Admin Proc. File No 3-19589

In the Matter of Bradley C. Reifler

For Review of Disciplinary Action Taken by

FINRA

Brief in support of the application for review

Dec 30, 2019

Background of Case

Since I am pro se, I kindly ask you to take some latitude in terms of the style and more informal nature of this brief. I am respectfully, asking you to review Finra's findings and ultimate penalty (a bar from associating with a Finra member firm in any capacity) for violating rules 8210 and 2010.

There have been countless cases that involve questioning Finra's jurisdiction. While this is one part of my reasons for review, the situation becomes much more complicated as you will read. The situation within the OTR was unique and one issue that needs consideration is, if agreeing to answer questions at a later date should be considered an 8210 violation. Additionally, the subject matter as well as the reasons for a delay in responding should be a consideration, certainly as it relates to the harsh penalty of a bar, given the facts and my background.

The panel based its decision on 4 principal considerations. These will be addressed in this brief.

Disciplinary History

Various acts of misconduct

Delay to Finra's investigation; providing inaccurate or misleading testimony

Misconduct was the result of an intentional act, recklessness, or negligence.

Original reason to have the OTR.

In late 2015, Finra had requested several people within the broker dealer, Forefront Capital Markets, to have an On The Record (OTR) Interview. The substance of the inquiry was for a $4,000 payment that was received from a non traded interval fund, Forefront Income Trust. It is important to better understand Forefront Income Trust (hereafter FIT). What is important to know is that FIT charged no management fees for individuals, however any institution would pay a 3% management fee, which would then be donated to Easter Seals Dixon Center to help veterans and their families. This was headed by Colonel Sutherland whom I encourage you to reach out to him as a personal reference. We were advised that the collection and payment should go through a broker dealer. There was joint ownership with the broker dealer and FIT. I was the ultimate beneficiary of FIT and part owner of Forefront Capital Markets. Later, Forefront started a 501 C-3 called Forefront Heroes and the money was ultimately sent there.

It was later decided that the 3% would be a request to the institution and we no longer needed a broker dealer. The broker dealer withdrew its registration in August 2015. I withdrew my registration in November 2015 as well.

18 months later, I was sent the demand for an OTR, that presumably was covering the above topic.

The OTR

Forefront Income Trust is a public non-traded interval fund. Being public; the SEC needed to approve its formation; its activities; its prospectus; its customers etc. Instead of being asked the topic that I was asked to come in and discuss, Mr Ryan began to ask questions that were totally irrelevant and had no understandable connection to Finra. Mr Ryan suggested that his main concern was whether non-accredited individuals were solicited. Had he read the prospectus, the entire fund was based on soliciting and offering investments to investors that previously restricted from investing in the lending sector due to their financial situation. Two years and millions on legal fees were spent developing this and the SEC approved the structure; the client profile, and all of it was specifically described in the prospectus. I was frustrated with the barrage of questions that would have been made clear had Finra investigators read the prospectus. Finra was questioning the financial structure of the fund. There were no management fees charged to individuals; expenses capped at 1.75%, no money would be made until the investors earned 8%. After the 8%, the fund would earn 80% of the profits until the fund earned 10%. It would then go back to 80%-20% in favor of the investor.

As FIT was specifically under the SEC jurisdiction, I did not answer many questions related about FIT. I agreed to do this in the second OTR.

Second OTR

The second OTR was supposedly to resume Finra's inquiry into FIT (they seemed to have read the prospectus) as well as the $4,000 payment discussed above. The OTR was focused primarily on one subject, a lawsuit brought against me (and 8 others) in September 2016, by North Carolina Mutual (hereafter NCM) accusing us "for misappropriating millions of dollars."

Finra said this inquiry was from their investigation. Their "investigation" was reading the complaint against me and others. I asked them if they had read my response and counterclaim, which admittingly, they did not.

As a necessity, I will need to describe the case.

Please note that I am questioning Finra's jurisdiction in this matter. Finra's mandate "enforces the rules governing registered brokers and broker-dealer firms in the United States. Their mission is "to safeguard the investing public against fraud and bad practices." I was no longer a member of Finra for 18 months, yet, within their two year look back. The only possible connection between Finra and me is their concern for their member's integrity. This will always allow Finra to ask anything it wants and claim it has jurisdiction for this reason. Assuming they were concerned that I lacked integrity, the only way they could accomplish this was to reach a conclusion on the ongoing litigation. Remember, I was a nonmember for 18 months and had no interaction with the public (and did not intend to). There should have been no urgency in this matter for the sole reason I was a nonmember.

Finra's judgement on the facts, not only would have been prejudicial in the ongoing litigation but it also may result in non-discoverable information. Actually it would have been much worse. Finra would be the judge and jury on the "facts" from the plaintiff's brief versus my 8-hour rebuttal. The only way to prevent this was to not answer their questions so they could not make any judgements; yet agree to answer any questions at the conclusion of the case. I was already unregistered (There was nothing for Finra to protect) and there was no reason to insist on my answering the questions concerning an ongoing litigation while Finra's only playbook

was the plaintiff's lawsuit. I was in an untenable situation. I was without an attorney (my stupidity) since I thought the questions would be solely on FIT and the $4,000 transfer. In any event, the need for immediate information could only be used to form a judgement on the case. My being an "unfit" member of Finra was not time sensitive, certainly since I already was not a member. The NCM litigation has been ongoing for 3 ½ years, and Finra would decide, after a few hours of talking with me, whether I was guilty of the accusations.

I think it is very important to better understand the case that forced me to delay answering questions on this subject. This case is mentioned throughout Finra's opinion to bar me, and it only highlights the issues that the plaintiff brought up. I believe strongly that Finra's primary decision to bar me was not only delaying my willingness to discuss the case, but the assumption of guilt because I did not answer their questions. This case is complex and any adverse conclusions as to my character would have resulted in the same "punishment" of a bar but it would cause a tsunami of future problems with the litigation. The perception is that Finra is a Government entity, and as such, its findings after an "investigation" would be tremendously prejudicial and potentially exceedingly detrimental to me within the context of the litigation.

The Case

NORTH CAROLINA MUTUAL LIFE

INSURANCE COMPANY, a North Carolina

corporation,

Plaintiff,

v.

STAMFORD BROOK CAPITAL, LLC, a

FOREFRONT CAPITAL HOLDINGS, LLC,

FOREFRONT CAPITAL SERVICES, LLC,

FOREFRONT PARTNERS SHORT TERM

NOTES, LLC

Bradley Reifler

PORT ROYAL REASSURANCE

MICHAEL FLATLEY,

DAVID WASITOWSKI

FF SULLY PARTNERS, LP

In late 2014, Forefront was approached by Steven Fickes regarding an opportunity involving the NCM portfolio, which at the time was approximately $34 million in size. At the time, the

reserve portfolio was owned by Markel Bermuda, Ltd. ("Markel"). NCM retained the servicing rights over the portfolio (earning approximately $900,000 per year) and paid out death benefits from the reserve portfolio. Markel had the right to manage and invest the portfolio, subject to obligations to pay the servicing and death benefits to NCM. Markel was seeking to get out of this business and wanted to sell the reserve portfolio for $5 million.

Mr. Fickes therefore needed a partner and pursued discussions with Forefront. Mr. Fickes and Forefront discussed various ways to make a transaction possible, which evolved over time.

Economic Structure

The basic economic structure of the transaction would be to transfer the $34 million reserve portfolio from Markel to Port Royal. Port Royal would need to maintain reserves equal to the amount of death benefits that were estimated to be paid, based on actuarial calculations.

The reserve portfolio could be invested pursuant to insurance regulations, generating income and investment returns over time. Port Royal would be responsible for paying NCM fees for servicing the insurance policies (approximately $225k/quarter) and remit death benefits to NCM for distribution to policy holders (approximately $150k/quarter). Any amounts in the portfolio (including investment returns) above the statutory reserves and the servicing fees were considered profits, which belonged to Port Royal (to be split with Forefront pursuant to its profit-share arrangement, as discussed further below).

Parties' Respective Responsibilities

From the beginning, it was understood between Mr. Fickes and Forefront that Mr. Fickes would be responsible for ensuring compliance with the insurance laws and regulations, given his expertise in this area (and Forefront's lack thereof). Mr. Fickes had the responsibility to "provide guidance on asset fit within the regulatory/prudent man standards" and "keep Brad [Reifler] from doing something stupid." In contrast, Forefront's role was to "source replacement capital and new capital," "create/find appropriate assets for investment," and "prevent Steve [Fickes] from doing something stupid, arguing with accountants and lawyers and holding the hands of the regulators on the investments]. Addendum A . Similarly, in early discussions (orally and in writing), Mr. Fickes informed Forefront that there were liberal investment guidelines and that he would be acquiring and reviewing the relevant investment regulations. Addendum B.

Importantly, as contemplated under the transaction, Forefront would be providing (via a loan) the $5 million to pay Markel to acquire the reserve portfolio, as well as $an additional 1 million to cover various closing costs and fees. Forefront had several motivations for doing this, chief among them that it was contemplated by Forefront and Mr. Fickes that the reserve portfolio would offer a significant source of long-term capital (time horizon of seven years or more) for various investments; the investments only had a 4% cost of money and the spreads could be quite lucrative. and profits were to be split among Port Royal and Forefront. As explained further below, prior to consummation of the transaction, Forefront and Mr. Fickes discussed the importance that seed investment into FIT would be made into FIT. (which was just being launched) and an investment in Forefront Partners.

Forefront's role in the transaction was to recommend investment opportunities for the reserve portfolio. In the approximately four months between initial conversations with Mr. Fickes and the final purchase of the reserve portfolio, the exact nature of Forefront's role changed. At first, some Forefront entity was contemplated to serve as the investment adviser; some documents refer to "Forefront Partners" as the adviser and others refer to an entity that Forefront would partially create named "Stamford Brook." However, as the transaction got closer to execution, I decided that neither Forefront nor any related entity would serve as a formal investment adviser. This was primarily driven by the complexity of insurance regulations and upon recommendation of my longtime friend and board member of Allstate, advised against my serving as investment adviser to an insurance-related entity. Instead, therefore, the parties (Mr. Fickes and Forefront) decided that Forefront would introduce opportunities to and work with Port Royal on overseeing the portfolio but would not act as investment adviser. Although Stamford Brook was created under Delaware law during the course of this process, it never became functional and it was never issued an employer identification number (EIN); had no bank account; and never sent or received any money. We have not seen any reference to its existence or operation after the Markel transaction closed and it never received any investment management fees (as it would have if the draft investment management agreement was ever finalized and was controlling on the parties.

Investment Decisions for the Reserve Portfolio Prior to Execution of the Transaction

In the lead-up to closing the Markel transaction, Forefront (including myself and Mr. Flatley, an officer of Forefront discussed various investment ideas with Mr. Fickes. As noted above, the ultimate agreement between the parties was that Forefront (relying on its investment

experience) would provide investment opportunities, but all investment decisions would be unanimous, and Forefront would not serve as a formal investment adviser. Addendum C. Further, it was understood that several of the investments would be to the benefit to Forefront, as Forefront was the entity that is responsible for the $5 million to acquire the portfolio.

Three investments were discussed with Mr. Fickes and agreed to by him prior to the Markel transaction closing. Two of the investments (those in FIT and Forefront Partners) were approved prior to the Markel transaction closing, but were executed after the closing.

In connection with the transaction, funds were wired as follows:

$3.25 million in cash was wired from the Port Royal-NCM account at Chase into the Summit account for the reserve portfolio. This represented the amount of capital that Port Royal was required to contribute to the portfolio, to compensate for the $5 million ceding commission that Markel was retaining. As explained above, part of the funds was already invested in the form of a loan to SPD. Therefore, only $3.25 million in cash was deposited; the $1.75 million loan receivable asset was part of the reserve portfolio.

Accordingly, as of the close of the transaction, the accounts at Summit for the reserve portfolio totaled approximately 32,000,000 in cash, and there also was the $1.75 million in loan receivable from SPD. Therefore, the starting value of the portfolio after the Markel transaction was approximately $33.75m.

Initial Investments: FIT and Forefront Partners

Emails reveal that Forefront presented the opportunities for Mr. Fickes to review and obtained his approval prior to the investment being made. Indeed, the FIT investment was finalized at the same time as Mr. Fickes's review and approval of the Waterbridge investment, which involved Forefront providing Mr. Fickes with various documents relating to the investment and several conversations between the two entities.

Although the same type of email records does not exist as to the FIT and Forefront Partners investments, that does not mean Mr. Fickes did not approve such investments. Indeed, evidence supports that he in fact did review and approve them.

The Trustee of NCM signed the FIT documents Addendum D. After discussing the expenses that Port Royal and Forefront incurred, agreed not to take the 1.5% discount for management fees due to the size of their investment. Addendum E

If Forefront acted contrary to the parties' agreement, made investments that violated the parties' agreement, which would haveexposed Mr. Fickes to potential liability, we would expect to see emails from him raising serious alarms after learning about the investments; accusing Forefront of impropriety;, and then alerting regulators. Instead, we see the opposite. Mr. Fickes does express concern about the FIT and Forefront Partners investments beginning in June 2015, but I recall that this coincided with Fickes's learning new information about the North Carolina insurance regulations

When Fickes realized that the portfolio's investments were ineligible under the North Carolina Insurance criteria, he panicked and tried to switch the blame to Forefront and me. He created 3 investment advisory agreements, all fraudulently signed with my name on it (one actually

misspells my name) created a letter to the former CEO, James Speed (this was back dated and fraudulently signed) making me responsible for the eligibility for the investments) and created a letter that I would not sign (See his interrogatory yet it was received by the CEO signed). addendum F; F-1 . The contents were misleading as to the actual investments. See handwriting expert, Robert Rubin's report and his CV. Addendum G

FBI Report

I was very concerned with the fraudulent signatures and all the issues that seemed to be associated with the portfolio. I reached out to the FBI. Report is in addendum H

At the onset of the transaction there was a tri party agreement which outlined the roles and responsibilities of NCM, the Trustee, Summit Trust, Port Royal and Steve Fickes. Forefront nor I were a party to this. See the agreement and separate highlights in addendum I,J. In short, every transaction was to be reported by the Trustee to NCM and Port Royal within 5 days. Every quarter, NCM was to issue a report to Port Royal to reconcile the trades and accounting for their fees and death benefits. It is therefore impossible to misappropriate millions of dollars. Additionally, Forefront and I had no banking authority, could make no wires, and as such, any money movement was made by others, for approved transactions.

Although the investments are ineligible (not a responsibility of mine) there is actually excess money when the investments are liquidated. There is significant collateral to each investment. See addendum H

As mentioned earlier, the panel based its decision on 4 principles.

1) Disciplinary History

I have been in the securities industry since 1986.

I was registered for 33 years until November 15, 2015 whereby I voluntarily resigned due to [redacted] among other reasons.

During my registration period, I had thousands of clients that included over 6,000 retail clients, produced well over 1B in commissions; and had very few complaints. I think less than 5.

In 1999 I paid $59,033 for allegedly having an unregistered branch office. The office was not mine and it was registered with the NASD as an independent office. I decided it best, from a financial and expeditious point of view, to settle for $59,033 with no admission or denial of guilt.

In 2016, it was discovered that my 1999 issue was not on my 7R. The State of Massachusetts said that since this had gone on for so many years, they wanted 500K. We reduced this to $36,000. I am proud of my disciplinary history within the Securities industry. Integrity is something that is paramount in business and life and I am proud of the example I have set for my children.

2) Misconduct

"unacceptable or improper behavior"

I do not believe that I acted with any malice or intent. I did not answer questions that were not relevant from a Finra mandate perspective; no relevance to protecting the public; no relevance to immediacy, and did not answer questions for the concerns and prejudices mentioned above. When Mr Ryan, from Finra, was questioning the ability and conclusions of the handwriting expert; asking me whether my assistant of 10 years signed and misspelled my name, the overreach confirmed my concerns. Mr Ryan also had concluded that I signed the advisory agreement since Margaret said I signed it. Margaret hired the handwriting expert and clearly did not remember or was confused as to which document she saw me sign. If I had signed one, then why did 3 suddenly appear?

3) Delay due to concealing information from Finra or providing inaccurate or misleading testimony.

As described above, there already existed litigation that would result in providing information to Finra to make a judgement on my integrity. The entire issue that is relevant in the OTR was to determine my integrity. What better forum than formal litigation whereby all the facts are presented. The litigation sets the timing of this decision and most importantly, I already was a non-member; restricted from doing business. What was the harm in waiting for the results from the litigation?

4) Respondents misconduct was the result of an intentional act, recklessness, or negligence.

One decides not to answer a question willfully and intentionally. I certainly did not feel that the decision to delay the questioning on this subject was reckless or negligent. Again, Finra's mandate as it related to this subject during the OTR was to determine integrity of a member.

Firstly, I was no longer a member and articulated throughout the process leading up to the Finra Hearing, that I no longer wanted to be a member of Finra; ever. Therefore, judging my integrity was no longer an issue. There essentially was no reason to start an 8210 hearing. I certainly was not reckless or negligent; actually, I think the opposite.

Future Events

I mention these since Mr Ryan has brought these up as a continued attempt to justify his claims of my lack of integrity.

I filed personal bankruptcy.

My decision to file personally stems from my long involvement in my previous firm, which I left in 2008. That company, Pali Capital, helped optimize the portfolios of hedge fund clients by combining credit strategies with option strategies that were based on value-added research. Pali had revenues of $1 billion over 5 years, placing it among the most exciting and fastest-growing boutique investment banking firms during this time. In 2008, our most profitable year, following several business disputes with my partner (and in order to protect my integrity and reputation,) I resigned. As we grew Pali, I had personally guaranteed loans to help finance attractively-priced employee purchases of stock in the company. We were proud of and

encouraged employee ownership and it contributed meaningfully to the success of our business. When I left, the firm was extraordinarily capitalized, and I did not think the repayments of these loans should be an issue going forward. Subsequently, as a large outside stockholder, I was not pleased with the direction my successor management took, and I began to worry about these guarantees and was essentially "locked out" of any decisions to make payments on the loans. Unfortunately, 2 1/2 years later, after gross mismanagement, the firm was dissolved.

I have been negotiating with the lenders and the IRS for many years stemming from the liabilities that were created from Pali after I had left. While I am still hopeful of negotiating a settlement, my recent difficult personal decision is intended to help create a better environment in which to focus my energies on growing Forefront

I was accused of destroying evidence in the NCM case that had been shifted to the bankruptcy court. I did not want my personal emails to be read and installed a program to erase those. When I found out that the personal emails could not be separated from my business emails, I did not run the program. NCM's lawyers claimed otherwise. At the time, I did not want to spend the money on an expert but have realized that was a mistake. I did hire an expert who concluded no emails were destroyed. I include that in Addendum K.

Conclusion

Technically, I did not answer questions in the OTR. Finra's complaint against me was 22 months after I withdrew my registration. I have explained why I did not answer Finra's questions regarding the litigation brought against me (and 8 others).

I have realized that there are absolutely no boundaries to Finra's questions. Despite this topic being challenged countless times, there have been no changes. This then belies the question of whether the refusal to answer a question is EVER justified? Should agreeing to answer questions at a later date, justify a bar?

I do agree that if questions were outside the legal boundaries of Finra, but would categorically result in assessing member's integrity then quite possibly a refusal to answer those questions should be considered an 8210 violation.

That is not the case here.

After 22 months of being a nonmember (now 35 months) Matt Ryan described the bar as being a "punishment". I thought a bar is the mechanism to prevent a member from being in a position whereby he or she could harm the public?

Can a nonmember be kicked out of membership when they are not a member (when two years has passed)? A nonmember may be barred from reapplying, but this is not what has officially happened.

I kindly ask you to review my 33-year (very close to being unblemished) history in the business; as well as the circumstances that I have detailed. I strongly feel that a bar, given my 33 year

history of dealing with the public, coupled with the circumstances that surrounded the OTR is an unnecessary stigma and not appropriate in this case. The jurisdiction should be questioned, particularly since it was impossible to make any integrity conclusions. At the very least, Finra should have waited for the litigation to be decided, versus trying to make conclusions with very limited data. At the time, I was 18 months of being a non member and a bar should not be used as a punishment but a tool maintain the mandate which Finra is guided by.

It has been 4 years since my withdrawal from Finra. The internet reads that I was barred "due to an investigation of whether Bradley Reifler perpetrated a fraudulent scheme....."

I had asked Mr. Ryan to, at the very least, change the language

He refused.

I appreciate your time to review the situation.

Sincerely,

Brad Reifler

From: Steven Fickes [mailto:sfickes@raedelfs.com]

Sent: Thursday, December 04, 2014 5:18 PM

To: Bradley Reifler

Cc: Michael Flatley

Subject: Drop Box

Brad,

I was able to get in and see much of the stuff in the drop box today.

Is there someone that could give me a walk through tutorial so I do not need to randomly go from file to file. I would also like to ask some questions in order to get up to speed much quicker.

Additionally, the lawyer I spoke with yesterday sent me copies of all the investment statutes for NC. I know enough to start reviewing those tonight to make sure we can get the pieces to fit together.

Steve

[redacted]

(16) Stocks, common or preferred, of any corporation created or existing under the laws of the United States, any U.S. territory, Canada or any Canadian province, or of any state. An insurer may invest in stocks, common or preferred, of any corporation created or existing under the laws of any foreign country other than Canada subject to the provisions of G.S. 58-7-178.

(17) Mortgage-backed securities that are designated a 1 or 2 in accordance with the Purposes and Procedures Manual of the NAIC Securities Valuation Office including, without limitation, collateral mortgage obligations backed by a pool of mortgages of the kind, class, and investment quality as those eligible for investment under G.S. 58-7-179.

HISTORY: 1991, c. 681, s. 29; 1993, c. 105, s. 1; c. 452, s. 14; c. 504, s. 44; 2001-223, ss. 8.3, 8.4, 8.5, 8.6, 8.7, 8.8; 2001-487, s. 14(g); 2005-215, ss. 8, 9; 2011-221, s. 6.

NOTES: EFFECT OF AMENDMENTS. --Session Laws 2005-215, ss. 8 and 9, effective July 20, 2005, substituted "designated and valued in accordance with the Purposes and Procedures Manual of the NAIC Securities Valuation Office" for "rated and valued by the Securities Valuation Office of the NAIC" and made a minor stylistic change in subdivision (11); and rewrote subdivision (17).

Session Laws 2011-221, s. 6, effective October 1, 2011, inserted "credit unions" in subdivision (14).

LexisNexis 50 State Surveys, Legislation & Regulations

Insurance Company Investments

CASE NOTES

THERE WAS NO REQUIREMENT IN FORMER § 58-7-90 THAT INSURANCE COMPANIES INVEST IN RISK-FREE VENTURES; rather, the statute provided that insurance companies could engage in a variety of investments. State ex rel. Comm'r of Ins. v. North Carolina Rate Bureau, 40 N.C. App. 85, 252 S.E.2d 811, cert. denied, 297 N.C. 452, 256 S.E.2d 810 (1979).

To: Bradley Reifler
Subject: RE: Brad

Not to worry. I do not have the attention span to spend week on any analysis.

Most of the (my) time spent on investment will be in arguing with the accountants and lawyers while holding the hand of the regulator(s).

All I was saying was - I will try to keep you from doing something stupid, and you do the same for me.

About 3pm I was going to put a call into Jim to tell him you and I have spoken. Are you ok with that?

Steve

From: Bradley Reifler [mailto:breifler@forefrontgroup.com]
Sent: Wednesday, December 03, 2014 1:47 PM
To: Steven Fickes (sfickes@raedelfs.com)
Subject: Brad

Please find my contact details attached.
I was thinking about our last conversation regarding investments. I definitely would like your input and will need your structuring prowess.
I want to include you on all investments but you had told me you are the liability expert. I just do not want to have weeks of analysis to approve investments.
I am conservative and have for the last 30 years made investment decisions that have proved incredibly successful. Have I had some surprises and disappointments...
absolutely.
I think to address the asset management side like you originally proposed. If you disagree then we will have a sit down and we will convince each other whether to
move forward or not. We are all tied to the same rope and need us all to get to the top. Challenges and cold water is always helpful and needed.
Our respective skillsets are tied together. I put personal money in every investment I make. The investment opportunities are 9in the specialty finance area.
I am attaching a drop box on our telecom investment.
I am taking the 6 mln from there that I would like to invest back with two separate entities that are guaranteed by Tier 1 telecom companies like: Verizon; Vodafone etc.
As we discussed, we can make a fixed return from the loan and money from the investment itself.

Forefront Capital
Bradley Reifler
Founder & CEO

Forefront **Capital**
590 Madison Ave. 34th Floor
New York, NY 10022
Phone: 212 607 8128
Email: breifler@forefrontgroup.com

FOREFRONT INCOME TRUST

NEW ACCOUNT APPLICATION

Do not use this form for IRA accounts.

Please print clearly in CAPITAL LETTERS

To establish an account, the minimum initial investment in the Fund is $2,500.

If you have any questions or need any help filling out the application, please call **1-844-GET-FITX (1-844-438-3489)**.

After you have completed and signed this application, Please mail to:

FOREFRONT INCOME TRUST
c/o GEMINI FUND SERVICES, LLC
PO BOX 541150
OMAHA, NE 68154

Distributed by Northern Lights Distributors, LLC

Please provide complete information for EITHER A, B, C or D:

A. INDIVIDUAL OR JOINT *(Please check one)*:

☐ Individual ☐ Joint Account* *Tenants with Rights of Survivorship will be assumed, unless otherwise specified.

Name | Social Security Number | Date of Birth

Joint Owner | Social Security Number | Date of Birth

Email

Citizenship ☐ U.S. or Resident Alien ☐ Other *(please specify)* _____

B. UNIFORM GIFTS TO MINORS ACCOUNT (UGMA) OR UNIFORM TRANSFERS TO MINORS ACCOUNT (UTMA)

Custodian's Name | Custodian's Social Security Number | Custodian's Date of Birth

Minor's Name | Minor's Social Security Number | Minor's Date of Birth

Minor's State of Residence | Email

C. TRUST *(Include a copy of the title page, authorized individual page and signature page of the* ***Trust Agreement****. Failure to provide this documentation may result in a delay in processing your application.)*

Port Royal North Carolina Mutual Reassurance Trust
Trust or Plan Name | Email

April, 27, 2015 | 98-1124974 | Meade H. Rudasill
Trust Date (mo/day/yr) | Employer or Trust Taxpayer Identification Number | Trustee's (Authorized Signer's) Name

[redacted] | [redacted]
Trustee's Date of Birth (mo/day/yr) | Trustee's Social Security Number

Co-Trustee's (Authorized Signer's) Name (First, Middle Initial, Last)

Co-Trustee's Date of Birth (mo/day/yr) | Co-Trustee's Social Security Number

D. CORPORATIONS OR OTHER ENTITIES *(Include a copy of one of the following documents: registered articles of incorporation, government-issued business license, partnership papers, plan documents or other official documentation that verifies the entity and lists the authorized individuals. Failure to provide this documentation may result in a delay in processing your application.)*

☐ C Corporation ☐ S Corporation ☐ Corporation ☐ Partnership ☐ Government Entity

☐ Other *(please specify)* _____

If no classification is provided, per IRS regulations, your account will default to an S Corporation.

Name of Corporation or Other Business Entity | Tax ID Number | Email

Authorized Individual | Social Security Number | Date of Birth

Co-Authorized Individual | Social Security Number | Date of Birth

2. MAILING AND CONTACT INFORMATION

LEGAL ADDRESS *(Must be a street address)*

[redacted]
Street Address

Ocean City, NJ [redacted]
City, State, Zip

[redacted]
Daytime Telephone

Evening Telephone

☐ Please send mail to the address below. Please provide your primary legal address above, in addition to any mailing address (if different).

Mailing Address _____ City, State, Zip _____

3. INITIAL INVESTMENT (Minimum initial investment is $2,500)

Forefront Income Trust **$ 10,000,000.00**

Make check payable to **Forefront Income Trust.**
If investing by wire: Call **1-844-GET-FITX (1-844-438-3489)** and indicate the amount of the wire $10,000,000.00.

Third Party checks are not accepted.

4. DIVIDEND AND CAPITAL GAIN DISTRIBUTIONS

All dividends and capital gains will be reinvested in shares of the Fund that pay them unless this box is checked.

☐ Please pay all dividends and capital gains in cash.

5. AUTOMATIC INVESTMENT PLAN (AIP)

AIP allows you to add regularly to the Fund by authorizing us to deduct money directly from your checking account every month. Your bank must be a member of the Automated Clearing House (ACH). If you choose this option, please complete **Section 6 and attach a voided check.**

Please transfer $_____ **($100 minimum)** from my bank account:

☐ Monthly ☐ Quarterly on the _____ day of the month Beginning: / /____

Important Note: If the AIP date falls on a holiday or weekend the deduction from your checking or savings account will occur on the next business day.

I authorize the Fund to purchase shares through the Automatic Investment Plan by the Automated Clearing House of which my bank is a member.

Type of Account: ☐ Checking ☐ Savings

Name on Bank Account

Bank Account Number

Bank Name

Bank Routing/ABA Number

Bank Address

Please attach a voided check from your account.

7. COST BASIS METHOD

Note: The default cost basis calculation method for your new account will be Average Cost. If you wish to elect a different cost basis method, please contact the Fund to obtain a Cost Basis Election Form.

8. DEALER/REGISTERED INVESTMENT ADVISOR INFORMATION

If opening your account through a Broker/Dealer or Registered Investment Advisor, please have them complete this section.

Forefront Capital Markets, LLC 151812
Dealer Name Dealer Number

Engel, Christopher
Representative's Last Name, First Name

DEALER HEAD OFFICE

7 Times Square, 37th FL
Address

New York, NY, 10036
City, State, ZIP

212-607-8124
Telephone Number

Info@forefrontgroup.com
Email Address

REPRESENTATIVE'S BRANCH OFFICE

7 Times Square, 37th Floor
Address

New York, NY, 10036
City, State, ZIP

212-259-0595 1495822
Rep Telephone Number Rep ID Number

cengel@forefrontgroup.com
Rep Email Address

001
Branch ID Number

Branch Telephone Number (if different than Rep Phone Number)

9. STATE ESCHEATMENT LAWS

Escheatment laws adopted by various states require that personal property that is deemed to be abandoned or ownerless, including mutual fund shares and bank deposits, be transferred to the state. Under such laws, ownership of your Fund shares may be transferred to the appropriate state if no activity occurs in your account within the time period specified by applicable state law. The Fund retains a search service to track down missing shareholders and will escheat an account only after several attempts to locate the shareholder have failed. To avoid this from happening to your account, please keep track of your account and promptly inform the Fund of any change in your address.

10. SIGNATURE(S) & CERTIFICATION (REQUIRED)

We must have signatures to process your Application and to certify your Taxpayer Identification number. IRS regulations require your signature to avoid any backup withholding.

W-9 9 Certification: Under penalty of perjury:

(a) I certify that the number shown on this form is my/our current Social Security number(s) or Taxpayer Identification number(s).

(b) I am not subject to backup withholding because: (1) I am exempt from backup withholding, or (2) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (3) the IRS has notified me that I am no longer subject to backup withholding.

(c) I am a U.S. person (including a resident alien.)

(d) I am exempt from FATCA reporting.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, social security number/ Tax ID number and other information that will allow us to identify you. We may also ask to see other identifying documents. Until you provide the information or documents we need, we may not be able to open an account or effect any additional transactions for you.

When opening an account for a foreign business, enterprise or a non-U.S. person that does not have an identification number, we require alternative government-issued documentation certifying the existence of the person, business or enterprise.

The undersigned represents and warrants that:

- I have full authority and am of legal age to purchase shares of the Fund;
- I have received and read a current prospectus for **Forefront Income Trust** and agree to be bound by the terms contained therein; and
- The information contained on this New Account Application is complete and accurate.

If Fund shares are being purchased on behalf of an Investment Company (as that term is defined under the Investment Company Act of 1940), I hereby certify that said Investment Company will limit its ownership to 3% or less of the Funds outstanding shares.

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

Signature *of owner (or custodian)* Date

Signature of *joint owner (or corporate officer, partner or other)* Date 5/1/2015

Trustee *(if applicable)* Date

TO CONTACT US:

By Telephone
Toll free **1-844-GET-FITX**
(1-844-438-3489)

In Writing
Forefront Income Trust
c/o Gemini Fund Services, LLC
PO Box 541150
Omaha, NE 68154
Or
Via Overnight Delivery
17605 Wright Street, Suite 2
Omaha, NE 68130

Distributed by Northern Lights Distributors, LLC

E

FORE FRONT
INCOME TRUST

April 30, 2015

Forefront Income Trust
c/o Gemini Fund Services, LLC
17605 Wright Street, Suite 2,
Omaha, NE 68130

RE: Sales Load for investment by Port Royal North Carolina Mutual Reassurance Trust

To Whom It May Concern:

We, Port Royal North Carolina Mutual Reassurance Trust, as investor in Forefront Income Trust (the "Trust"), acknowledge that the registration statement for Forefront Income Trust permits the reduction of the applicable sales load from 3.0% to 1.5% of invested assets for investments in the Trust exceeding $5 million. While the current investment in the Trust is in excess of $5 million, we understand and accept that the sales load for this investment shall remain at the full 3.0%.

Regards,

Port Royal North Carolina Mutual Reassurance Trust

By: _____
Meade Rudasill
Trustee

7 Times Sq, 37th Fl, New York, NY 10036
Phone +1 212.607.8150 • http://www.forefrontincometrust.com

F

Forefront Capital

Forefront Capital
Times Square Tower
7 Times Square, 37th Floor
New York, NY 10036

Michael L. Lawrence
President & Chief Executive Officer
North Carolina Mutual Life Ins.
411 West Chapel Hill Street
Durham, NC 27701-3616

July 13, 2016

Re: Talking Capital Notes

Dear Mike,

It has come to my attention that the Talking Capital notes, from various Talking Capital entities which are being held in the Port Royal/North Carolina Mutual Reinsurance trust account for the benefit of North Carolina Mutual are being considered by the North Carolina Department of Insurance as potentially being non-admissible assets.

The maturity of the underlying collateral supporting each of the Talking Capital notes is in the range of 60 to 70 days. Therefore, actual maturities will on the average occur sooner.

As per our instructions, as the investment manager for the trust we will begin immediately using the proceeds from such maturities to redeem *all of* the Talking Capital notes.

If have any other requests or instruction, please let me know.

Sincerely,

Bradley Reiffer
Founder & Trustee
Forefront Capital

F-1

208. Admitted that the referenced email is the only and best evidence of its contents, and any characterization inconsistent with those contents is denied. Otherwise denied.

209. Admitted that the referenced email is the only and best evidence of its contents, and any characterization inconsistent with those contents is denied. Otherwise denied.

210. Denied as to Port Royal; as to the other Defendants, Port Royal lacks sufficient information to admit or deny the allegations of this paragraph.

211. Admitted.

212. Admitted that the referenced email is the only and best evidence of its contents, and any characterization inconsistent with those contents is denied. Otherwise denied.

213. Admitted on information and belief.

214. Admitted that, at the request and with the full knowledge and participation of Mike Lawrence of North Carolina Mutual, Fickes gathered information regarding the investment of Trust Assets and possible avenues to remedy the improper investment of Trust Assets by the Forefront Defendants. Admitted that, on August 3, 2016, Fickes emailed Lawrence a draft of a letter drafted by Fickes based on information obtained by Fickes from the Forefront Defendants. Admitted that the letter was to be sent on

letters were signed! Not drafts!

Forefront letterhead and signed by Reifler. Admitted that Forefront was ultimately unwilling to send the letter on Forefront letterhead or to sign the letter. Admitted that, in order to give North Carolina Mutual documentation regarding the status of the Trust Assets and avenues to remedy the improper investment by the Forefront Defendants, Fickes sent a letter on August 8, 2016 containing substantially the same information as in the August 3, 2016 draft that had been sent to Lawrence. Admitted that the drafts and the final letter are the only and best evidence of their contents. Otherwise denied.

215. Admitted on information and belief.

216. Admitted that the referenced letter is the only and best evidence of its contents, and any characterization inconsistent with those contents is denied. Otherwise denied.

217. Admitted on information and belief.

218. Admitted that the referenced email is the only and best evidence of its contents, and any characterization inconsistent with those contents is denied. Otherwise denied.

219. Admitted on information and belief.

220. Admitted on information and belief.

221. Admitted on information and belief.

222. Admitted that the referenced email is the only and best evidence of its contents, and any characterization inconsistent with those contents is

New York, New York [redacted]
Fax (917)4411474
Office(212)580-9808
email [redacted].com

ROGER RUBIN

. Questioned Document Examiner
. Qualified Witness

Curriculum Vitae

Training in Handwriting Identification with Felix Klein starting in 1980. This included working side by side, learning the basics of Questioned Document Examination, including photographic and microscope techniques, and reviewing hundreds of questioned items as an apprentice to Klein.

Advanced studies with Donald Frangipani in photographic, microscopic and chemical analysis techniques.

Ongoing review and training during conferences of professional organizations

Teaching a basic course in Handwriting Identification for bank tellers and others.

Worked with Department of Justice Special Attorney on a number of cases

Written over 2300 opinions concerning Medical Insurance Claims

Lectured Questioned Document Examiners and Insurance Executives on the forensics of Medical Insurance Claims

Professional Organizations: The American Board of Forensic Examiners, Springfield, MO
National Association of Document Examiners, Tucson, AZ
National Society for Graphology, President 1985 - 1989, 1995 -1999

Accepted as expert witness by the following Judges

Judge David Weinstein, Supreme Court, Albany County, NY, August 8, 2016
Judge James V. Brands, Supreme Court, Dutchess County, Poughkeepsie, New York, August 4, 2015
Judge L. Lubell, Supreme Court, Putnam County, Carmel, NY. August 3, 2015
Judge Mary Ross, Administrative Court, Rikers Island, NY, July 16, 2015
Judge Thomas McNamara, Supreme Court, Albany County, NY, August 7, 2014
Judge John Barone, Supreme Court, Bronx, NY, March 10, 2014
Judge Carol Mackenzie, Supreme Court, Central Islip, L.I., NY, Dec. 3, 2013
Judge Emmet Murphy, Supreme Court, White Plains, N.Y., August 15, 2012
Judge Larry Martin, Supreme Court, Brooklyn, NY, April 26, 2012
Judge Devin Cohen, Commercial Landlord & Tenant's Court, Brooklyn, NY March 2, 2012
Civil Court, Special Referee, Marilyn Sugarman, New York, NY, July 20, 2011
Judge Victor J. Alfieri, Supreme Court, Orange County, NY, December 3, 2010
Judge Timmie Elsner, Civil Court, New York, NY, Nov. 16, 2010
Judge R.G. Seewald, Bronx Supreme Court, Bronx, NY, August 9, 2010 (Special Referee, John Ostermann)
Judge Thomas McNamara, Supreme Court, Albany, New York, August 5, 2010
Judge Nicholas Colabella, Supreme Court, White Plains, New York, July 31, 2009
Judge James V. Brands, Supreme Court, Duchess County, New York, December 3, 2007
Judge Gammerman, Supreme Court, New York, NY, November 26, 2007
Judge Orin R. Kites, Supreme Court, Queens, NY, November 8, 2007
Judge Bernice D. Siegal, Civil Court, Queens, NY, October 20, 2007
Judge Mary H. Smith, Supreme Court, White Plains, NY, August 10, 2007
Judge John Barone, Supreme Court, Bronx, NY, January 22, 2007
Judge Gloria Dabiri, Supreme Court, Brooklyn, NY, November 29, 2006
Judge Gammerman, Supreme Court, New York, NY, January 12, 2006

Judge Platt, Supreme Court, Brooklyn, NY, December 19, 2005
Judge Kavanagh, New York State Supreme Court, Ulster County, Kingston, NY, August 2, 2005
Judge Frederic Block, Federal Court, Eastern District, Brooklyn, NY, March 2, 2005
Judge R. Knoebel, Village Court, Nyack, NY, May 20, 2004
Judge Sandy Hon, Immigration Court, New York District, New York, NY, March 5, 2004
Judge H. Sherman, Bronx Housing Court, Bronx, NY., Oct.11, 2001
Judge Burton Sherman, Civil Court, Mediation Proceeding, New York, NY., Sep.7,
Judge A. Gerges, Supreme Court, Criminal Part, Brooklyn, NY May 27, 1999
Judge McGann, Supreme Court, Criminal Part, Queens, NY Dec. 2, 1998
Judge E. Preminger, Surrogate Court, New York, NY., July 15, 1997
Justice Lott, Criminal Courrt, Brooklyn, NY., Jan 9, 1997
Judge S. Cohen, Supreme Court, New York, NY. May 7, 1996 (Referee. K. McGrail)
Judge Hamer, Superior Court, Hackensack, NJ. Nov. 8, 1995
Judge Lockman, Supreme Court, Mineola, NY. Nov. 9, 1994
Judge Lockman, Supreme Court, Mineola, NY. Aug. 9, 1993
Special Referee, Lynn Diabola, Civil Court, Brooklyn , NY, April 7, 1993
Judge M. Barasch, Supreme Court, Brooklyn, NY. Oct. 16, 1992
Judge C. Matthews, Supreme Court, Brooklyn, NY. Dec 23, 1991
Judge Molloy, Supreme Court, Mineola, NY. June 18, 1991
Judge Bamberger, Supreme Court, Bronx, NY. May 1, 1991
Judge Stadtmauer, Supreme Court, Bronx, NY. Oct. 2, 1989
Judge Gammerman, Supreme Court, New York, NY. March 15, 1989
Judge Massaro, Supreme Court, Bronx, NY. Sept. 1, 1988
Judge J. Carey, Supreme Court, New York, NY. Nov. 30, 1987
Judge J. Lobis, Housing Court, New York, NY. Feb. 24, 1987
Judge E. Matthews, Housing Court, Brooklyn, NY. Sept. 9, 1986
Judge McCooe, Supreme Court, New York, NY. August 27, 1986
Judge B. Hecht, Supreme Court, Bronx, NY. July 2, 1986
Judge Imperato, Supreme Court, Brooklyn, NY. August 29, 1984
Judge Weber, Superior Court, Morristown, NJ. Nov. 16, 1984
Judge Levine, Supreme Court, Brooklyn, NY. Oct 11, 1984
Judge Marano, Supreme Court, Brooklyn, NY. August 27, 1984
Judge Smith, Supreme Court, New York, NY. Apr.13, 1984 (Referee Frank Lewis)
Judge Ventiera, Supreme Court, Brooklyn, NY. Feb. 18, 1983

Accepted as expert witness by the following arbitrator's

American Arbitration Assoc. Lawrence Cohen, New York, NY, January 15, 2008
American Arbitration Assoc. Bonnie S. Kurtz, Jamaica, Queens, August 6, 2007
American Arbitration Assoc. Lori J. Ehrlich, New York, NY, February 15, 2007
American Arbitration Assoc. Stanley Aiges, New York, NY, December 4, 2006
American Arbitration Assoc. Henry Sawits, Jamaica, Queens, October 19, 2006
American Arbitration Assoc. Jonathan Hill, Jamaica, Queens, Sept. 14, 2006
American Arbitration Assoc. Aaron Maslow, Brooklyn, NY, Sept. 11, 2006
American Arbitration Assoc. Heidi L. Obiajulu, New York, NY, May 1, 2006
American Arbitration Assoc. Henry Sawits, Jamaica, NY, December 8, 2005
American Arbitration Assoc. Susan Mandiberg, Garden City, NY, Nov. 9, 2005
American Arbitration Assoc. Glen A. Weiner, New York, NY, June 7, 2005
Nat'l Assoc. Security Dealers Three Man Panel, New York, NY, June 3, 2005
American Arbitration Assoc. Pamela Hirschhorn, Queens, NY, May 23, 2005
American Arbitration Assoc. John J. Talay, Jamaica, New York, September 19, 2005
American Arbitration Assoc. Joseph Hausman, New York, NY, April 19, 2005
American Arbitration Assoc. Melissa H. Melis, Kew Gardens, NY, April 7, 2005
American Arbitration Assoc. Anthony J. Bianchino, Jamaica, NY, April 5, 2005
American Arbitration Assoc. Sandra Adelson, Hauppauge, NY, April 4, 2005
American Arbitration Assoc. Lori J. Erlich, New York, NY, March 29, 20005
American Arbitration Assoc. Joseph Hausman, New York, NY, February 8, 2005
American Arbitration Assoc. Bernadette A. Connor, New York, NY, February 1, 2005
American Arbitration Assoc. Charles E. Sloane, Jamaica, Queens, NY, January 24, 2005
American Arbitration Assoc. Irwin F. Simon, New York, NY, December 14,2004
American Arbitration Assoc. Harry Peltz, New York, NY, December 7, 2004
American Arbitration Assoc. Michelle Entin, New York, NY, November 18, 2004
American Arbitration Assoc. Joseph I. Stone, New York, NY, November 10, 2004
American Arbitration Assoc. Heidi L. Obiajulu, New York, NY, October 29.2004
American Arbitration Assoc. Kent L. Benzinger, New York, NY, July 15, 2004
American Arbitration Assoc. Stacy Presser, New York, NY, July 15, 2004
American Arbitration Assoc. Anne L. Powers, Forest Hills, NY, July 12, 2004
American Arbitration Assoc. Peter Christopoulos, Queens, NY, June 23, 2004
American Arbitration Assoc. Pamela Hirschhorn, Queens, NY, March 15, 2004
American Arbitration Assoc. Martin Scheinman, New York, NY, Feb. 2, 2004
American Arbitration Assoc. Stephen P. Falvey, Bronx, NY, January 14, 2004
American Arbitration Assoc. Richard Horowitz, Bronx, NY, January 12, 2004
American Arbitration Assoc. Susan Mandiberg, Kew Gardens, Queens, NY, December 8, 2003
American Arbitration Assoc. Michelle Entin, New York, NY, November 4, 2003
American Arbitration Assoc. Charles E. Sloane, Jamaica, Queens, NY, October 21, 2003
American Arbitration Assoc. Andrew Horn, Bronx, NY, October 6, 2003
American Arbitration Assoc. Marilyn Felenstein, New York, NY, June 5, 2003
American Arbitration Assoc. Lisa J. Schwartz New York, NY, April 28, 2003
American Arbitration Assoc. Elyse Balzer, New York, NY, March 8, 2000

[redacted]
New York, New York [redacted]
Fax (917)4411474
Office(212)580-9808
email [redacted]@aol.com

ROGER RUBIN

. Questioned Document Examiner
. Qualified Witness

October 13, 2016

Forefront Partners
7 Times Square
37th Floor
New York, NY 10036

Dear Ms. Leszczyrska,

As per your request, I have examined the photocopied documents, submitted to me on 10/10/16 regarding a number of questioned (Q) signatures, and known (K) signatures for comparison The following is a report of my findings and opinion.

Documents in Question

Q-1 Letter from Forefront Capital Holdings sent to James H. Speed, dated 4/24/15, allegedly signed by Bradley Reifler.
Q-2 Signature page beginning "List of authorized signatures..." Allegedly signed by Bradley Reifler. Undated..
Q-3 Signature page beginning (19) No Continuing Waiver, allegedly signed by Bradley Reifler. Dated April, 2015.
Q-4 Another signature page beginning (19) No Continuing Waiver, allegedly signed by Bradley Reifler. Dated April, 2015.
Q-5 Another signature page beginning (19) No Continuing Waiver, allegedly signed by David Wasitowski. Dated April, 2015

Documents Used As Standards For Comparison

K-1 Signature page beginning "though purchaser became owner..." signed by Bradley Reifler. Undated
K-2 Signature page beginning "and payment of the firm's statements..." Dated 9/30/16. Signed by Bradley Reifler.
K-3 Smith, Anderson et al imprint on page with signature of Bradley Reifler. Dated 9/30/16.
K-4 Letterhead of Forefront Partners signed by Bradley Reifler. Dated 5/27/16.
K-5 Signature page beginning with "Pronouns and Headings" signed by Bradley Reifler. Undated.
K-6 Page beginning with "distribution by any trust..." signed by Bradley Reifler. Undated
K-7 Page beginning with "In Witness Whereof..." signed by Bradley Reifler. Undated.
K-8 Page beginning with "Reformation and Severabiliity" signed by Bradley Reifler. Undated.

K-9 Forefront Partners letterhead beginning "two year subscription agreement...". Signed by Bradley Reifler. Dated 7/23/16.
K-10 Forefront Partners Letterhead beginning"the two year subscription agreement..." . Signed By Bradley Reifler. Dated 12/5/15.
K-11 Wins Finance Holdings signed by Bradley Reifler as Grantee. Undated.
K-12 Income Offset Agreement signed by David Wasitowski. Dated 7/1/12.
K-13 Another Offset Agreement signed by David Wasitowski. Dated 7/1/12
K-14 ITA Compliance, and Forefront Capital Markets. Signed by David Wasitowski. Dated 5/15 /15.
K-15 Forefront Capital letterhead dated 2/0/15. Signed by David Wasitawsski
K-16 Forefront Capital letterhead list of enclosures signed by David Wasstiowski. Undated.
K-17 USSEC Focus Report signed by David Wasitowski. Dated 7/24/15.
K-18 Signature page Tanzanian Royalty Exploration Corp. Signed by David Wasitowski. Undated.
K-19 Signature page with Forefront Capital Markets and S & W Seed Co. Signed by David Wasitowski
K-20 Signature page with Forefront Capital and AFH Aquisition X. Signed by David Wasitowski
K-21 Signature page with Forefront Capital and Banjo & Matilda. Signed by David Wasitowski

Questions

1 - Did the writer of the signatures in documents K-1 through K-11, Bradley Reifler, also produce the questioned writing in documents Q-1 through Q-4?
2 - Did the writer of the signatures in documents K-12 through K-21, David Wasitowski, also produce the questioned writing in document Q-5?

Explanation and Opinion

Using standard procedures in the field of Questioned Document examination and signature analysis, the following factors were examined: letter forms, size, proportion, movement, slant and regularity. In answer to question 1, the questioned signatures differ from the known signatures in awkwardness of movement, and naturalness of execution. The letter forms show hesitation in the flow of the ductus. The questioned signatures all lack the dot or period at the end of the signature which is present in every one of the known signatures. A significant oversight indicating that another writer other than Bradley Reifler is not familiar with that idiosyncratic graphic gesture.

In answer to question 2, there is no similarity or an attempt at similarity in the questioned signature when compared to the known signatures. It is the same identical false signature that was produced in Q-4.

After a careful and thorough examination, it is my considered professional opinion that neither of the persons who produced the known signatures in K-1 through K-10, and the signatures in K-11 through K-21 produced or authored the questioned signatures in Q-1 through Q-5

Roger Rubin 
Questioned Document Examiner

Questioned Document Examiner

Q-1

Forefront Capital Holdings, LLC

Times Square Tower
New York, New York

Mr. James H. Speed, Jr.
President and CEO
North Carolina Mutual Life Insurance Company
411 West Chapel Hill Street
Durham, North Carolina 27701

April 24, 2015

Dear Mr. Speed:

This letter is intended to clarify certain aspects of the Investment Advisory Agreement dated April 24, 2015 between Stamford Brook Capital, LLC ("Stamford") and Port Royal Reassurance Company SPC, Limited ("Port Royal").

(1) Stamford is a wholly owned by me. To date Stamford has no business and is being used as the investment advisor to Port Royal in order to facilitate the anticipated potential future partnership arrangement between Port Royal, Forefront Capital Holdings, LLC ("Forefront Capital") and NCM.

(2) Forefront Capital also owns Forefront Capital Markets, LLC ("FFCM"). FFCM is a Registered Investment Advisor with the Securities Exchange Commission, ("SEC"). The same individuals who manage FFCM will manage the investments for Stamford.

(3) Because, for now, Stamford's sole client will be Port Royal, Stamford is not required to be register as an Investment Advisor. If at any point in the future, Stamford does become required to register as an Investment Advisor, Forefront Capital will cause Stamford to become so registered.

Sincerely,

Forefront Capital ①

Bradley Rolfter
Title: Chief Executive Officer

Q.2

List of authorized signers for Port Royal North Carolina Mutual Reassurance Trust Custodial Accounts:

(2)

Bradley Reifler, CEO
Forefront Partners

Michael Flatley, Managing Director
Forefront Partners

Q-3

such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

(19) No Continuing Waiver. No party hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

(20) Disputes. All controversies, claims, disputes, and other matters in question between the parties to this Agreement, arising from or relating to this Agreement or the breach thereof, which cannot be resolved by the parties themselves shall be settled by arbitration in Durham, North Carolina in accordance with the Commercial Arbitration Rules of the American Arbitration Association then existing, unless the parties mutually agree otherwise. This Agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law.

Notice of the demand for arbitration shall be filed in writing with each other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the controversy, claim, dispute or other matter in question has arisen; however, in no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on any such controversy, claim, dispute, or other matter in question would be barred by the applicable statute of limitation. The award rendered by the arbitrator(s) shall be final and binding upon the parties, and judgment may be entered upon it in accordance with the applicable law in any court having jurisdiction thereof. The costs of arbitration shall be assessed by the arbitrators.

Notwithstanding the foregoing, this Section shall not be deemed to limit the rights of a party to obtain from a court provisional or ancillary remedies, such as (but not limited to) injunctive relief or appointment of a receiver, before, during, or after the pendency of any arbitration proceeding brought pursuant to this Agreement. The institution or maintenance of an action for provisional or ancillary remedies shall not constitute a waiver or the right of any party, including the claimant in any such action, to arbitrate the merits of the controversy or claim occasioning the resort to such remedies.

(21) Receipt of Form ADV. The Client acknowledges receipt at least 48 hours prior to its execution of the Agreement of Part II of the Adviser's current Form ADV. The Adviser will offer in writing at least annually to provide the Client with a copy of its then current Form ADV.

(22) Term. This contract will terminate on December 31, 2024 unless otherwise terminated by the parties. It will be automatically renewed for five years from the date of expiration unless either party acts to terminate it or modify it within 30 days after date of expiration.

Agreed and accepted this [ ] day of April, 2015.

"Manager"
Stamford Brook Capital, LLC

(3)

By: _____
Name: BRADLE REITLER
Title: MANAGING DIRECTOR

"Client"
Port Royal Reassurance Company SPC, Limited

By: _____
Name: MICHAEL FLATLEY
Title: Managing Member

such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

(19) No Continuing Waiver. No party hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

(20) Disputes. All controversies, claims, disputes, and other matters in question between the parties to this Agreement, arising from or relating to this Agreement or the breach thereof, which cannot be resolved by the parties themselves shall be settled by arbitration in Durham, North Carolina in accordance with the Commercial Arbitration Rules of the American Arbitration Association then existing, unless the parties mutually agree otherwise. This Agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law.

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Notwithstanding the foregoing, this Section shall not be deemed to limit the rights of a party to obtain from a court provisional or ancillary remedies, such as (but not limited to) injunctive relief or appointment of a receiver, before, during, or after the pendency of any arbitration proceeding brought pursuant to this Agreement. The institution or maintenance of an action for provisional or ancillary remedies shall not constitute a waiver or the right of any party, including the claimant in any such action, to arbitrate the merits of the controversy or claim occasioning the resort to such remedies.

(21) Receipt of Form ADV. The Client acknowledges receipt at least 48 hours prior to its execution of the Agreement of Part II of the Adviser's current Form ADV. The Adviser will offer in writing at least annually to provide the Client with a copy of its then current Form ADV.

(22) Term. This contract will terminate on December 31, 2024 unless otherwise terminated by the parties. It will be automatically renewed for five years from the date of expiration unless either party acts to terminate it or modify it within 30 days after date of expiration.

Agreed and accepted this [ ] day of April, 2015.

"Manager"
Stamford Brook Capital, LLC

By:
Name:
Title:

(4)

"Client"
Port Royal Reassurance Company SPC, Limited

By:
Name: Steven W. Kang
Title:

such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

(19) No Continuing Waiver. No party hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

(20) Disputes. All controversies, claims, disputes, and other matters in question between the parties to this Agreement, arising from or relating to this Agreement or the breach thereof, which cannot be resolved by the parties themselves shall be settled by arbitration in Durham, North Carolina in accordance with the Commercial Arbitration Rules of the American Arbitration Association then existing, unless the parties mutually agree otherwise. This Agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law.

Notice of the demand for arbitration shall be filed in writing with each other party to this Agreement and with the American Arbitration Association. The demand shall be made within a reasonable time after the controversy, claim, dispute or other matter in question has arisen; however, in no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on any such controversy, claim, dispute, or other matter in question would be barred by the applicable statute of limitation. The award rendered by the arbitrator(s) shall be final and binding upon the parties, and judgment may be entered upon it in accordance with the applicable law in any court having jurisdiction thereof. The costs of arbitration shall be assessed by the arbitrators.

Notwithstanding the foregoing, this Section shall not be deemed to limit the rights of a party to obtain from a court provisional or ancillary remedies, such as (but not limited to) injunctive relief or appointment of a receiver, before, during, or after the pendency of any arbitration proceeding brought pursuant to this Agreement. The institution or maintenance of an action for provisional or ancillary remedies shall not constitute a waiver or the right of any party, including the claimant in any such action, to arbitrate the merits of the controversy or claim occasioning the resort to such remedies.

(21) Receipt of Form ADV. The Client acknowledges receipt at least 48 hours prior to its execution of the Agreement of Part II of the Adviser's current Form ADV. The Adviser will offer in writing at least annually to provide the Client with a copy of its then current Form ADV.

(22) Term. This contract will terminate on December 31, 2024 unless otherwise terminated by the parties. It will be automatically renewed for five years from the date of expiration unless either party acts to terminate it or modify it within 30 days after date of expiration.

Agreed and accepted this [ ] day of April, 2015.

"Manager"
Stamford Brook Capital, LLC

By:
Name:
Title:

(1)

"Client"
Port Royal Reassurance Company SPC, Limited

By:
Name: Steven V. Reed
Title:

Complaint Referral Form
Internet Crime Complaint Center

Victim Information

Name: Brad Reifler
Business Name: Forefront Group
Age: 50 - 59
Address: 7 Time Square Tower
Address (continued):
Suite/Apt./Mail Stop: 37th floor
City: New York
County:
Country: United States of America
State: New York
Zip Code/Route: 10036
Phone Number: 2126078128
Email Address: breifler@forefrontgroup.com
Business IT POC, If applicable:
Other Business POC, if applicable:

Financial Transaction(s)

Name: Brad Reifler

Transaction Type: Other

If other, please specify: fraudelent corporate contracts
Transaction Amount: $34000000.00
Transaction Date: 5/24/2015

Victim Bank Name:
Victim Bank Address:
Victim Bank Address (continued):
Victim Bank Suite/Mail Stop:
Victim Bank City:
Victim Bank Country: [None]
Victim Bank State [None]
Victim Bank Zip Code/Route:
Victim Name on Account:
Victim Account Number:

Recipient Bank Name:
Recipient Bank Address:
Recipient Bank Address (continued):
Recipient Bank Suite/Mail Stop:
Recipient Bank City:
Recipient Bank Country: [None]
Recipient Bank State [None]

Recipient Bank Zip Code/Route:
Recipient Name on Account:
Recipient Bank Routing Number:
Recipient Account Number:
Recipient Bank SWIFT Code:

Description of Incident

Provide a description of the incident and how you were victimized. Provide information not captured elsewhere in this complaint form.

My company, Forefront Group, has been the victim of false(forged) contracts that were made to appear as though t hey had come from my firm. These contracts made my firm responsible for 34M of investments made on behalf of North Carolina Mutual (the oldest African American financial firm in the US). North Carolina Mutual appointed an ad visor/controller of the life insurance reserve portfolio (Port Royal North Carolina Mutual Reassurance Trust) the sole member being Steve Fickes.

8600 Country Club Drive
Bethesda, Maryland 20817
Phone: 301-469-7600
Cell: [redacted]

My firm invested in Port Royal so they could acquire the portfolio. Forefront would provide investment ideas and sh are in the interest income. (This would allow the repayment/repurchase of the stock and be a profitable business fo r both parties.

Steve Fickes did not follow the North Carolina Statutes and in an effort to cover his mistakes presented a false portf olio and created documents that made Forefront liable for all of Port Royal's actions.
The first false document was from me to the then CEO of North Carolina Mutual, James Speed, outlining the contrac tual agreement that I had with Port Royal/NCM olio (Port Royal
The other fraudulent document gave me signing authority on behalf of Port Royal. The third document is the invest ment advisory agreement that specified all the roles and responsibilities.
ALL the documents above have my forged signature and the documents were sent to others as if they were coming from my computer as well as other colleagues within my firm.

Which of the following were used in this incident? (Check all that apply.)
☑ Spoofed Email
☐ Similar Domain
☐ Email Intrusion
☐ Other Please specify:

Law enforcement or regulatory agencies may desire copies of pertinent documents or other evidence regarding your complaint.

Originals should be retained for use by law enforcement agencies.

Information About The Subject(s) Who Victimized You

behalf of Port Royal The third document

Name: Steve Fickes
Business Name:

Address: 8600 Country Club Drive
Address (continued):
Suite/Apt./Mail Stop:
City: Bethesda;MD
Country: United States of America
State: [None]
Zip Code/Route: 20817
Phone Number: 3014697600
Email Address: sfickes@raedelfs.com
Website:
IP Address:

Other Information

If an email was used in this incident, please provide a copy of the entire email including full email headers.

I do not know how to attach these? Please send me an email and I will attach the emails including the fraudulent d ocuments

Are there any other witnesses or victims to this incident?
City: Bethesda;MD

other recipients of the fraudulent email

If you have reported this incident to other law enforcement or government agencies, please provide the name, phone number, email, date reported, report number, etc.

[No response provided]

Who Filed the Complaint

Were you the victim in the incident described above? Yes

Digital Signature

By digitally signing this document, I affirm that the information I provided is true and accurate to the best of my knowledge. I understand that providing false information could make me subject to fine, imprisonment, or both. (Title 18, U.S. Code, Section 1001)

Digital Signature: Brad Reifler

Thank you for submitting your complaint to the IC3. Please save or print a copy for your records. ***This is the only time you will have to make a copy of your complaint.***

Who Filed the Complaint

By digitally signing this document, I affirm that the information I provided is true and accurate to the best of my knowledge. I understand that providing false information could make me subject to fine, imprisonment, or both. (Title 18, U.S. Code, Section 1001)

REINSURANCE TRUST AGREEMENT

THIS REINSURANCE TRUST AGREEMENT, dated as of April 23, 2015 (the "Agreement"), is entered into by and among **PORT ROYAL REASSURANCE COMPANY SPC, LIMITED**, a Cayman Island corporation (the "Grantor"), **NORTH CAROLINA MUTUAL LIFE INSURANCE COMPANY**, domiciled in North Carolina (together with any successor thereof by operation of law, including, without limitation, any liquidator, rehabilitator, receiver or conservator, the "Beneficiary"), and **SUMMIT TRUST COMPANY**, an Illinois trust company (the "Trustee") (the Grantor, the Beneficiary and the Trustee are hereinafter each sometimes referred to individually as a "Party" and collectively as the "Parties").

WITNESSETH:

WHEREAS, Port Royal Reassurance Company SPC, Limited is a Cayman Island reinsurer ("Reinsurer") and has entered into an indemnity reinsurance agreement with the Beneficiary, through a Novation Agreement effective April 24, 2015 (the "Reinsurance Arrangement"), pursuant to which Grantor accepted and reinsured on a one hundred percent (100%) coinsurance basis certain risks, liabilities and obligations of the Beneficiary under certain of its life insurance policies and annuity contracts;

WHEREAS, the Beneficiary desires the Grantor to secure payments of all amounts at any time and from time to time owing by the Grantor to the Beneficiary under or in connection with the Reinsurance Arrangement for the purpose of obtaining credit for reinsurance to the Beneficiary;

WHEREAS, the Grantor desires to transfer to the Trustee on the date hereof and from time to time for deposit into a trust account (the "Trust Account") maintained with the Trustee qualified assets in order to secure payment of amounts owed by the Grantor to the Beneficiary under or in connection with the Reinsurance Arrangement;

WHEREAS, the Trustee has agreed to act as Trustee hereunder, and to hold such assets in trust in the Trust Account in accordance with North Carolina statutes; and

WHEREAS, this Agreement is made for the sole use and benefit of the Beneficiary and for the purpose of setting forth the duties and powers of the Trustee with respect to the Trust Account.

NOW, THEREFORE, for and in consideration of the promises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties hereby agree as follows:

SECTION 1. Deposit of Assets to the Trust Account.

(a) The Grantor shall, on the date of this Agreement, establish the Trust Account with the Trustee, and the Trustee shall administer the Trust Account in its name as Trustee solely for the benefit of the Beneficiary. Legal title to the Assets (as defined below) held in the Trust Account will be vested in the name of the Trustee for the benefit of the Beneficiary, its assigns and successors in interest. The Assets held in the Trust Account shall be subject to withdrawal by the

Beneficiary or by the Grantor upon Trustee's receipt of the prior written consent of the Beneficiary, in each case, solely as provided herein. All Assets at all times shall be held and maintained by the Trustee in the Trust Account at the Trustee's office in the United States of America, except when depositories or sub-custodians of the Trustee hold such assets in the United States of America, as agents of the Trustee. All Assets shall be held by the Trustee separate and distinct from all other assets of or held by the Trustee and shall be continuously kept in a safe place.

(b) The Grantor shall transfer, or cause to be transferred, to the Trustee, on the date of this Agreement for deposit to the Trust Account, all the cash and invested assets listed in Exhibit A hereto, and shall transfer, or cause to be transferred, to the Trustee, for deposit to the Trust Account, such other assets as the Grantor is required from time to time under the Reinsurance Arrangement or this Agreement or as it may otherwise from time to time desire (each such asset actually received by the Trustee and deposited by the Trustee into the Trust Account is herein referred to individually as an "Asset" and collectively as the "Assets"). The Assets shall consist only of Eligible Assets (as hereinafter defined). If, on any Measurement Date, the fair market value of the Assets held in the Trust Account on such date shall be less than the Statutory Reserves and Liabilities (as defined in the Assignment Agreement) as set forth in the quarterly settlement report delivered by the Beneficiary to the Grantor on such date (such amount, a "Reinsurance Trust Deficiency Amount"), the Reinsurer shall promptly, but in no event later than five (5) Business Days after such date, deposit additional Assets having a fair market value of not less than such Reinsurance Trust Deficiency Amount.

(c) The Grantor hereby represents, warrants and covenants to the Trustee and the Beneficiary: (i) that the Grantor shall, with five (5) Business Days after its receipt thereof, provide to the Trustee a copy of the Grantor's Foreign Insurance Company Election Under Section 953(d) of the Internal Revenue Code of 1986, as amended, stamped approved by the Internal Revenue Service; (ii) that all Assets transferred by the Grantor to the Trustee for deposit into the Trust Account will be in such form that the Beneficiary whenever necessary may, and the Trustee upon direction by the Beneficiary will, negotiate any such Assets without consent or signature from or any notice to the Grantor or any other person in accordance with the terms of this Agreement; and (iii) that all Assets transferred by the Grantor to the Trustee for deposit into the Trust Account consist only of Eligible Assets on the dates of their respective transfers into the Trust Account.

(d) The Trustee shall have no responsibility to value or determine whether the Assets in the Trust Account are sufficient to secure the Grantor's liabilities to the Beneficiary under the Reinsurance Arrangement. Further, the Trustee shall have no responsibility whatsoever to determine whether the Assets in the Trust Account constitute Eligible Assets or entitle either of the Grantor or the Beneficiary to favorable or unfavorable tax, accounting or other treatment, consideration, evaluation or calculation under any law, rule or regulation.

SECTION 2. Withdrawal of Assets from the Trust Account.

(a) Without any notice by the Trustee or the Beneficiary to the Grantor, the Beneficiary shall have the right, at any time and from time to time, to withdraw from the Trust Account, upon written notice from an Authorized Person of the Beneficiary to the Trustee (the "Withdrawal Notice"), such Assets as are specified in such Withdrawal Notice. The Withdrawal Notice may designate a third party (the "Designee") to whom Assets specified therein shall be delivered by the Trustee and may condition delivery of such Assets to such Designee upon the receipt and deposit into the Trust Account of other Assets specified in such Withdrawal Notice. The Beneficiary need present no statement, instruction or document in addition to a Withdrawal Notice in order to withdraw any Assets from the Trust Account; nor is said right of withdrawal or any other provision of this Agreement subject to any conditions, limitations or qualifications not contained in this Agreement.

(b) Upon its receipt of a Withdrawal Notice from the Beneficiary, the Trustee shall immediately take any and all steps necessary to transfer absolutely and unequivocally all rights, titles and interests in the Assets specified in such Withdrawal Notice and shall deliver such Assets to or for the account of the Beneficiary or such Designee as specified in such Withdrawal Notice.

(c) The Grantor may seek approval of the Beneficiary (which approval shall not be unreasonably withheld, conditioned or delayed) to withdraw from the Trust Account all or any part of the Assets and transfer such Assets to the Grantor; provided, that, after such withdrawal and transfer, the fair market value of the Assets remaining in the Trust Account is no less than 100% of the Statutory Reserves and Liabilities. Upon the Beneficiary's approval of such withdrawal request, the Beneficiary shall deliver a Withdrawal Notice to the Trustee which directs the Trustee to withdraw the applicable Assets from the Trust Account and deliver such Assets to the Grantor. The Trustee shall have no responsibility whatsoever to determine whether the conditions described in this Section 2(c) have been satisfied.

(d) Subject to Section 4 of this Agreement, in the absence of the delivery of a Withdrawal Notice to the Trustee by the Beneficiary, the Trustee shall allow no substitution or withdrawal of any Asset from the Trust Account.

(e) The Trustee shall have no responsibility whatsoever to determine that any Assets withdrawn from the Trust Account pursuant to this Section 2 will be used and applied in the manner contemplated by Section 3 of this Agreement.

SECTION 3. Application of Assets.

The Beneficiary hereby covenants to the Grantor that it shall use and apply any withdrawn Assets from the Trust Account, without diminution because of the insolvency of the Beneficiary or the Grantor, for the following purposes only:

(a) to pay or reimburse the Beneficiary for any premiums which are returned, but not yet recovered by the Beneficiary from the Grantor, to the owners of the Assigned Policies (as defined in the Assignment Agreement) because of surrenders, cancellations or other terminations of Assigned Policies;

(b) to pay or reimburse the Beneficiary for any Insurance Liabilities (as defined in the Reinsurance Arrangement) paid by the Beneficiary, but not yet recovered by the Beneficiary from the Grantor;

(c) to make payment to the Grantor under Section 2(c) of any amounts held in the Trust Account that exceed the actual amount required to fund the Grantor's entire Obligations (as hereinafter defined); and

(d) where the Beneficiary and the Grantor have delivered notice of termination of this Agreement pursuant to Section 10(a) and where the Grantor's obligations under the Reinsurance Arrangement remain unliquidated and undischarged ten (10) days prior to the termination date, to withdraw amounts equal to such obligations of the Grantor, to the extent that such obligations have not yet been paid by the Grantor to the Beneficiary, and deposit those amounts into a separate account, in the name of the Beneficiary, in any Qualified U.S. Financial Institution (as defined below) that becomes a successor Trustee pursuant to Section 9 apart from its general assets, in trust for the uses and purposes specified in (i), (ii) and (iii) above as may remain executory after such withdrawal and for any period after the termination date. "Qualified U.S. Financial Institution" shall mean an institution that is a member of the Federal Reserve System or is (1) organized or, in the case of a United States branch or agency office of a foreign banking organization, is licensed under the laws of the United States or any state thereof and has been granted authority to operate with fiduciary powers and (2) regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies.

SECTION 4. Redemption, Investment and Substitution of Assets.

(a) The Trustee shall surrender for payment all maturing Assets and all Assets called for redemption and deposit the principal amount of the proceeds of any such payment to the Trust Account.

The Trustee shall provide notice to Beneficiary when an Asset held in the Trust Account matures, is surrendered by the Trustee for payment and/or called for redemption.

(b) From time to time, at the written order and direction of the Investment Manager (as defined below) or any sub-investment manager acting for the Investment

Manager), the Trustee shall invest Assets in the Trust Account only in Eligible Assets.

(c) From time to time, subject to the Trustee's receipt of the prior written approval of the Beneficiary (which approval shall not be unreasonably or arbitrarily withheld or delayed), the Grantor (or the Investment Manager or any sub-investment manager acting for the Investment Manager) may direct the Trustee to substitute Eligible Assets for other Eligible Assets held in the Trust Account at such time; provided that the Grantor shall, at the time of such withdrawal, replace the withdrawn Assets with other assets constituting Eligible Assets and having a fair market value at least equal to the fair market value of the withdrawn Assets (such withdrawal and replacement deposit, a "Substitution"). The instructions of the Grantor (or the Investment Manager or any sub-investment manager acting for the Investment Manager) regarding a Substitution shall constitute a representation and warranty by the Grantor to the Trustee and the Beneficiary that, on the date of deposit, any assets so deposited are Eligible Assets, and that the fair market value of the Assets so deposited is at least equal to the fair market value of the Assets so withdrawn. The Trustee shall have no responsibility whatsoever to determine the value of such substituted securities or that such substituted securities constitute Eligible Assets. For the avoidance of doubt, so long as any Substitution complies with the other provisions of this Section 4(c), the Beneficiary shall be deemed to have approved such Substitution.

(d) The Grantor has appointed Stamford Brook Capital, LLC, a Delaware limited liability company (the "Investment Manager"), to manage the investment of the Assets in the Trust Account and any subaccounts thereof, which appointment will be effective as of the date hereof. The Investment Manager shall have full right to provide instructions to the Trustee hereunder with respect to such Trust Account and sub-accounts subject to the terms and conditions of this Agreement, and each such instruction shall be binding upon the Beneficiary and the Grantor, and the Trustee shall be fully protected in following any such instruction or action as if taken directly from the Beneficiary. The Grantor shall promptly notify the Trustee in writing of the termination of the appointment of the Investment Manager.

(e) The Investment Manager may further designate one or more sub-investment managers to manage the investment of the Assets held in the Trust Account or sub-accounts thereof over which the Investment Manager has authority and the limitations, if any, of the sub-investment manager's authority and/or discretion. In such event, the Investment Manager shall notify the Trustee and the Beneficiary in writing of the appointment of each such sub-investment manager, and of the Trust Account or sub-accounts over which such sub-investment manager may exercise authority. Subject to the terms set forth in such written notice, any such sub-investment manager shall have full right to provide instructions to the Trustee hereunder with respect to such Trust Account or sub-accounts, and the Trustee shall be fully protected in following any such instruction or action as if taken directly from the Beneficiary. Each such

instruction shall be binding upon the Investment Manager, the Beneficiary and the Grantor; provided, however, that if conflicting instructions are given by the Investment Manager and a sub-investment manager, the instructions given by the Investment Manager shall govern; provided, further that nothing herein shall be construed to limit the ability of the Investment Manager to enforce its rights against any sub-investment manager pursuant to any other agreements entered into between them. The Investment Manager shall promptly, but in no event later than three (3) Business Days after termination, notify the Trustee and the Beneficiary in writing of the termination by the Investment Manager of its appointment of any such sub-investment manager.

(f) All investments and substitutions of securities referred to in paragraphs (b) and (c) of this Section 4 shall be in compliance with the applicable provisions of the North Carolina Insurance Code, as set forth in the definition of "Eligible Assets" in Section 11 of this Agreement. The Trustee has no discretionary authority over investments or substitutions of securities. The Trustee shall have no responsibility whatsoever to determine that any Assets in the Trust Account are or continue to be Eligible Assets. Any instruction or order concerning such investments or substitutions of securities shall be referred to herein as an "Investment Order". The Trustee shall execute Investment Orders and settle securities transactions by itself or by means of an agent or broker. The Trustee shall not be responsible for any act or omission, or for the solvency, of any such agent or broker unless said act or omission is the result, in whole or in part, of the Trustee's negligence, willful misconduct or lack of good faith.

(g) Any loss incurred from any investment pursuant to the terms of this Section 4 shall be borne exclusively by the Trust Account. The Trustee shall not be liable for any loss due to changes in market rates or penalties for early redemption.

SECTION 5. The Income Account.

All payments of interest and dividends actually received in respect of Assets in the Trust Account shall be deposited by the Trustee, subject to deduction of the Trustee's compensation and expenses as provided in Section 8 of this Agreement, in a separate account (the "Income Account") established and maintained by the Grantor at an office of the Trustee. The Trustee shall treat the Grantor as tax owner of all Trust Account income. The Grantor shall have the right to withdraw funds from the Income Account at any time.

SECTION 6. Right to Vote Assets.

The Trustee shall forward all annual and interim stockholder reports and all proxies and proxy materials relating to the Assets in the Trust Account to the Investment Manager or applicable sub-investment manager acting for the Investment Manager (or, if the appointment of the Investment Manager has been terminated, to the Grantor). The Grantor (and the Investment Manager or sub-investment manager acting for the Investment Manager), shall have the full and unqualified right to vote any Assets in the Trust Account.

SECTION 7. Additional Rights and Duties of the Trustee.

(a) The Trustee shall notify the Grantor, the Beneficiary and the Investment Manager in writing within five (5) days following each deposit to, or withdrawal from, the Trust Account.

(b) Before accepting any Asset for deposit to the Trust Account, the Trustee shall determine that such Asset is in such form that the Beneficiary whenever necessary can, or the Trustee upon direction by the Beneficiary can, negotiate such Asset without consent or signature from or notice to the Grantor or any person or entity other than the Trustee in accordance with the terms of this Agreement.

(c) The Trustee may deposit any Assets in the Trust Account in the centralized National Book-Entry System of the Federal Reserve or in depositories such as the Depository Trust Company. Assets may be held in the name of a nominee maintained by the Trustee or by any such depository.

(d) The Trustee shall accept and promptly open all mail directed to the Grantor or the Beneficiary in care of the Trustee and deliver a copy of such mail to the Grantor and the Beneficiary promptly after the Trustee's receipt thereof.

(e) The Trustee shall furnish to the Grantor and the Beneficiary a statement of all Assets in the Trust Account upon the inception of the Trust Account and at the end of each calendar quarter thereafter.

(f) Upon the request of the Grantor or the Beneficiary, the Trustee shall promptly permit the Grantor or the Beneficiary, their respective agents, employees, counsel or independent auditors to examine, audit, excerpt, transcribe and copy, during the Trustee's normal business hours, any books, documents, papers and records relating to the Trust Account, the Assets or this Agreement.

(g) The Trustee is authorized to follow and rely upon all instructions given by officers authorized in writing by the Grantor and the Beneficiary, respectively, and by the Investment Manager or authorized sub-investment managers and attorneys-in-fact acting under written authority furnished to the Trustee by the Grantor or the Beneficiary, including, without limitation, instructions given by letter, facsimile transmission, telegram, teletype, cablegram or electronic media other than e-mail, if the Trustee believes such instructions to be genuine and to have been signed, sent or presented by the proper party or parties. Such instructions may also be in a tested communication or in a communication utilizing access codes effected between electro-mechanical or electronic devices. The Trustee shall not incur any liability to anyone resulting from actions taken by the Trustee in reliance in good faith on such instructions. The Trustee shall not incur any liability in executing instructions (i) from such an attorney-in-fact prior to receipt by the Trustee of notice of the revocation of the written authority of the attorney-in-fact, (ii) from any officer of the Grantor or the Beneficiary authorized in a writing, which may be updated from time to time or (iii) from the Investment Manager or any authorized sub-investment managers.

(h) The duties and obligations of the Trustee shall only be such as are specifically set forth in this Agreement, as it may from time to time be amended, and no implied duties or obligations shall be read into this Agreement against the Trustee. The Trustee shall only be liable for its own negligence, willful misconduct or lack of good faith.

(i) No provision of this Agreement shall require the Trustee to take any action which, in the Trustee's reasonable judgment, would result in any violation of this Agreement or any provision of law.

(j) The Trustee may confer with counsel of its own choice in relation to matters arising under this Agreement and shall have full and complete authorization from the other Parties hereunder for any action taken or suffered by it under this Agreement or under any transaction contemplated hereby in good faith and in accordance with the opinion of such counsel.

(k) Except as may arise from the Trustee's own negligence, willful misconduct, or lack of good faith, the Trustee shall be without liability for any loss, liability, claim or expense resulting from or caused by events or circumstances beyond the reasonable control of the Trustee, including, without limitation, the interruption, suspension or restriction of trading on or the closure of any securities markets, power or other mechanical or technological failures or interruptions, or computer viruses or communications disruptions, work stoppages, natural disasters or other similar events or acts, delays or inability to perform its duties due to any disorder in market infrastructure with respect to any particular security or changes to any provision of any present or future law or regulation or order of the United States of America, or any state thereof, or any other country, or political subdivision thereof or any court of competent jurisdiction.

(l) The Trustee, in incurring any debt, liability or obligation, or in taking or omitting to take any action, for or in connection with the Trust Account, is and shall be deemed to be acting solely as a trustee, and not in an individual capacity. The Trustee shall assume no responsibility and shall not be held to any personal liability whatsoever in tort, contract, or otherwise for any action taken or omitted pursuant to this Agreement. In the event that the Grantor or the Beneficiary enters into any agreement or arrangement of any kind with any third party with respect to all or any part of the Trust Account, the Grantor or the Beneficiary, as appropriate, shall ensure that the agreement or arrangement shall pose no risk of personal liability to the Trustee.

SECTION 8. The Trustee's Compensation, Expenses and Indemnification.

(a) The Grantor shall, upon its receipt of an invoice from the Trustee, (i) pay the Trustee, as compensation for its services under this Agreement, a fee as may be agreed upon in writing by the Trustee and the Grantor from time to time and (ii) pay or reimburse the Trustee for all of the Trustee's reasonable expenses, disbursements and advancements in connection with its duties under this

Agreement (including reasonable attorney's fees and expenses), except any such expenses, disbursements or advances as may arise from the Trustee's negligence, willful misconduct or lack of good faith. If the Grantor fails to pay such compensation and expenses within thirty (30) days following the Trustee's delivery of the invoice therefore, the Trustee shall be entitled to deduct such compensation and expenses from payments of dividends, interest and other income in respect of the Assets held in the Trust Account prior to the deposit thereof to the Income Account as provided in Section 5 of this Agreement. The Grantor also hereby indemnifies the Trustee for, and holds it harmless against, any loss, liability, costs or expenses (including reasonable attorney's fees and expenses) incurred or made without negligence, willful misconduct or lack of good faith on the part of the Trustee, arising out of or attributable to the Trustee's entrance into this Agreement or in connection with the performance of its obligations in accordance with the provisions of this Agreement, including any loss, liability, costs or expenses arising out of or in connection with the status of the Trustee and its nominee as the holder of record of the Assets. In no event shall the Trustee be liable for indirect, special or consequential damages. The Grantor hereby acknowledges that the foregoing indemnities shall survive the resignation of the Trustee or the termination of this Agreement and hereby grants the Trustee a lien, right of set-off and security interest in the funds in the Income Account for the payment of any claim for compensation, reimbursement or indemnity hereunder.

(b) No Assets shall be withdrawn from the Trust Account or used in any manner for paying compensation to, or reimbursement or indemnification of, the Trustee. The Trustee shall have no security interest in, lien on or right of setoff against the Trust Account or any Assets therein.

SECTION 9. Resignation or Removal of the Trustee.

(a) The Trustee may resign at any time by giving not less than ninety (90) days' prior written notice thereof to the Beneficiary and to the Grantor, such resignation to become effective on the acceptance of appointment by a successor trustee and the transfer to such successor trustee of all Assets in the Trust Account in accordance with paragraph (c) of this Section 9.

(b) The Trustee may be removed by the Grantor at any time by giving not less than ninety (90) days' written notice thereof to the Trustee and to the Beneficiary, such removal to become effective on the acceptance of appointment by a successor trustee and the transfer to such successor trustee of all Assets in the Trust Account in accordance with paragraph (c) of this Section 9.

(c) Upon (i) their receipt of the Trustee's notice of resignation or (ii) their providing a notice of removal to the Trustee, the Grantor and the Beneficiary shall jointly appoint a successor trustee. Any successor trustee shall be a Qualified U.S. Financial Institution. The successor trustee shall not be an Affiliate of the Grantor or the Beneficiary. Upon the acceptance of the appointment as trustee hereunder

by a successor trustee and the transfer to such successor trustee of all Assets in the Trust Account, the resignation or removal, as applicable, of the Trustee shall become effective. Thereupon, such successor trustee shall succeed to and become vested with all the rights, powers, privileges and duties of the Trustee, and the Trustee shall be discharged from any future duties and obligations under this Agreement, but the Trustee shall continue after its resignation or removal to be entitled to the benefits of the indemnities provided herein for the Trustee.

SECTION 10. Termination of the Trust Account.

(a) The Trust Account and this Agreement will remain in effect as long as the Grantor has outstanding obligations under the Reinsurance Arrangement. The Trust Account and this Agreement, except for the indemnities provided herein, may be terminated only after (i) the Grantor or the Beneficiary has given the Trustee written notice of its intention to terminate the Trust Account and (ii) the Trustee has given the Beneficiary and the North Carolina Department of Insurance not less than thirty (30) days prior written notice of the intended termination date.

(b) On the termination date, upon the Trustee's receipt of written approval of the Beneficiary, the Trustee shall transfer to the Grantor any Assets remaining in the Trust Account, at which time all liability of the Trustee with respect to such Assets shall cease.

SECTION 11. Definitions.

Except as the context shall otherwise clearly require, the following terms shall have the following meanings for all purposes of this Agreement (the definitions to be applicable to both the singular and the plural forms of each term defined if both such forms of such term are used in this Agreement):

The term "Affiliate" with respect to any corporation shall mean a corporation which directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such corporation. The term "control" (including the related terms "controlled by" and "under common control with") shall mean the ownership, directly or indirectly, of more than fifty percent (50%) of the voting stock of a corporation.

The term "Authorized Person" of the Beneficiary shall mean each person listed on Exhibit B attached hereto .

The term "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which banking institutions in New York, New York are authorized or required by law or executive order to close.

The term "Eligible Assets" shall mean cash (United States legal tender) and those securities specified in the investment guidelines attached hereto as Exhibit C and to the Assignment Agreement as Exhibit D which are free and clear of all charges, encumbrances, liens, security interest and claims of any kind; provided, however, that no such securities shall

have been issued by an Affiliate of the Beneficiary or by the parent, subsidiary or an Affiliate of the Grantor.

The term "Measurement Date" shall mean each date on which a monthly settlement report is delivered by the Beneficiary to the Grantor pursuant to the Reinsurance Arrangement.

The term "Obligations" shall mean, with respect to the Reinsurance Arrangement, (a) losses and allocated loss expenses paid by the Beneficiary, but not recovered from the Grantor, (b) reserves for losses reported and outstanding, (c) reserves for losses incurred but not reported, (d) reserves for allocated loss expenses, (e) reserves for unearned premiums and (f) the Insurance Liabilities (as defined under the Reinsurance Arrangement).

The term "person" shall mean and include an individual, a corporation, a partnership, an association, a trust, an unincorporated organization or a government or political subdivision thereof.

SECTION 12. Governing Law.

This Agreement shall be subject to and governed by the laws of the State of North Carolina.

SECTION 13. Successors and Assigns.

No Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of all the other Parties; provided, however, that this Agreement shall inure to the benefit of and bind those who, by operation of law, become successors to the Parties, including, without limitation, through merger, consolidation, sale of all or substantially all of its assets, liquidation, dissolution or otherwise; provided, further, that, in the case of the Trustee, the successor is eligible to be a trustee under the terms hereof.

SECTION 14. Severability.

In the event that any provision of this Agreement shall be declared invalid or unenforceable by any regulatory body or court having jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining portions of this Agreement.

SECTION 15. Entire Agreement.

This Agreement, together with the Reinsurance Arrangement, constitutes the entire agreement among the Parties with respect to the subject matter hereof, and there are no understandings or agreements, conditions or qualifications relative to this Agreement which are not fully expressed in this Agreement.

SECTION 16. Amendments.

This Agreement may be modified or otherwise amended, and the observance of any term of this Agreement may be waived, only if such modification, amendment or waiver is in writing

Exhibit B

Authorized Persons of the Beneficiary

1. James H. Speed, Jr.

Exhibit C

Investment Guidelines

All Eligible Investments must;

(1) meet all of the requirements of North Carolina's General Statute 58-7-173, and

(2) will be limited to income producing securities, with

(3) appropriate duration or maturity dates after consideration of the duration of the reinsured liabilities, and

(4) have an average rating of a 2 or better rating based upon the ratings of the NAIC's Security Valuation Office ("SVO"), or equivalent rating thereof, and

Ratings or equivalent ratings shall be determined as:

(i) SVO if available,
(ii) Moody's or S&P rating, for same creditor - adjusted for priority
(iii) ratings of similar credits - adjusted for priority, or
(iv) other methods acceptable under the North Carolina Insurance Code

(5) subject to certain concentration limitations prescribed by the North Carolina Insurance Code

(6) meeting the level of collateral and term limitations as provided by North Carolina's General Statute 58-7-173 section (15)

and signed by all of the Parties; provided, however, that any amendment to this Agreement shall be filed with the North Carolina Department of Insurance no later than thirty (30) days after approval of the amendment by the commissioner who has regulatory oversight of the Trust Account.

SECTION 17. Notices.

Unless otherwise provided in this Agreement, all notices, directions, requests, demands, acknowledgments and other communications required or permitted to be given or made under the terms hereof shall be in writing and shall be deemed to have been duly given or made (a)(i) when delivered personally, (ii) when made or given by email or facsimile (provided that an original is delivered by national or international air courier service) , (iii) in the case of mail delivery, upon the expiration of three (3) days after any such notice, direction, request, demand, acknowledgment or other communication shall have been deposited in the United States mail for transmission by first class mail, postage prepaid, or upon receipt thereof, whichever shall first occur or (iv) two (2) days following the day on which the same has been delivered prepaid to a national or international air courier service and (b) when addressed as follows:

If to the Grantor:

Port Royal Reassurance Company SPC, Limited
113 South Church Street
Grand Cayman, Cayman Islands
Attention: Paul Macey
Telephone: 811-483-1850 extension 2281

If to the Trustee:

Summit Trust Company
190 Bethlehem Pike, Suite One
Colmar, PA 18915
Attention: Meade Rudasill
Telephone: 215-822-6601

If to the Beneficiary:

North Carolina Mutual Life Insurance Company
411 West Chapel Hill Street
Durham, NC 27701-3616
Attention: Richard Barnes
Telephone: 919-313-7800

If to the Investment Manager:

Stamford Brook Capital, LLC
Times Square Tower
7 Times Square, 37 floor
New York, New York 10022
Attention: David Wasitowski
Telephone: 646-597-6068

Each Party may from time to time designate a different address for notices, directions, requests, demands, acknowledgments and other communications by giving written notice of such change to the other Parties.

SECTION 18. Headings.

The headings of the Sections have been inserted for convenience of reference only, and shall not be deemed to constitute a part of this Agreement.

SECTION 19. Counterparts.

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall constitute an original, but such counterparts together shall constitute one and the same Agreement.

SECTION 20. Trust Account Records.

The Grantor, the Beneficiary and the North Carolina Department of Insurance may examine the Trustee's records relating to the Trust Account at any time during the Trustee's business hours, upon reasonable request.

SECTION 21. Insolvency of Grantor.

(a) Notwithstanding any other provisions in this Agreement, if the Grantor has been declared insolvent or placed into receivership, rehabilitation, liquidation, or similar proceedings under the laws of its state or country of domicile, the Trustee shall comply with an order of the commissioner with regulatory oversight over the Trust Account or court of competent jurisdiction directing the Trustee to transfer to the commissioner with regulatory oversight or other designated receiver all of the Assets.

(b) The Assets shall be applied in accordance with the priority statutes and laws of the state in which the Trust Account is domiciled applicable to the assets of insurance companies in liquidation.

(c) If the commissioner with regulatory oversight determines that the Assets of the Trust Account or any part thereof are not necessary to satisfy claims of the U.S. beneficiaries of the Trust Account, the Assets or any part of them shall be returned to the Trustee for distribution in accordance with this Trust Agreement.

SECTION 22. Use of Information.

The Grantor and the Beneficiary agree to use reasonable care to avoid disclosure or unpermitted use of the Trustee's confidential or proprietary information, and the Trustee agrees to use reasonable care to avoid disclosure or unpermitted use of the Grantor's and the Beneficiary's confidential or proprietary information. Each Party agrees that it shall treat confidentially all information provided hereunder by any other Party regarding such other Party's business and operations. All confidential information provided hereunder by any Party shall be used by the other Parties solely for the purpose of rendering or receiving services pursuant to this Agreement and, except as may be required in carrying out this Agreement, shall not be disclosed to any third party. The foregoing shall not be applicable to any information (i) that is publicly available when provided or thereafter becomes publicly available, other than through a breach of this Agreement, or that is independently derived by any party hereto without the use of any information provided by the other party hereto in connection with this Agreement, (ii) that is required in any legal or regulatory proceeding, investigation, audit, examination, subpoena, civil investigative demand or other similar process, or by operation of law or regulation, or (iii) where the party seeking to disclose has received the prior written consent of the party providing the information, which consent shall not be unreasonably withheld. Notwithstanding anything herein to the contrary, the Trustee and its affiliates may report and use nonpublic account holdings information of its clients on an aggregated basis with all or substantially all other client information and without specific reference to any party or Account.

SECTION 23. Regulation GG.

The Grantor and the Beneficiary each hereby represents and warrants that it does not engage in an "Internet Gambling Business", as such term is defined in Section 233.2(r) of the Federal Reserve Regulation GG (12 CFR 233.1-233.7) ("Regulation GG"). The Grantor and the Beneficiary each hereby covenants and agrees that it shall not engage in an Internet gambling business. In accordance with Regulation GG, the Grantor and the Beneficiary are hereby notified that "Restricted Transactions", as such term is defined in Section 233.2(y) of Regulation GG, are prohibited in any dealings with the Trustee pursuant to this Agreement or otherwise between or among any party hereto.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Trust Agreement to be executed by duly authorized representatives as of the date first above written.

BENEFICIARY:

NORTH CAROLINA MUTUAL LIFE INSURANCE COMPANY

By: James H. Speed, Jr.
Name: James H. Speed, Jr.
Title: Chief Executive Officer

GRANTOR:

PORT ROYAL REASSURANCE COMPANY SPC, LIMITED

By: Steven W. Fakes
Name: Steven W. Fakes
Title:

TRUSTEE:

SUMMIT TRUST COMPANY, as Trustee

By:_____
Name:
Title:

[SIGNATURE PAGE TO TRUST AGREEMENT]

Exhiblt A

List of Assets Deposited in the Trust Account

Cash in an amount equal to thirty four million one hundred and ninety four thousand six hundred and thirty four dollars ($34,194,634).

The agreement is between NCM; Summit; and Port Royal. FF was never party or for that matter aware of this agreement.

In the first part; PR accepts "certain risks; liabilities; and obligations of the Beneficiary (NCM). FF has no idea what these are.

Fourth paragraph; can send back proceeds "from time to time" to the Trustee

Para 5 " The Trustee has agreed ....to hold such assets in trust in the trust account accordance with North Carolina Statutes" (but not held accountable)

Sec 1A Deposit of assets. TWO accounts were open (plus a third surplus account) to avoid 25M being in one account which would require registration as an investment advisor. May be important since the Investment advisor designation was avoided.

Section 1B

The assets can only be eligible assets. There is supposed to be a quarterly report from NCM to PR! "If, on any Measurement Date, the fair market value of the Assets held in the Trust Account on such date shall be less than the Statutory Reserves and Liabilities (as defined in the assignment agreement as set forth in the quarterly settlement report delivered by the Beneficiary (NCM) to the Grantor (PR)....The reinsurer has 5 business days after such date, deposit additional assets...."

Section 1C. NCM, whenever necessary can do anything with the investments without consent of PR. What about day 1? All assets deposited by PR are supposed to be only eligible assets.

Sec 2C

PR can upon approval of NCM (not unreasonably withheld) can remove assets from the trust to PR as long as Statutory Reserves and Liabilities are not violated. These were violated day 1.

Sec 2D. "in the absence of the delivery of a withdrawal notice to the Trustee by the Beneficiary , the Trustee shall allow no substitution or withdrawal of any asset from the Trust account.

Sec 4A

The Trustee shall provide notice to Beneficiary (NCM) when an Asset held in the Trust account matures".... If they did not get it, I would assume there is some fiduciary responsibility to find out.

Sec 4B

"the Trustee shall invest Assets in the Trust Account only in eligible investments."

Sec 4C

Trustee can substitute eligible assets for other eligible assets but needs NCM approval! Flagrant violation.

Sec 4G

Any loss incurred from any investment...shall be Borne exclusively by the Trust Account!

Sec 7 Some great paragraphs

7e The Trustee shall furnish to the grantor (PR) and to the Beneficiary (NCM) a statement of all Assets in the Trust Account upon the inception of the Trust Account and at the end of each calendar quarter. They should have known the ineligibility of the assets!

7a The Trustee shall notify the Grantor(PR), the Beneficiary (NCM) and the investment manager in writing within five (5) days following each deposit to, or withdrawal from, the Trust Account.

7G NCM has full access to Trustee's books and records at any time.

7K Trustee responsible for negligence....

Sec 13 No Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of all the parties.....

K

Aaron Weiss, being duly sworn, deposes and says:

1. That I am the owner and operator of Forensic Recovery, LLC, a Florida corporation which specializes in digital forensics, data breach incident response, and electronic discovery services.

2. Regarding my formal education, I received both a Bachelor of Science in Computer Science and a Master of Science in Digital Forensics from the University of Central Florida. I have received hundreds of hours of training related to digital forensics and the preservation, collection and analysis of digital evidence.

3. I have authored and instructed undergraduate courses on digital investigation and electronic discovery, and I have presented at conferences and meetings on related subjects.

4. I have actual professional knowledge and experience in the area of practice or specialty of which is the subject of this affidavit.

5. The details of my education, training, and experience are documented in my Curriculum Vitae (attached).

OVERVIEW

6. I was retained by Plaintiff's counsel David K. Bowles ("Bowles") to perform analysis and consultation relating to digital evidence and expert reports submitted in this case.

7. I received an encrypted hard drive (S/N: WX31A878AFUY) from Bowles on January 19th, 2019. It is my understanding that this hard drive was prepared by RVM Enterprises ("RVM"), and it is labeled as such. RVM provided me with the decryption password via email, allowing me to view its contents.

8. The hard drive contained two individual PST[1] files, the contents of a Dropbox account, the contents of a Google Drive account, forensic images of four computer hard drives, and the contents of an iPhone.

9. The scope of my analysis was focused on the items addressed in this affidavit.

FACTS AND CONCLUSIONS

10. This section will refer to the *Affidavit of Brian J. Halpin in support of Defendant's Motion by order to show cause for spoliation sanctions*, ("Halpin's report"), dated January 9, 2019.

[1] A Personal Storage Table (PST) file is used to store copies of email messages, calendar events and other items, and it is most closely associated with Microsoft Outlook

Search Methodology Used in Halpin's Report

11. I reviewed Halpin's report in is entirety, including the three referenced Exhibits 1-3. Item 14 in Halpin's report under the "Email Findings" section states the following:

> *Keyword searches were conducted on the 35,646 deleted emails without a copy or backup. The keyword search resulted in 22,731 emails being potentially relevant based on the prescribed search criteria. Within these 22,731 emails, 16,448 emails had a deletion date on or after October 20, 2016. 6,283 emails had an unknown deleted date.*

12. Halpin's report states that Exhibit 2 contained the keyword search criteria used during the examination. These keywords are the basis for Halpin's statement that his search resulted in 22,731 deleted emails that were "potentially relevant," and thus the implication that these deleted emails were potentially relevant to this case.

13. My review of the keyword search criteria used (Halpin's report, Exhibit 2) identified the keywords **Brad** and **ForeFront.** These keywords would likely produce an overstated number of "potentially relevant" emails, as Brad is the first name of the custodian, and Forefront is part of the name of the company that was the subject of the search.

14. The same reasoning also applies to Item 20 in Halpin's report under "Recycle Bin Findings", where the keyword search methodology is used to imply that 1,340 files deleted and found in the Recycle Bins were "potentially relevant."

Execution of Eraser application

15. My analysis of the HDD2 hard drive image (MD5: 4185f206a6ac8650906a95322eb03b85) provided by RVM included a review of the execution of the Eraser[2] application on this computer.

16. *Eraser 6.2.0.2979.exe* (MD5: 56D30B6C54259910E9AC4642F43957DE) was downloaded by the *breifler* user account on 01/02/2018 at 13:38 (ET[3]) to the folder *C:\Users\breifler\Downloads* folder; however it was not installed.

17. Another file called *Eraser.exe* (MD5: 8579D197B998677B9F2FFAD8787E2161) was downloaded to the same folder six minutes later at 13:44. Although this executable file is named the same as the actual installed application executable, it is actually the setup program for Eraser 6.0.9.2343. I know this by researching the MD5 value and by executing this file in

[2] According to its website: [illegible], Eraser is an advanced security tool for Windows which allows you to completely remove sensitive data from your hard driveby overwriting it several times with carefully selected patterns.

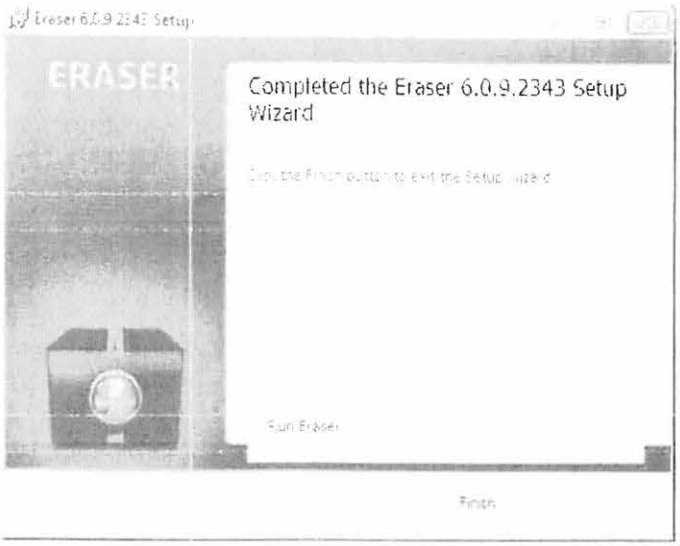
[3] Eastern Time Zone

a test environment.

18. Halpin's report implies that the user executed the Eraser application four times, when its reference is actually to the installer application. Refer to Item 38 in Haplin's report below:

> *The Eraser executable is still resides in the Download folder of user breifler at Users\breifler\Downloads\eraser.exe. This program was opened four (4) times between 1:43PM and 1:50PM on 1/2/2018 as is evidenced by the Prefetch files. The UserAssist key in the briefler NTUser.dat file shows the program to exist in its default settings.*

19. My analysis of the *Application.evtx* event log and the *ERASER.EXE-A8BC9125.pf* Prefetch files showed that at the same time the Eraser 6.0.9.2343 application completed installation, the Eraser program executed. My explanation for this is that the user checked the "Run Eraser" box and then "Finish" to complete the setup, as shown in the screenshot below. This action does not initiate the deletion of any files.



20. The Eraser application generated a file called *Task List.ersx*, which was located in the folder *C:\Users\breifler\AppData\Local\Eraser 6*. I know from testing that this file is generated in this folder upon either of two actions: 1) after a scheduled erasing task fails, or 2) upon the uninstallation of the Eraser application.

21. The filesystem metadata for *Task List.ersx* on the HDD2 computer contains a Creation, Modified and Last Accessed Date, each of which are 1/09/2018 15:53:46 ET. This time is 20 seconds after Eraser is uninstalled.

22. This means that the user either executed any and all erasing tasks successfully upon the first and only execution of the Eraser application on 01/02/2018, or this file was generated upon the removal of the Eraser application on 01/09/2018.

23. The user does have the option of executing Eraser by right-clicking on a file and selecting the Eraser option to delete a file or folder. I know from testing that this action would have incremented the run count in the Prefetch file. As previously stated, the Prefetch file indicates only a single execution, and so I do not believe any files were deleted through this method.

24. Having tested Eraser and other secure erase applications (e.g., CCleaner), I believe Eraser to be less user-friendly than others, as there is no single button or command used to easily erase tracks.

Breifler@gmail.com.pst file on encrypted drive from RVM

25. After I browsed the contents of the encrypted hard drive I received from RVM, I communicated to Bowles that the drive contained preserved evidentiary sources in addition to the HDD2 hard drive image I was expecting. One of the seven folders in the root directory[4] contained a PST file called *Breifler@gmail.com.pst*. In response to Bowles' inquiry as to the difficulty in finding this file, I explained that it was in plain sight and did not reside within any container or format which would have concealed its existence on the drive.

CONCLUSIONS

26. I believe that the keywords in Exhibit 2 of Halpin's report led to an overbroad identification of "potentially relevant" emails that had been deleted. I saw no indication from the report that any sampling or quality assurance was performed to narrow the keywords so that they would identify items truly potentially relevant.

27. My analysis and testing indicated that the Eraser application was installed on 01/02/2018 and executed immediately upon the completion of the installation. Forensic artifacts support that the application was not executed at any time prior to its removal on 01/09/2018.

28. Halpin's report indicates thousands of files recovered from Recycle Bins, which further supports that Eraser was not used to securely erase files.

[4] The "Root directory" is the directory at the highest level of a hierarchy.

I DECLARE UNDER PENALTY OF PERJURY THAT THE ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Aaron Weiss

Subscribed and sworn to before me
This 6th day of February, 2019.

Notary Public

Notary Public State of Florida
William T McCall
My Commission GG 245843
Expires 08/08/2022