hereto expressly and irrevocably agrees that any legal suit, claim, action or proceeding arising out of or related to this Agreement shall be instituted and determined exclusiely in Knott County, Kentucky Circuit Court or the federal court located in Iho Eastern District of Kentucky. Each party hereby irrevocably submits with regard to any such suit, claim, action, or proceeding for themselves personally and also in re.pect to property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid court. For purposes of this Agreement the parties consent to exclusive venue in the Knott County Circuit Court or the federal court in the Eastern District of Kentucky and hereby waive any objection they may have or hereafter to the venue of any such suit, claim, action, or proceeding arising out of or related to this Agreement proceeding in the Knott Circuit Court or the federal court of the Eastern District of Kentuck. The parties further agree that in the event of litigation arising out of or in connection with this Agreement, they will not contest or challenge the jurisdiction or venue of the aforementioned courts.**

**4.3** Nothing contained in this Assignment is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future claim or right or the ability of the parties to protect and preserve their rights, remedies and interests and the parties each fully reserve any and all of their respective rights and remedies relating to one another, including the claims of the Assignor to a portion of the balance due under the above-referenced loan documents, including, but not limited to, monies owed to Titan for net funding the above-detailed loans, the New Loan, or the claims of Assignor pursuant to the Settlement Agreement and the documents relating thereto.

**4.2 Interpretation.** This Agreement is the product of joint drafting and negotiations between the parties, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any party by reason of that party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof.

**4.4 Successors and Assigns.** This Agreement is intended to bind and inure to the benefit of the parties and their respective successors, assigns, heirs, executors, administrators and representatives.

**4.5 Waiver.** Except as expressly provided in this Agreement, nothing herein is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future, claim or right or the ability of the parties to protect and preserve their respective rights, remedies and interests and the parties each fully reserves any and all of their respective rights and remedies, including, but not limited to, any of Titan's interests in anything that is being assigned herein.

**4.6 Headings.** Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement.

**4.7 Attorney Review.** Each party has had a right to consult an attorney and has specifically consulted an attorney with respect to the terms and conditions of this Agreement and acknowledges that it fully understands this Agreement and the effect of signing and executing the Agreement.

**4.8 Severability.** Should any part of this Agreement be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provision shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Agreement shall remain binding upon the parties.

**4.9 Attorneys' Fees.** Each party shall bear its own attorneys' fees and costs that were incurred in connection with the preparation of this Agreement; provided that the prevailing party in any action to enforce this Agreement or by reason of this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party.

**4.10 WAIVER OF JURY TRIAL:** IN ANY CIVIL ACTION, COUNTERCLAIM OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS OR RELATES TO THIS AGREEMENT, ANY TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT (STATUTORY, CONSTITUTIONAL, COMMON LAW OR OTHERWISE) IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE WAIVER OF THE OTHER PARTIES' RIGHT TO TRIAL BY JURY. NO PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

In Witness Whereof the parties have made and entered into this Agreement as of the date first above written.

Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver

Titan Funding, LLC, a Florida Limited Liability Company

By: John M. Mansour, Chief Executive Officer

STATE OF \_\_\_\_\_ )
COUNTY OF \_\_\_\_\_ )

The foregoing Agreement was acknowledged, subscribed and sworn to before me by Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver, on this the \_\_\_\_ day March, 2020.

NOTARY PUBLIC, STATE OF \_\_\_\_\_ AT LARGE

My commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ )
COUNTY OF \_\_\_\_\_ )

The foregoing Agreement was acknowledged, subscribed and sworn to before me for and on behalf of Titan Funding, LLC, a Florida Limited Liability Company, by John M. Mansour, Chief Executive Officer, of said Titan Funding, LLC, on this the \_\_\_\_ day March, 2020.

NOTARY PUBLIC, STATE OF \_\_\_\_\_ AT LARGE, KY

My commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ )
COUNTY OF \_\_\_\_\_ )

**From:** Adam Steinberg adam@adamsteinberglaw.com  
**Subject:** FW: 101719 - Assignment of Loan Documents (AJS edits 10-25-19)  
**Date:** March 9, 2020 at 5:26 PM  
**To:** Vanessa Fonts Vanessa@adamsteinberglaw.com



# Adam J. Steinberg

Martindale-Hubbell



Preeminent™

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

*Complex Situations...*



*Outside the Box Solutions*

200 S. Andrews Avenue, Suite 903  
Ft. Lauderdale, FL 33301  
Office: (954) 548-3357  
Cellular: (305) 610-0966  
Facsimile: (888) 222-4192  
Email: [Adam@AdamSteinbergLaw.com](mailto:Adam@AdamSteinbergLaw.com)  
URL: [www.AdamSteinbergLaw.com](http://www.AdamSteinbergLaw.com)

NOTICE: THE INFORMATION CONTAINED IN THIS TRANSMISSION IS ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL. IT IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPY OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE COLLECT AND DELETE THE MATERIAL FROM ANY COMPUTER. THANK YOU.

**Save a Tree!** **P** Please consider the environment before printing this e-mail.

**From:** Adam Steinberg  
**Sent:** Friday, October 25, 2019 7:25 PM

**COMPOSITE**  
**EXHIBIT C**

**To:** Garno, Greg <GGarno@gjb-law.com>; Jaron Blandford (jblandford@mmlk.com) <jblandford@mmlk.com>  
**Cc:** Michael R. Gosnell <mgosnell@weberrose.com>  
**Subject:** 101719 - Assignment of Loan Documents (AJS edits 10-25-19)

Counsel:

Please see the attached redlined Partial Assignment, which is being provided subject to my client's final review and approval.

Best,

Adam J. Steinberg

Martindale-Hubbell



Preeminent<sup>TM</sup>

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

*Complex Situations...*



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Save a Tree! 🌲 Please consider the environment before printing this e-mail.



101719 -  
Assign...).docx

**PARTIAL ASSIGNMENT OF LOAN DOCUMENTS**

THIS **PARTIAL** ASSIGNMENT OF LOAN DOCUMENTS (“Assignment”) is made and entered into as of the \_\_\_\_\_ day of **October**, 2019, by and between: TITAN FUNDING, LLC, A Florida Limited Liability Company, 2701 NW Boca Raton Blvd., Suite 105, Boca Raton, Florida 33431 (“Titan” or “Assignor”); and, JONATHAN PERLMAN, Receiver for Halfpay NV, LLC, **successor by merger with** Halfpay International, LLC, A Delaware Limited Liability Company, c/o Genovese Joblove and Battista, P.A., 100 SE 2<sup>nd</sup> Street, 44<sup>th</sup> Floor, Miami, Florida 33131 (“Receiver” or “Assignee”);

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1. WHEREAS, Assignor is the Holder of certain “Loan Documents” from Kingdom Coal, LLC, A Wyoming Limited Liability Company d/b/a Roxanna Prep Plant (“Kingdom Coal”), and more fully described hereafter:

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\_\_\_\_\_ A. A Balloon Promissory Note dated January 12, 2017, in the principal amount of \$2,300,000.00 made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit “A” (the “\$2,300,000.00 Balloon Note”);

\_\_\_\_\_ B. A Mortgage and Security Agreement dated January 12, 2017, executed by Kingdom Coal which is recorded in Mortgage Book 328, Page 143, in the Office of the Clerk of Letcher County, Kentucky, a true copy of which is attached hereto and made a part hereof as Exhibit “B” (the “\$2,300,000.00 Mortgage and Security Agreement”);

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\_\_\_\_\_ C. A Security Agreement dated January 12, 2017, granting a security interest in and to certain personal property, a true copy of which is attached hereto and made a part hereof as Exhibit “C” (the “\$2,300,000.00 Security Agreement”), and as evidenced by UCC Financing Statements filed with the Kentucky Secretary of State, true copies of which are collectively attached hereto and made a part hereof as Exhibit “D” (the “UCCs”);

\_\_\_\_\_ D. A \$2,300,000.00 First Loan Pledge and Security Agreement dated January 12, 2017, from Kingdom Resources, LLC, A Wyoming Limited Liability Company (“Kingdom Resources”), granting a security interest in and to eighty-five (85%) percent of the membership interests in Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit “E” (the “Pledge Agreement”);

\_\_\_\_\_ E. A \$2,300,000.00 Royalty Agreement dated January 12, 2017, made by Kingdom Coal, on certain coal production of Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit “F” (the “Royalty Agreement”);

\_\_\_\_\_ F. A First Amendment to Balloon Promissory Note dated January 17, 2017, executed by Kingdom Coal to modify and amend the \$2,300,000.00 Balloon Note, a true copy of which is attached hereto and made a part hereof as Exhibit “G” (the “First Balloon Note Amendment”);

G. A First Amendment to Pledge and Security Agreement dated January 31, 2017, from Kingdom Resources, LLC, to modify and amend the Pledge Agreement, a true copy of which is attached hereto and made a part hereof as Exhibit "H" (the "First Amendment to Pledge Agreement");

H. A First Restated and Second Amended Balloon Promissory Note dated February 3, 2017, in the principal amount of \$5,550,000.00 made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit "I" (the "\$5,550,000.00 Balloon Note"), which modified the \$2,300,000.00 Balloon Note and additionally advanced and loaned the additional principal amount of \$ \_\_\_\_\_ to Kingdom Coal such that the total indebtedness of Kingdom Coal pursuant to the \$5,550,000.00 Balloon Note became and is in the principal sum of \$ \_\_\_\_\_;

I. An undated Third Amended Balloon Promissory Note executed by Kingdom Coal that modified and amended the \$5,550,000.00 Balloon Note, a true copy of which is attached hereto and made a part hereof as Exhibit "J" (the "Third Balloon Note Amendment");

J. A \$5,550,000.00 First Amendment to Mortgage and Security Agreement dated February 3, 2017, made by Kingdom Coal that is of record in Mortgage Book 329 (???) Page 71 (???) in the Office of the Clerk of Letcher County, Kentucky, a true copy of which is attached hereto and made a part hereof as Exhibit "K" (the "Mortgage First Amendment");

K. A \$5,550,000.00 First Amendment to Security Agreement dated February 3, 2017, made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit "L" (the "Security Agreement First Amendment");

L. A \$5,550,000.00 Restated and Amended Royalty Agreement dated February 1, 2017, made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as Exhibit "M" (the "Restated Royalty Agreement");

M. A \$5,550,000.00 Pledge and Security Agreement dated February 2, 2017, executed by Kingdom Resources granting as collateral security for the \$5,500,000.00 Balloon Note the right, title and interest of Kingdom RE & M Holdings, LLC ("KREM"), a subsidiary of Kingdom Resources and an affiliate of Kingdom Coal (i.e., ninety-nine (99%) percent of the interest of KREM), a true copy of which is attached hereto and made a part hereof as Exhibit "N" (the "Kingdom Resources Pledge Agreement");

2. Titan's Loan (and for the sake of clarity, Titan's loan is in no way being assigned to the Receiver and is not a part of the Loan Documents being partially assigned hereto) with the full authorization and consent of Assignee. Assignor, extended a new loan to Kingdom Coal, and other Kingdom Coal related and affiliated parties, in the amount of \$1.55 Million (the "New Loan") on or about April 20, 2018, for the purpose of providing Kingdom Coal with the monies necessary to maintain its coal mining operations and to secure bond financing, pursuant to a Confidential Private Settlement and Release Agreement, dated April 20, 2018 ("CPSRA"), and all other documents as

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identified in said Agreement, a true copy of which is attached hereto and made a part hereof as Exhibit "O";

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Deleted: incorporated herein by reference,  
Deleted: WHEREAS, all of the above enumerated documents shall hereafter be collectively referred to as the "Loan Documents";

NOW, THEREFORE, for a good and valuable consideration, the receipt and sufficiency of which the parties do hereby acknowledge, the parties agree as follows:

1. The recitals set forth above are true and correct. Effective as of the date of this Partial Assignment (the "Effective Date"), Assignor hereby grants, assigns, transfers, and conveys to Assignee all of Halfpay International, LLC's right, title, interest, claim, and demand in and to the Loan Documents, including the security pledged in connection with the same; provided however Assignor is retaining its right, title, interest, claim, and demand in and to the Loan Documents, including the security pledged in connection with the same as Titan. For the sake of clarity, Halfpay International, LLC and Titan, after execution of this Partial Assignment, each shall have the right to make claims related to monies owed to them in connection with the funding of the loans related to the Loan Documents. This Assignment is being made by Assignor to Assignee pursuant to a Receivership Order entered in the United States District Court, Southern District of Florida, in the case of Federal Trade Commission, et al. v. Jeremy Lee Marcus, et al., Civil Action No. 17-60907-CIV-Moreno/Seltzer, a true copy of which is attached hereto and made a part hereof as Exhibit "P". This Assignment is WITHOUT RECOURSE to Assignor and Assignee states his understanding that the Borrower and Guarantors under the Loan Documents have defaulted thereon.

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2. Nothing contained in this Assignment is intended to, or does, or shall be deemed in any manner to waive, limit, impair or restrict any past, current or future claim or right or the ability of the parties to protect and preserve their rights, remedies and interests and the parties each fully reserve any and all of their respective rights and remedies relating to one another, including the claims of the Assignor to a portion of the balance due under the Loan Documents, including, but not limited to, monies owed to Titan for net funding the Loan Documents, or including the claims of Assignor pursuant to the CPSRA and the documents relating thereto.

Deleted: <#> Assignee does hereby accept this Assignment subject to the CPSRA.  
<#> The principal balance due and owing under the Loan Documents assigned herein is \$ \_\_\_\_\_ with interest accruing thereon at the default rate as set out in the Loan Documents from April \_\_\_\_\_, 2017.  
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3. This Assignment is intended to bind and inure to the benefit of the parties and their respective successors, assigns, and representatives.

4. Each party shall execute any further documents and take all further actions as may be reasonably necessary to effectuate the terms and conditions of this Assignment.

5. Should any part of this Assignment be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provision shall be replaced with a provision that accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Assignment shall remain binding upon the parties.

6. **WAIVER OF JURY TRIAL: IN ANY CIVIL ACTION, COUNTERCLAIM OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF,**

CONCERNS OR RELATES TO THIS AGREEMENT, ANY TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF OR THE RELATIONSHIP CREATED HEREBY, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT (STATUTORY, CONSTITUTIONAL, COMMON LAW OR OTHERWISE) IT MAY HAVE TO A TRIAL BY JURY. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE WAIVER OF THE OTHER PARTIES' RIGHT TO TRIAL BY JURY. NO PARTY HAS MADE OR RELIED UPON ANY ORAL REPRESENTATIONS BY ANY OTHER PARTY REGARDING THE ENFORCEABILITY OF THIS PROVISION. EACH PARTY HAS READ AND UNDERSTANDS THE EFFECT OF THIS JURY WAIVER PROVISION.

7. This Assignment may not be modified, amended or supplemented except in a writing signed by all parties.

8. This Assignment may be executed in more than one counterpart, all of which shall constitute one document.

IN TESTIMONY WHEREOF, witness the signatures of the Assignor by its duly authorized representative, and Assignee as of the date and year first above written.

TITAN FUNDING, LLC  
A Florida Limited Liability Company

JONATHAN E. PERLMAN, Receiver

BY: JOHN M. MANSOUR  
AS: Chief Executive Officer

JONATHAN E. PERLMAN  
Court-Appointed Permanent Receiver of  
Halfpay NV, LLC f/k/a Halfpay International,  
LLC

STATE OF FLORIDA )  
COUNTY OF )

The foregoing Agreement was acknowledged, subscribed and sworn to before me by JOHN M. MANSOUR, as Chief Executive Officer of TITAN FUNDING, LLC, A Florida Limited Liability Company, this the \_\_\_\_\_ day October, 2019, to be his free and voluntary act and deed and the act and deed of said Company.

My commission expires: \_\_\_\_\_

NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE

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STATE OF FLORIDA )  
COUNTY OF MIAMI-DADE )

The foregoing Agreement was acknowledged, subscribed and sworn to before me by JONATHAN E. PERLMAN, as and in his capacity as Court-Appointed Permanent Receiver of Halfpay NV, LLC f/k/a Halfpay International, LLC, A Delaware Limited Liability Company, on this the \_\_\_\_\_ day October, 2019, to be his free and voluntary act and deed and the act and deed of the said Receivership.

My commission expires: \_\_\_\_\_

NOTARY PUBLIC  
STATE OF FLORIDA AT LARGE

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COMMONWEALTH OF KENTUCKY  
KNOTT CIRCUIT COURT  
36TH JUDICIAL CIRCUIT  
CIVIL ACTION NO. 18-CI-203

Filed Electronically

KENTUCKY RIVER PROPERTIES, LLC

PLAINTIFF

and

INTERVENING COMPLAINT

JONATHAN E. PERLMAN, ESQ.  
As and in his Capacity as Court  
Appointed Permanent Receiver

INTERVENING PLAINTIFF

v.

KINGDOM COAL, LLC, et al.

DEFENDANTS

\* \* \* \* \*

Comes Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver (the "Receiver") by a Preliminary Injunction entered May 17, 2017 ("Receivership Order"), by the United States District Court, Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al.*, Case No. 17- 60907-CIV-Moreno/Seltzer and for his Intervening Complaint against Defendant, Kingdom Coal, LLC ("Kingdom Coal"), Defendant, Titan Funding, LLC ("Titan Funding"), Defendant Javelin Global Commodities (UK) LTD, Defendant, NS Private Equity, LLC, Defendant, Enterprise Mining, Inc. and Plaintiff, Kentucky River Properties LLC, states and alleges as follows:

I

**PARTIES AND JURISDICTION**

1. The Receiver, by the Receivership Order entered by the United States District Court, Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al.*, Case



**EXHIBIT D**

No. 17- 60907-CIV-Moreno/Seltzer (“Receivership Proceeding”), a true copy of which is attached hereto and made a part hereof as **Exhibit A**, has been directed and granted exclusive right to possess, manage, and control the assets and property of the Receivership Defendants.<sup>1</sup> The assets and property of the Receivership Defendants includes without limitation assets and property located in or about Knott County, Kentucky and Letcher County, Kentucky and which are subjects of, involved with, underlying or otherwise related to this action.

2. The Receivership Order provides in relevant part:

**B. RECEIVERSHIP DUTIES**

**IT IS . . . ORDERED** that the Receiver is directed and authorized to accomplish the following:

1. Assume full control of the Receivership Defendants by removing, as the Receiver deems necessary or advisable, any director, officer, employee, independent contractor, or agent of the Receivership Defendants, including any Individual Defendant, from control of, management of, or participation in, the affairs of the Receivership Defendants;

2. **Take exclusive custody, control, and possession of all assets** and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, wherever situated. The Receiver shall have full power to divert mail and to sue for, collect, receive, take in possession, hold, and manage all assets and documents of the Receivership Defendants and other persons or entities whose interests are now held by or under the direction, possession, custody, or control of the Receivership Defendants; . . .

---

<sup>1</sup> The “Receivership Defendants” includes Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc., f/k/a 321 Loans, Inc. also d/b/a 321Financial, Inc.; Instahelp America, Inc. f/k/a Helping America Team, Inc. also d/b/a Helping America Group; Breeze Financial Solutions, Inc. also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. also d/b/a Guardian Legal Center; Guardian LG, LLC also d/b/a Guardian Legal Group; American Credit Security, LLC f/k/a America Credit Shield, LLC; Paralegal Support Group LLC f/k/a Paralegal Support LLC; and Associated Administrative Services, LLC also d/b/a Jobfax, Viking Management Services, LLC, Cockburn & Associate LLC, Omni Management Partners LLC, Discount Marketing USA, S.A., JLMJP Pompano, LLC, Nantucket Cove of Illinois, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., White Light Media LLC, Blue42, LLC, National Arms, LLC, 110 Gloucester St., LLC and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them.

4. **Conserve, hold, and manage all receivership assets, and perform all acts necessary or advisable to preserve the value of those assets**, in order to prevent any irreparable loss, damage, or injury to consumers or to creditors of the Receivership Defendants, including, but not limited to, obtaining an accounting of the assets and preventing transfer, withdrawal, or misapplication of assets, and including the authority to liquidate or close out any open securities or commodity futures positions of the Receivership Defendants;

....

6. **Prevent the inequitable distribution of assets** and determine, adjust, and protect the interests of consumers and creditors who have transacted business with the Receivership Defendants;

...

11. **Institute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal, or foreign courts that the Receiver deems necessary and advisable to preserve or recover the assets of the Receivership Defendants or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;**

....

Ex. A at pp. 17-20 (emphasis added).

#### F. STAY OF ACTIONS

1. [A]ll "Persons," including "agents, directors, servants, employees, attorneys [of Receivership or Relief Defendants], and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly, and all other **Persons are hereby stayed from: taking any action to establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name of, the Receivership Defendants, any of their subsidiaries, affiliates, partnerships, assets, documents, or the Receiver...including, but not limited to, the following actions:**

a. **Commencing, prosecuting, continuing, entering or enforcing any suit or proceeding . . .;**

b. **Accelerating the due date of any obligation or claimed obligation; filing, perfecting or enforcing any lien; taking or attempting to take possession, custody, or control of any asset; attempting to foreclose, forfeit, alter, or terminate any interest in any asset, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise, or setoff of any debt owing to the Receivership Defendants . . .;**

c. Using self-help or executing, issuing, serving, or causing the execution, issuance or service of, any legal process, including, but not limited to....writs of execution, or any other form of process whether specified in this Order or not.”

Ex. A at pp. 24-25 (emphasis added).

#### IV. ASSET FREEZE

**IT IS FURTHER ORDERED** that Defendants and Relief Defendants, together with their officers, agents, directors, servants, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, except as provided herein, **are hereby temporarily restrained and enjoined from:**

**A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any funds, real or personal property, accounts, contracts, shares of stock, lists of consumer names, or other assets, or any interest therein, wherever located, including outside the territorial United States, that are:**

1. owned, controlled, or held, in whole or in part, by any Defendant or Relief Defendant;
2. held, in whole or in part, for the direct or indirect benefit of any Defendant or Relief Defendant;
3. in the actual or constructive possession of any Defendant or Relief Defendant;
4. held by an agent, including an attorney, of any Defendant or Relief Defendant as a retainer for the agent’s provision of services to any Defendant or Relief Defendant; or
5. owned or controlled by, or in the actual or constructive possession of, or otherwise held for the benefit of any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant, or of which any Defendant or Relief Defendant is an officer, director, manager or member. This includes, but is not limited to, any assets held by, for, or subject to access by any Defendant or Relief Defendant at any bank, credit union, or savings and loan institution, or at or with any broker-dealer, retirement fund custodian, money market or mutual fund, trustee, escrow agent, storage company, title company, insurance company, commodity trading

company, precious metal dealer, payment processor, credit card processor, acquiring bank, merchant bank, independent sales organization, third party processor, payment gateway, automated clearing house processor, network transaction processor, bank debit processing agent, customer service agent, commercial mail receiving agency, mail holding or forwarding company, or other financial institution or depository of any kind, either within or outside the United States; or

6. held in any account for which any Defendant or Relief Defendant is, or was on the date that this Order was signed, an authorized signer;

B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant or Relief Defendant, subject to access by any Defendant or Relief Defendant, or under any Defendant or Relief Defendant's control;

C. Cashing any checks or depositing or processing any payments from customers or clients of Defendants;

D. Incurring charges or cash advances on any credit or bank card issued in the name, individually or jointly, of any Defendant or Relief Defendant or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant or of which any Defendant or Relief Defendant is an officer, director, member or manager. This includes any corporate bank card or corporate credit card account for which any Defendant or Relief Defendant is or was on the date that this Order was signed, an authorized signor; or

E. Incurring liens or other encumbrances on real property, personal property, or other assets in the name, individually or jointly, of any Defendant or Relief Defendant or of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant.

**PROVIDED** that the funds, property, and assets affected by this Section shall include all assets existing as of the entry of the Court's TRO on May 9, 2017, and all assets acquired after that date that are derived from any activity that is the subject of Plaintiffs' Complaint or that is prohibited by this Order.

*Id.* at pp. 9-11.

3. Plaintiff, Kentucky River Properties, LLC is a Delaware limited liability company with its principal office located at 360 East Vine Street, Suite 310, Lexington, Kentucky 40507,

whom initiated this action and thereby subjected itself to the jurisdiction of and venue with this Court.

4. Kingdom Coal is a Wyoming limited liability company with its principal office located at 89 Daniel Boone Drive, Barbourville, Kentucky 40906, which transacts business and owns property in Knott County, Kentucky and Letcher County, Kentucky and is thereby subject to the jurisdiction of and venue with this Court.

5. Defendant, Titan Funding, LLC (“Titan Funding”) is a financial services firm that, on behalf of one or more of the Receivership Defendants and using funds of the Receivership Defendants, transacted business and secured mortgages and security interests against real and personal property in Knott County, Kentucky and Letcher County, Kentucky and is thereby subject to the jurisdiction of and venue with this Court.

6. Defendant, Javelin Global Commodities (UK) LTD may have or claim an interest in and to real or personal property in Knott County, Kentucky and Letcher County, Kentucky which is involved in this action and is thereby subject to the jurisdiction of and venue with this Court.

7. Defendant, NS Private Equity, LLC may have or claim an interest in real or personal property in Knott County, Kentucky and Letcher County, Kentucky which is involved in this action and is thereby subject to the jurisdiction of and venue with this Court.

8. Defendant, Enterprise Mining Company, LLC may have or claim an interest in real or personal property in Knott County, Kentucky and Letcher County, Kentucky which is involved in this action and is thereby subject to the jurisdiction of and venue with this Court.

## II

### FACTUAL ALLEGATIONS

9. Receiver, by this reference and without admitting or denying any of the allegations

therein, except as otherwise set forth in this Intervening Complaint, by this reference incorporates and makes a part hereof as if set forth at length Plaintiff, Kentucky River Properties, LLC's Complaint.

10. Titan Funding as agent and representative of the Receivership Entities, and pursuant to the Balloon Promissory Note, dated January 12, 2017, in the principal amount of \$2,300,000.00 made by Kingdom Coal to the order of Titan Funding, as agent and representative of the Receivership Entities, jointly and severally, a true copy of which is attached hereto and made a part hereof as **Exhibit B** ("2,300,000.00 Balloon Note") advanced and loaned the principal amount of \$2,300,000.00 of moneys of the Receivership Entities, jointly and severally, to Kingdom Coal.

11. As collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding as agent and representative of the Receivership Entities, jointly and severally, pursuant to the Mortgage and Security Agreement dated January 12, 2017, a first priority mortgage and security interest in and to certain real and personal property, which appears of record in Mortgage Book 328 Page 143 et seq., in the office of the Letcher County, Kentucky Clerk, a true copy of which is attached hereto and made a part hereof as **Exhibit C** ("Mortgage and Security Agreement") and which is described as follows (collectively the "Mortgaged Property"):

See **Exhibit D** attached hereto and made a part hereof.

12. As collateral security for the \$2,300,000.00 Balloon Note, Kingdom Coal, granted Titan Funding as agent and representative of the Receivership Entities, jointly and severally, pursuant to the Security Agreement, dated January 12, 2017, a first priority security interest in and to certain personal property, a true copy of which is attached hereto and made a part hereof as **Exhibit E** ("Security Agreement"), as evidenced by the UCC financing statements filed in the Commonwealth of Kentucky, true copies of which are collectively attached hereto and made a part

hereof as **Exhibit F** (“UCC’s”) and described as follows (collectively the “Secured Personal Property”):

See **Exhibit G** attached hereto and made a part hereof

13. For and in consideration of the \$2,300,000.00 Balloon Note, Kingdom Coal granted a royalty on certain coal production of Kingdom Coal, to Titan Funding as agent and representative of the Receivership Entities, jointly and severally, pursuant to the Royalty Agreement, dated January 12, 2017, a true copy of which is attached hereto and made a part hereof as **Exhibit H** (“Royalty Agreement”).

14. Titan Funding as agent and representative of the Receivership Entities, jointly and severally, made and entered into the First Amendment to Balloon Promissory Note dated January 17, 2017, with Kingdom Coal, to modify and amend the \$2,300,000.00 Balloon Note, a true copy of which is attached hereto and made a part hereof as **Exhibit I** (“First Balloon Note Amendment”).

15. Titan Funding as agent and representative of the Receivership Entities, jointly and severally, and pursuant to the First Restated and Second Amended Balloon Promissory Note, dated February 3, 2017, in the principal amount of \$5,500,000.00 made by Kingdom Coal to the order of Titan Funding, a true copy of which is attached hereto and made a part hereof as **Exhibit J** (“\$5,500,000.00 Balloon Note”), modified the \$2,300,000.00 Balloon Note and additionally advanced and loaned the additional principal amount of \$3,200,000.00 of moneys of the Receivership Entities, jointly and severally, to Kingdom Coal such that the total indebtedness of Kingdom Coal to Titan Funding, as agent and representative of the Receivership Entities, jointly and severally, became and is in the principal amount of \$5,500,000.00.

16. Titan Funding as agent and representative of the Receivership Entities, jointly and severally, accepted the undated Third Amended Balloon Promissory Note with Kingdom Coal,

made by Kingdom Coal, a true copy of which is attached hereto and made a part hereof as **Exhibit K** (“Third Balloon Note Amendment”), to modify and amend the \$5,500,000.00 Balloon Note;

17. Titan Funding as agent and representative of the Receivership Entities, jointly and severally, made and entered into the First Amendment to Mortgage and Security Agreement dated February 3, 2017, with Kingdom Coal, to modify and amend the Mortgage and Security Agreement, which appears of record in Mortgage Book 329, Page 71 et. seq. in the office of the Letcher County Clerk, a true copy of which is attached hereto and made a part hereof as **Exhibit L** (“Mortgage First Amendment”);

18. Titan Funding, as agent and representative of the Receivership Entities, jointly and severally, made and entered into the First Amendment to Security Agreement dated February 3, 2017 with Kingdom Coal, to modify and amend the Security Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit M** (“Security Agreement First Amendment”);

19. Titan Funding as agent and representative of the Receivership Entities, jointly and severally, made and entered into the Restated and Amended Royalty Agreement dated February 1, 2017 with Kingdom Coal, to modify and amend and restate the Royalty Agreement, a true copy of which is attached hereto and made a part hereof as **Exhibit N** (“Restated Royalty Agreement”);

20. The Receiver succeeded to all rights, titles and interests of the Receivership Entities, jointly and severally, pursuant to the Receivership Order.

21. Kingdom Coal is in default of its obligations and duties under and pursuant to the 2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC’s, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement and any and all related and underlying

documents and instruments; and the Receiver has accelerated the obligations under and pursuant to those agreements, instruments and documents and declared all obligations of Kingdom Coal owed to the holder to be immediately due and payable.

22. The principal and interest unconditionally due and owing by Kingdom Coal to the order of the Receiver on the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments is \$5,500.00.00, plus interest thereon for a total amount, as of December 31, 2019, in the amount no less than \$11,273,483.96, and thereafter at a per diem of no less than \$4,148.61.

23. Counsel for the Receiver is not a regularly salaried employee of the Receiver. The Receiver is entitled to recover its reasonable attorneys' fees and costs herein incurred pursuant to the terms of the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments and KRS 411.195, jointly and severally, from Kingdom Coal.

## COUNT I

### DECLARATORY RELIEF

24. There is an actual controversy existing primarily as between Titan Funding and Kingdom Coal and the Receiver, and incidentally as to the other parties herein, as to the Receiver

having succeeded to and holding and owning, as a holder in due course, all rights titles and interests of Titan Funding, the Receivership Entities, jointly and severally, pursuant to the Receivership Order, in the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments.

25. The Receiver has no adequate remedy at law, and this is a proper case for the Court to exercise jurisdiction and declare the rights and liabilities of the parties.

26. The judgment requested by the Receiver will serve a useful purpose in providing relief from the uncertainty and any controversy and in clarifying and settling the Receiver having succeeded to and holding and owning, as a holder in due course, all rights, titles and interests of Titan Funding, the Receivership Entities, jointly and severally, pursuant to the Receivership Order, in the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments.

27. The Receiver is entitled to entry of a judgment under KRS 418.040 and/or 418.045 declaring that the Receiver having succeeded to and holding and owning, as a holder in due course, all rights, titles and interests of Titan Funding, the Receivership Entities, jointly and

severally, pursuant to the Receivership Order, in the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments.

28. The Receiver's claims herein for declaratory relief should be advanced for early hearing as provided by KRS 418.050 and CR 57.

## **COUNT II**

### **FORECLOSURE ON MORTGAGED PROPERTY**

29. The Mortgaged Property cannot be divided without materially impairing its value and the value of the interest of the parties hereto. The first priority mortgage, security interests, liens and encumbrance of the Receiver in and to the Mortgaged Property should be recognized, established, and enforced by the sale of the Mortgaged Property, and the Mortgaged Property should be sold under proper orders of this Court, free and clear of all mortgages, security interests, liens and encumbrance liens, claims and interests of the parties hereto. The lien and encumbrance of the Receiver on the Mortgaged Property should be transferred to the proceeds of sale of the Mortgaged Property and said proceeds should be first applied to satisfy in full the judgment sought herein by the Receiver against Kingdom Coal.

30. Kingdom Coal is obligated to the Receiver for any deficiency remaining after application of the proceeds of sale of the Mortgaged Property.

31. The Court should order and direct any party to this action in possession of the Mortgaged Property to vacate the Mortgaged Property on or before confirmation of the Master Commissioner's Report of Sale.

**COUNT III**  
**ENFORCEMENT OF SECURITY INTEREST**  
**IN SECURED PERSONAL PROPERTY**

32. The lien and encumbrance of the Receiver should be recognized, established, and enforced by the sale of the Secured Personal Property under proper orders of this Court, free and clear of all liens, claims and interests of the parties hereto. The lien and encumbrance of the Receiver on the Secured Personal Property should be transferred to the proceeds of sale thereof and said proceeds should be first applied to satisfy in full the judgment sought herein by the Receiver against Kingdom Coal.

33. Kingdom Coal is obligated to the Receiver for any deficiency remaining after application of the proceeds of sale of the Secured Personal Property.

34. The Court should order and direct any party in possession of the Secured Personal Property to surrender the Secured Personal Property to the Receiver or his agent.

**WHEREFORE**, Intervening Plaintiff, Jonathan E. Perlman, Esq., as and in his capacity as Court Appointed Permanent Receiver by the Injunction Order entered May 17, 2017, by the United States District Court, Southern District of Florida in *Federal Trade Commission, et al., v. Jeremy Lee Marcus, et al.*, Case No. 17- 60907-CIV-Moreno/Seltzer prays for the following relief against Defendant, Kingdom Coal, LLC, Defendant, Titan Funding, LLC, Defendant Javelin Global Commodities (UK) LTD, Defendant, NS Private Equity, LLC, Defendant, Enterprise Mining, Inc. and Plaintiff, Kentucky River Properties LLC:

1. For Judgment in favor of the Receiver and against Defendant, Kingdom Coal, LLC, Defendant, Titan Funding, LLC, Defendant Javelin Global Commodities (UK) LTD, Defendant, NS Private Equity, LLC, Defendant, Enterprise Mining, Inc. and Plaintiff, Kentucky River Properties LLC and any other party now or hereafter involved in this action, under KRS 418.040 and/or 418.045 and applicable law, declaring that the Receiver has succeeded to and holds and owns, as a holder in due course, all rights titles and interests of Titan Funding, the Receivership Entities, jointly and severally, pursuant to the Receivership Order, in the \$2,300,000.00 Balloon Note, the Mortgage and Security Agreement, the Security Agreement, the UCC's, the Royalty Agreement, the First Balloon Note Amendment, the \$5,500,000.00 Balloon Note, the Third Balloon Note Amendment, the Mortgage First Amendment, the Security Agreement First Amendment, the Restated Royalty Agreement, and any and all related and underlying agreements, documents and instruments, all money due and to become due with interest, and all rights accrued or to accrue under the foregoing instruments.

2. For Judgment in favor of the Receiver and against Defendant, Kingdom Coal, LLC in the principal amount of \$5,500.00.00, plus interest thereon for a total amount, as of December 31, 2019, in the amount no less than \$11,273,483.96, and thereafter at a per diem of no less than \$4,148.61.

3. For Judgment in favor of the Receiver and against Defendant, Kingdom Coal, LLC in the amount of its reasonable attorney fees and costs incurred herein.

4. For the Receiver be adjudged to have a valid and first mortgage lien and encumbrance on and against the Mortgaged Property to secure the monetary Judgments of the Receiver, prior and superior to all other liens and encumbrances.

5. For the lien and encumbrance of the Receiver be recognized, established and enforced by the sale of the Mortgaged Property and Mortgaged Property be sold as a whole under proper orders of this Court, free and clear of all liens, claims, and interests of the parties hereto and that the mortgage lien and encumbrance of the Receiver on and against Mortgaged Property be transferred to the proceeds of sale and said proceeds be first applied to satisfy in full the monetary Judgments of the Receiver.

6. That the Receiver be adjudged to have a valid and enforceable lien and security interest in and against the Secured Personal Property to secure the indebtedness as set forth herein, which lien and security interest is prior and superior to all other liens and interests therein.

7. That the lien and security interest of the Receiver in the Secured Personal Property be recognized, established and enforced by sale of the Secured Personal Property under proper orders of this Court, free and clear of all liens, claims, and interests of the parties hereto and that the lien and security interest of the Receiver on and against the Secured Personal Property be transferred to the proceeds of sale and said proceeds be first applied to satisfy in full the monetary Judgments of the Receiver.

8. All parties in this action be required to set out any claims to or interests in the Real Property and Secured Personal Property that they may have, or be barred from asserting any claims to or interests therein.

9. Any resident or tenant of the property be ordered to vacate same upon sale under penalty of contempt for their failure to do so.

10. The Receiver be awarded all other relief to which he may be properly entitled.

Respectfully submitted,

/s/ Jaron P. Blandford

Jaron P. Blandford, Esq.

Robert E. Maclin, III, Esq.

Jason R. Hollon, Esq.

McBrater PLLC

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Lexington, KY 40507

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[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)

[remaclins@mcbayerfirm.com](mailto:remaclins@mcbayerfirm.com)

[jhollon@mcbayerfirm.com](mailto:jhollon@mcbayerfirm.com)

*Counsel for Intervening Plaintiff*

4841-0771-9088, v. 2

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**From:** Jaron Blandford <[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)>  
**Date:** October 28, 2019 at 3:15:47 PM EDT  
**To:** Adam Steinberg <[adam@adamsteinberglaw.com](mailto:adam@adamsteinberglaw.com)>  
**Cc:** Greg Garno <[GGarno@gjb-law.com](mailto:GGarno@gjb-law.com)>, "Michael R. Gosnell" <[mgosnell@WeberRose.com](mailto:mgosnell@WeberRose.com)>  
**Subject:** RE: RE:

Yes, received and will touch base with Greg. Thanks,

JARON

---

**From:** Adam Steinberg <[adam@adamsteinberglaw.com](mailto:adam@adamsteinberglaw.com)>  
**Sent:** Monday, October 28, 2019 11:43 AM  
**To:** Jaron Blandford <[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)>  
**Cc:** Greg Garno <[GGarno@gjb-law.com](mailto:GGarno@gjb-law.com)>; Michael R. Gosnell <[mgosnell@weberrose.com](mailto:mgosnell@weberrose.com)>  
**Subject:** RE:

I presume you received Friday's email with the transmission of a proposed Partial Assignment subject to our client's final review and approval?

Adam J. Steinberg

[Martindale-Hubbell](#)

**COMPOSITE**  
**EXHIBIT E**



**Jaron P. Blandford**

McBrayer PLLC  
201 East Main Street, Suite 900  
Lexington, Kentucky 40507  
(859) 231-8780, ext. 1252  
[www.mcbrayerfirm.com](http://www.mcbrayerfirm.com)

Save a Tree! **P** Please consider the environment before printing this e-mail.

---

**From:** Adam Steinberg  
**Sent:** Tuesday, November 5, 2019 4:41 PM  
**To:** 'Jaron Blandford' <[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)>; Greg Garno <[GGarno@gjb-law.com](mailto:GGarno@gjb-law.com)>  
**Cc:** Michael R. Gosnell <[mgosnell@weberrose.com](mailto:mgosnell@weberrose.com)>  
**Subject:** Partial Assignment & Update

Counsel:

I hope that this email finds you well. I know that you were looking for a redlined assignment and followed up on multiple occasions related to the same over the course of a few weeks. In connection with the foregoing, you wanted to move forward with your own efforts related to protecting the status quo of the mine. We have not heard from you since I sent the redlined partial assignment to you both on Friday, October 25<sup>th</sup>. Do you have any comments to the same? Are there any updates on your end?

Titan is in the process of investigating the mine and assets in an effort to determine next steps. Edward Piazza and Jack Wolfe will be at the mine this week conducting a ground level investigation. I am providing the foregoing in the spirit of cooperation and not due to any obligation. I hope that your client, in turn, will share any of its efforts.

Take care and I look forward to hearing from you.

Sincerely,

Adam J. Steinberg

Martindale-Hubbell



Preeminent™

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

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URL: [www.AdamSteinbergLaw.com](http://www.AdamSteinbergLaw.com)

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**From:** Adam Steinberg adam@adamsteinberglaw.com   
**Subject:** FW: Follow-up from today's telephone call  
**Date:** March 9, 2020 at 5:27 PM  
**To:** Vanessa Fonts Vanessa@adamsteinberglaw.com

AS

## Adam J. Steinberg

Martindale-Hubbell



Preeminent<sup>TM</sup>

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

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---

**From:** Garno, Greg <GGarno@gjb-law.com>  
**Sent:** Saturday, November 9, 2019 1:18 PM

**To:** Adam Steinberg <adam@adamsteinberglaw.com>  
**Cc:** Perlman, Jonathan <JPerlman@gjb-law.com>; Jaron Blandford <jblandford@mcbayerfirm.com>; Michael R. Gosnell <mgosnell@weberrose.com>  
**Subject:** RE: Follow-up from today's telephone call

Adam,

Thanks for the update and information. The Receiver is still eager to get the assignment done so he can protect his rights in the Kentucky River litigation. That may be the only path for anyone to get money out of this dire situation. I will give you a call on Monday to discuss the proposed assignment. Enjoy the rest of your weekend.

---

**From:** Adam Steinberg [<mailto:adam@adamsteinberglaw.com>]  
**Sent:** Friday, November 08, 2019 3:16 PM  
**To:** Garno, Greg  
**Cc:** Perlman, Jonathan; Jaron Blandford; Michael R. Gosnell  
**Subject:** Follow-up from today's telephone call

Greg,

Thank you taking my call earlier today. As we discussed, the KC situation is becoming increasingly grim. I think that we both have the understanding that if the electric is turned off, the mine will flood, and that the personal property assets don't have a significant liquidation value due to their location within the mine. As such, it appears that the only way for Titan and the Receiver to recoup any significant monies from the mine is to operate the mine. This will take significant capital and a new investor. In this regard, I know you expressed to me that the Receiver/FTC will not be trying to secure funds to operate the mine.

While Edward and Jack were visiting the mine, they secured documents showing that KC has a ridiculous amount of AP, which is in excess of \$4.4 Million. Moreover, KRP is owed almost \$1.4 Million and has a burn rate of \$125,000/month to keep the mine from imploding; literally and figuratively. It is my understanding that KRP is at their wits' end and may stop paying the electricity and Akers (his invoice is attached) to keep the mine alive.

I have attached various reports that were received in connection with the recent trip to Kentucky. They are self-explanatory. Please know that Titan is looking for an investor and operator, but the current circumstances present tremendous hurdles and are a significant barrier to entry.

I also wanted to confirm that the Partial Assignment is not a priority for the Receiver right now due to the dire condition of mine.

It is my understanding that the FTC is in the loop and please share this email with the FTC's counsel.

We will be in touch, and again, thank you for the call. Have a nice weekend.

Best,

# Adam J. Steinberg

Martindale-Hubbell



Preeminent<sup>TM</sup>

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

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URL: [www.AdamSteinbergLaw.com](http://www.AdamSteinbergLaw.com)

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Save a Tree! **P** Please consider the environment before printing this e-mail.

**U.S. District Court**  
**Southern District of Florida (Ft Lauderdale)**  
**CIVIL DOCKET FOR CASE #: 0:17-cv-60907-FAM**

Federal Trade Commission et al v. Marcus et al  
Assigned to: Judge Federico A. Moreno  
Referred to: Magistrate Judge Jared M. Strauss  
Case in other court: 20-10832-JJ  
Cause: 15:0053 Federal Trade Commission Act

Date Filed: 05/08/2017  
Date Terminated: 03/26/2018  
Jury Demand: Defendant  
Nature of Suit: 890 Other Statutory Actions  
Jurisdiction: U.S. Government Plaintiff

**Plaintiff**

**Federal Trade Commission**

represented by **Valerie M. Verduce**  
Federal Trade Commission  
225 Peachtree Street, NE  
Suite 1500  
Atlanta, GA 30303-1729  
404-656-1355  
Fax: 656-1379  
Email: vverduce@ftc.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Angeleque P. Linville**  
U.S. Federal Trade Commission  
Southeast Region  
225 Peachtree St., NE, Suite 1500  
Atlanta, GA 30303  
(404) 656-1354  
Email: alinville@ftc.gov  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**State of Florida**

represented by **Ryann H. Flack**  
Office of the Attorney General State of  
Florida  
Consumer Protection Division  
1 SE 3rd Avenue  
Suite 900  
Miami, FL 33131  
305-377-5835  
Fax: 305-349-1403  
Email: ryann.flack@myfloridalegal.com  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Ronnie Adili**  
Office of the Florida Attorney General  
110 S.E. 6th Street  
Fort Lauderdale, FL 33301  
954-712-4600

**EXHIBIT F**

03/02/2020	464	<b>SECOND</b> Clerk's Notice of Undeliverable Mail re 457 Order Setting Hearing on Motion,. US Mail returned for: Yisbet Segrea. <b><i>The Court has not located an updated address for this party. After two undeliverable notices from the Court, notices will no longer be sent to this party in this case until a correct address is provided.</i></b> (mp) (Entered: 03/02/2020)
03/02/2020	<a href="#">465</a>	Acknowledgment of Receipt of NOA from USCA re <a href="#">461</a> Notice of Appeal, filed by Amanda Finley. Date received by USCA: 2/28/20. USCA Case Number: 20-10832-JJ. (hh) (Entered: 03/02/2020)
03/02/2020	<a href="#">466</a>	ORDER granting in part <a href="#">455</a> Non-Party Claimant Amanda Finley's Motion to Require the Receiver to Continue to Hold in Trust \$107,500 of the Property Sales Proceeds; denying <a href="#">455</a> Non-Party Claimant Amanda Finley's Motion in Alternative for Stay Pending Appeal. Signed by Judge Federico A. Moreno on 3/2/2020. <i>See attached document for full details.</i> (km02) (Entered: 03/02/2020)
03/05/2020	467	PAPERLESS Minute Entry for proceedings held before Magistrate Judge Jared M. Strauss: Motion Hearing held on 3/5/2020 re <a href="#">447</a> Amended MOTION for In Camera Review of Documents Withheld Based on the SAR Privilege re <a href="#">446</a> MOTION for In Camera Review of Documents Withheld Based on the SAR Privilege filed by Jonathan E. Perlman. Oral argument heard from both sides. Written Order to follow. Attorney Appearance(s): Peter D. Hardy, Peter W. Homer, Michael A Friedman, Gregory Matthew Garno, (Digital 13:03:56-13:43:14) (at) (Entered: 03/05/2020)
03/06/2020	<a href="#">468</a>	ORDER granting <a href="#">447</a> Motion for <i>in camera inspection of documents withheld under the SAR privilege.</i> Signed by Magistrate Judge Jared M. Strauss on 3/6/2020. <i>See attached document for full details.</i> (osd) (Entered: 03/06/2020)
03/09/2020	<a href="#">469</a>	MOTION to Compel Titan Funding, LLC to Comply with the Preliminary Injunction and Execute an Assignment of Receivership Assets (Expedited) by Jonathan E. Perlman. Responses due by 3/23/2020 (Garno, Gregory) (Entered: 03/09/2020)
03/09/2020	<a href="#">470</a>	Amended MOTION to Compel Titan Funding, LLC to Comply with the Preliminary Injunction and Execute an Assignment of Receivership Assets (Amended to Include Exhibits) by Jonathan E. Perlman. Responses due by 3/23/2020 (Garno, Gregory) (Entered: 03/09/2020)
03/11/2020	<a href="#">471</a>	TRANSCRIPT of Motion Hearing held on 3/5/20 before Magistrate Judge Jared M. Strauss, 1-29 pages, re: <a href="#">461</a> Notice of Appeal, Court Reporter: Bonnie J. Lewis, 305-523-5635. Transcript may be viewed at the court public terminal or purchased by contacting the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date it may be obtained through PACER. Redaction Request due 4/1/2020. Redacted Transcript Deadline set for 4/13/2020. Release of Transcript Restriction set for 6/9/2020. (hh) (Entered: 03/11/2020)

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
03/11/2020 17:24:04			
<b>PACER Login:</b>	adamsteinberglaw	<b>Client Code:</b>	
<b>Description:</b>	Docket Report	<b>Search Criteria:</b>	0:17-cv-60907-FAM
<b>Billable Pages:</b>	30	<b>Cost:</b>	3.00

AS

**Adam J. Steinberg**

Martindale-Hubbell



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**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

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**Save a Tree!** **P** Please consider the environment before printing this e-mail.

**From:** Steve Barker <steve@krpky.com>  
**Sent:** Tuesday, February 25, 2020 10:43 PM

**EXHIBIT G**

**To:** Adam Steinberg <adam@adamsteinberglaw.com>; Jaron Blandford <jblandford@mcbayerfirm.com>; Garno, Greg <GGarno@gjb-law.com>; Michael R. Gosnell <mgosnell@weberrose.com>  
**Subject:** RE: RE:

We do not know for certain. It is my understanding the mine makes water and since the pumps have not been energized for several weeks, I suspect there may be some flooding. Unless someone is able to restore power and ventilation, and obtain the necessary regulatory permission to enter the mine, we will not know for certain the extent of the flooding.

Steve

Sent from [Mail](#) for Windows 10

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**From:** [Adam Steinberg](#)  
**Sent:** Tuesday, February 25, 2020 10:08 PM  
**To:** [Jaron Blandford](#); [Steve Barker](#); [Garno, Greg](#); [Michael R. Gosnell](#)  
**Subject:** RE: RE:

I am going to speak with my client in the morning and get back to you. Steve, Does your client have any knowledge as to whether the mine is flooded? Thank you.

## Adam J. Steinberg

Martindale-Hubbell



Preeminent<sup>TM</sup>

**Super Lawyers Top Rated General Litigation Lawyer (2009-2019)**  
**Avvo Rating 10 out of 10**  
**Florida Supreme Court Certified Circuit Civil Mediator**

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Email: [Adam@AdamSteinbergLaw.com](mailto:Adam@AdamSteinbergLaw.com)  
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**From:** Jaron Blandford <[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)>  
**Sent:** Tuesday, February 25, 2020 7:30 PM  
**To:** Steve Barker <[steve@krpky.com](mailto:steve@krpky.com)>; Garno, Greg <[GGarno@gjb-law.com](mailto:GGarno@gjb-law.com)>; Michael R. Gosnell <[mgosnell@weberrose.com](mailto:mgosnell@weberrose.com)>; Adam Steinberg <[adam@adamsteinberglaw.com](mailto:adam@adamsteinberglaw.com)>  
**Subject:** RE: RE:

Can everyone do a call at 1:30pm ?

Please advise. Thanks,

JARON



**Jaron P. Blandford**  
McBrayer PLLC  
201 East Main Street, Suite 900  
Lexington, Kentucky 40507  
(859) 231-8780, ext. 1252  
[www.mcbayerfirm.com](http://www.mcbayerfirm.com)

-

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**From:** Steve Barker <[steve@krpky.com](mailto:steve@krpky.com)>  
**Sent:** Tuesday, February 25, 2020 7:28 PM  
**To:** Jaron Blandford <[jblandford@mcbayerfirm.com](mailto:jblandford@mcbayerfirm.com)>; Garno, Greg <[GGarno@gjb-law.com](mailto:GGarno@gjb-law.com)>; Michael R. Gosnell <[mgosnell@weberrose.com](mailto:mgosnell@weberrose.com)>; Adam Steinberg