

AFFIDAVIT OF MIKE STEPTOE

I, Mike Steptoe, am of the age of majority and qualified to state the facts contained herein based on my direct knowledge of the subject matter.

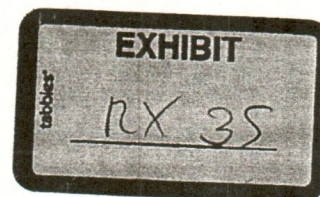
I first met Gary McDuff in 2001 when he visited the Dobb White & Co. offices in Leicester, England in relation to Fiscal Holdings Ltd, which was formed by a group of UK bankers and money managers. Investors interested in placing their money in underwriting syndications were directed to contact me to discuss the opportunity. See the four-page attachment "A" to this affidavit, titled "UNDERWRITING-- A Unique Opportunity"

Mr. McDuff returned in 2002 in relation to his employment with Mr. Terrence de'Ath, the owner of Secured Clearing Corporation, who was forming an investment Fund in the United States. The name of the fund was "Avenger Fund". Jackson Walker LLP, a law firm in Texas, formed the Fund for Mr. de'Ath. The purpose of that Fund was to accumulate money in ten million dollar blocks from investors, and make it available to bank underwritings coordinated by Fiscal Holdings. The process explained in the attachment "A", originally used in the Cash Management Agreement created by EMS broker-dealer in New York, was incorporated by the Jackson Walker law firm into the Avenger Fund.

It was my understanding that toward the end of 2002, the lawyer that formed the Avenger Fund was constructing another Fund for Gary Lancaster, a California banker. The creation of that fund was made possible from funding provided by Mr. de'Ath's Secured Clearing Corporation. That Fund was to accept investors with less than five or ten million dollars required to invest in the Avenger Fund. It was designed to invest directly with Fiscal Holdings underwriting activity, or indirectly through other entities like EMS broker-dealer, or a fund like the Avenger Fund. Other than its ability to invest in underwriting and in bank obligations indirectly, it reflected the same investment criteria as the Avenger Fund and the Cash Management Agreement from which it was modeled.

One of McDuff's business reasons for being in the UK at that time, was to bring the drafts of the Lancorp Fund Memorandum that had been constructed by the Texas securities lawyer. He presented the lawyer's explanation of how the Fund would function to the insurance broker for Lloyd's insurance, who had written financial indemnity policies for Dobb White & Co., and was willing to provide a similar coverage for investors in the Lancorp Fund. The Lancorp Fund Memorandum draft was presented to First City Partners, represented by John Sevastopolu. Mr. Sevastopolu was an approved writer of Lloyd's insurance.

After Mr. Sevastopolu received all the information on the Lancorp Fund and its owner/manager, Gary Lancaster, it was reviewed by risk assessors in the same light as the



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covered activities of Dobb White & Co. It was approved for coverage of investor money at such time as the Fund had ten million dollars under direct management.

I ceased working with Dobb White and Fiscal Holdings in 2002, so I do not know what transpired with the Lancorp Fund after it began accepting investor funds.

I do know that Gary McDuff was not the creator of the Cash Management Agreement investment criteria, guidelines, or strategy that was incorporated into the Lancorp Fund. It predated Mr. McDuff becoming involved. It was created by the lawyers of Mr. David Hardy, the owner of EMS broker-dealer securities firm in New York.

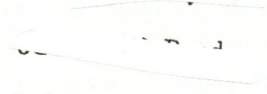
I can also confirm that it was my understanding First City Partners had agreed to provide a Lloyds syndicated insurance policy for Lancorp Fund investors once the Fund met the criteria set forth by Mr. Sevastopulu.

Sworn and subscribed on this the 24th of March, 2014 by Mike Steptoe in the presence of two witnesses whose signatures appear below as a witness to this affiant.



Mike Steptoe, Affiant

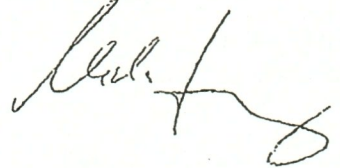
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