

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF STATE  
BUREAU OF SECURITIES REGULATION**

IN THE MATTER OF:

Russell Bartlett, and  
Towle Farm Mortgage Investors, LLC,  
Respondents

)  
)  
) ORDER TO CEASE AND DESIST  
)  
)  
) COM2017-00021  
)

**NOTICE OF ORDER**

This Order commences an adjudicative proceeding under the provisions of RSA 421-B:6-613.

**LEGAL AUTHORITY AND JURISDICTION**

Pursuant to RSA 421-B:6-604(a), the Secretary of State has the authority to issue and cause to be served an order requiring any person appearing to him to be engaged or about to be engaged in any act or practice constituting a violation of RSA 421-B or any rule or order thereunder, to cease and desist from violations of RSA 421-B.

Pursuant to RSA 421-B:5-508, any person who willfully violates a cease and desist order issued pursuant to RSA 421-B:6-603 or RSA 421-B:604, or who violates RSA 421-B:5-505 knowing that the statement was false or misleading in any material respect, shall be guilty of a class B felony.

Pursuant to RSA 421-B:6-604(d), the Secretary of State has the authority to impose administrative penalties of up to \$2,500 for a single violation.

Pursuant to RSA 421-B:6-604(e) the Secretary of State may order rescission, restitution or disgorgement for violations of this chapter.

Pursuant to RSA 421-B:6-604(g), the Secretary of State may charge the actual cost of an investigation or proceeding for a violation of this chapter or an order issued under this chapter.

### **NOTICE OF RIGHT TO REQUEST A HEARING**

Under the provisions of RSA 421-B:6-604, the above named respondents have the right to request a hearing on this order to cease and desist.

Any such request for a hearing shall be in writing, shall be signed by the respondents, or by the duly authorized agent of the above named respondents, and shall be delivered either by hand or certified mail, return receipt requested, to the Bureau of Securities Regulation, Department of State, 25 Capitol Street, Concord, New Hampshire 03301.

Under the provisions of RSA 421-B: 6-604(b), within 15 days after receipt of a request in a record from the respondents, the matter will be scheduled for a hearing. If the respondents subject to the order do not request a hearing and none is ordered by the secretary of state within 30 days after the date of service of the order, the order becomes final as to those respondents. If a hearing is requested or ordered, the secretary of state, after notice of and opportunity for hearing to the respondents subject to the order, may modify or vacate the order or extend it until final determination. If the respondents to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, such respondents shall be deemed in default, and the proceeding may be determined against him or her upon

consideration of the cease and desist order, the allegations of which may be deemed to be true.

### **STATEMENT OF ALLEGATIONS**

The allegations contained in the Staff Petition for Relief dated January 19, 2018, (a copy of which is attached hereto) are incorporated by reference hereto.

### **ORDER**

**WHEREAS**, finding it necessary and appropriate and in the public interest, and for the protection of investors and consistent with the intent and purposes of the New Hampshire securities laws, and

**WHEREAS**, finding that the allegations contained in the Staff Petition, if proved true and correct, form the legal basis of the relief requested, therefore:

It is hereby **ORDERED**, that:

1. Respondents are hereby ordered to immediately cease and desist from the above indicated acts and from in any other way violating RSA 421-B.
2. Respondents shall jointly and severally provide a written offer to repurchase the security to the party identified in the Bureau's Staff Petition for Relief as Investor #1. In the alternative, if the note in question has already been sold by said Investor, respondents shall pay jointly and severally restitution in the amount of \$42,000.00 plus statutory interest, less any amount Investor #1 received for the sale of the security.
3. Respondents shall each pay an administrative fine of \$2,500.

4. Respondents shall pay jointly and severally the Bureau's investigation costs of \$10,000.
5. Respondents are barred from the grant of any securities license and registration privileges.

Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered and administrative penalties and other relief described herein being imposed upon the defaulting respondents.

SIGNED,  
**WILLIAM M. GARDNER**  
**SECRETARY OF STATE**  
BY HIS DESIGNEE:

Dated: January 23, 2018

  
**BARRY J. GLENNON, DIRECTOR,**  
**BUREAU OF SECURITIES REGULATION**

STATE OF NEW HAMPSHIRE  
BUREAU OF SECURITIES REGULATION  
DEPARTMENT OF STATE  
25 CAPITOL STREET  
CONCORD, NH 03301

**STAFF PETITION FOR RELIEF**  
**IN THE MATTER OF:**

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) )  
) )  
**Russell Bartlett** ) )  
) )  
**and** ) )  
) )  
**Towle Farm Mortgage Investors, LLC** ) )  
) )  
) )  
**Respondents** ) )  
\_\_\_\_\_) )

No. COM.2017-00021

**STATEMENT OF FACTS**

I. The staff of the Bureau of Securities Regulation, Department of State, State of New Hampshire (the "Bureau") hereby petitions the Director, and makes the following statements of fact:

1. Notemarketplace.com (hereinafter "NMP") is a web based company believed to be based in Los Altos, California. NMP provides an online platform for sellers of promissory notes to list their notes for sale to the general public. NMP aids sellers in identifying qualified buyers for their notes and aids brokers in identifying notes for their clients. NMP is believed to be operated by Chief Executive Officer Steve Wayne (hereinafter "SW"), with listed addresses of 1888 Grange Avenue, Los Altos, California 94024-6715 and 541 Tyndall Street, Los Altos, California 94022-3920.

2. Russell Bartlett (hereinafter "RB") is the managing member and owner of Towle Farm Mortgage Investors, LLC (hereinafter "TFMI") located at 379 Amherst Street, #140, Nashua, New Hampshire. The main purpose of TFMI is to broker commercial investment property loans. The source of the funding for these loans is both traditional and non-traditional lenders, such as individual private investors. In about January 2017, RB was contacted by a William Bischoff (hereinafter "WB") of York, Maine, for the purpose of TFMI finding him a source of funds for the purchase of property located in Kittery, Maine. WB and RB are prior acquaintances. At this time in January 2017, WB was the holder of an unsecured promissory note for One Hundred and Forty-Nine Thousand Dollars (\$149,000.00) dated December 3, 2016, issued by Universal Waste Management, Inc. (hereinafter "UWM note") located at 250 Main Street, East Windsor, Connecticut 06088. The note is payable to Genesis Investment Group, Ltd, which is WB's company. At this time in January 2017, WB was seeking funds and he engaged the services of RB and TFMI to sell an interest in the UWM note for a commission.
3. The UWM note was paying Seven Thousand One Hundred Fifty-Three Dollars and Ninety-Two Cents (\$7,153.92) on the 15<sup>th</sup> of each month with a maturity date of November 15, 2018. (See Exhibit 1 with attachments). RB, as managing member of TFMI, agreed with WB to try and find a buyer for the UWM note and on or about February 2017 RB listed the UWM note for sale on NMP with the caption: "DISCOUNTED CORPORATE NOTE W/ 40% RETURN." (See Exhibit 2 copy of note ad). RB wrote the following on the bottom of the ad:

This is a non-real estate note with a corporation as borrower.  
The company owns 2 other companies that are in the recycling business with \$6M in annual sales. The note is fully amortized over 24 months and the first three payments have been made as required. With the discounted price this affords an investor an extraordinary return.
4. Following the listing of the UWM note by RB on NMP, in about the beginning of March 2017, Investor #1 from Santa Rosa, California, responded by e-mail to RB's ad on NMP at e-mail address Russ@TFMortgageInvestors.com. RB's office is located in his home in Nashua, New Hampshire and he received e-mail regarding this transaction there. Investor #1 expressed an interest in purchasing a partial interest in the UWM note payments for Thirty-Five Thousand Dollars (\$35,000.00). RB, in a series of responses to Investor #1's inquiry, proceeded to act as broker and go between with WB and Investor #1. RB provided due diligence information about UWM that was provided to RB by WB and RB negotiated the terms of the UWM note purchase and execution made between WB and Investor #1. WB and Investor #1 executed a document titled Assignment of Note & Payment Rights (hereinafter "Assignment") dated March 15, 2017. Under the terms of the Assignment, Investor #1 paid a purchase price in the amount of Thirty-Four Thousand Eight Hundred Fifty Dollars (\$34,850.00) in consideration for all right, title and interest, in and to a total payout in the amount of Fifty-Two Thousand Five Hundred Dollars

(\$52,500.00), comprising 15 consecutive payments in the amount of Three Thousand Five Hundred Dollars (\$3,500.00) with first payment to begin on March 15, 2017. (See Exhibit 3 Assignment of Note & Payment Rights).

5. Following the execution of the Assignment, Investor #1 received only three payments over three months directly from WB totaling Ten Thousand Five Hundred Dollars (\$10,500.00) and then WB stopped paying, leaving an unpaid balance of Forty-Two Thousand Dollars (\$42,000.00). Investor #1 has demanded payment of the balance owed, but has not received it. RB did receive a commission for his efforts of about Four Thousand (\$4,000.00) from WB.

### STATEMENTS OF LAW

- II. The staff of the Bureau hereby petitions the Director and makes the following statements of law under the New Hampshire Revised Statutes Annotated, RSA 421-B, and regulations thereunder:
  1. TFMI and RB are “persons” within the meaning of RSA 421-B:1-102(39).
  2. TFMI is a broker-dealer within the meaning of RSA 421-B:1-102(6) in that RB on behalf of TFMI engaged in the business of effecting transactions in securities for the account of others. RB is a broker-dealer agent of TFMI within the meaning of RSA 421-B:1-102(3).
  3. The UWM note is a security as defined by RSA 421-B:1-102(53)(A). The Assignment transferred to Investor #1 all right, title and interest, in and to the UWM note up to a total payout in the amount of Fifty-Two Thousand Five Hundred Dollars (\$52,500.00).
  4. Pursuant to RSA 421-B:4-401(a), it is unlawful for a person to transact business in this state as a broker-dealer unless the person is registered as a broker-dealer in this state. TFMI is in violation of this section.
  5. Pursuant to RSA 421-B:4-402(a), it is unlawful for a person to transact business in this state as a broker-dealer agent unless the person is registered as a broker-dealer agent in this state. RB is in violation of this section.
  6. Pursuant to RSA 421-B:6-604(a), if the secretary of state determines that a person has engaged, is engaging, or is about to engage, in an act, practice, or course of business constituting a violation of this chapter, the secretary of state may issue an order directing the person to cease and desist from engaging in an act, practice, or course of business or to take other action necessary or appropriate to comply with this chapter. RB and TFMI violated this section in that they engaged in unlicensed broker activity in that they publically advertised and generally solicited in New

Hampshire for sale of the UWM note on the NMP website on about February and March 2017, and the UWM note was sold for a commission as an Assignment of all rights, title and interest to Investor #1 as a result of that ad.

7. Pursuant to RSA 421-B:6-604(d), in a final order, the secretary of state may impose a civil penalty up to a maximum of \$2,500 for a single violation. In addition, every such person, who is subject to such civil penalty, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation, or denial of any registration of license, or be barred from registration or licensure. RB and TFMI are subject to this section.
8. Pursuant to RSA 421-B:6-604(e), after notice and hearing, the secretary of state may enter an order of rescission, restitution, or disgorgement directed to a person who has violated this chapter, or a rule or order under this chapter. Rescission, restitution, or disgorgement shall be in addition to any other penalty provided for under this chapter. RB and TFMI are subject to this section.
9. Pursuant to RSA 421-B:6-604(f), the secretary of state may order any person who violates RSA 421-B:3-301, upon hearing, and in addition to any other penalty provided by law, to make a written offer to the purchaser of the security to repurchase the security for cash, payable on delivery of the security, equal to the consideration paid for the security together with interest at the legal rate, less the amount of any income received by the purchaser on the security, or if the purchaser no longer owns the security, an offer to pay an amount in cash equal to consideration paid for the security together with interest at the legal rate, less the amount the purchaser received on disposition of the security and less the amount of any income received by the purchaser on the security. RB and TFMI are subject to this section.
10. Pursuant to N.H. RSA 421-B:6-604(g), in any investigation to determine whether any person has violated any rule or order under this title, the secretary of state shall be entitled to recover the costs of the investigation. RB and TFMI are subject to this section.

### **RELIEF REQUESTED**

- III. In view of the foregoing, the Bureau staff makes the following requests for relief, as permitted under RSA 421-B, the New Hampshire Uniform Securities Act:
  1. Find as fact the allegations contained in Section I above.
  2. Make conclusions of law, based upon Section II above, as applied to the facts stated in Section I above.
  3. Pursuant to RSA 421-B:604(a), issue an Order to Cease and Desist against




Respondents for violations of the Uniform Securities Act.

4. Pursuant to RSA 421-B:6-604(d), issue a registration and licensure bar against Respondents for violations of the Uniform Securities Act.
5. Pursuant to RSA 421-B:6-604(f), issue an Order for RB and TFMI to joint and severally provide a written offer to repurchase the security to Investor #1. In the alternative, if the note has already been sold by Investor #1, pursuant to RSA 421-B:6-604(e), assess restitution against RB and TFMI for Investor #1 in the amount of \$42,000.00 plus interest, jointly and severally, less any amount Investor #1 received for the sale of the note.
6. Assess an administrative fine in the amount of \$2,500 against each Respondent RB and TFMI.
7. Assess costs of this investigation in the amount of \$10,000 against RB and TFMI jointly and severally.
8. Provide such relief as deemed just and proper under the New Hampshire Uniform Securities Act.

**RIGHT TO AMEND**

The Bureau staff reserves the right to amend this Staff Petition for Relief and to request that the Director of the Bureau take additional administrative action. Nothing herein shall preclude the Bureau Staff from bringing additional enforcement action under this N.H. RSA 421-B or the regulations thereunder.

Respectfully submitted by:

  
\_\_\_\_\_  
Jeffrey D. Spill, Deputy Director

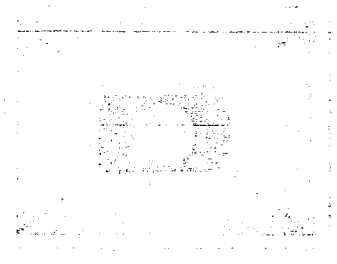
1/19/18  
Date

  
\_\_\_\_\_  
Eric Forcier, Staff Attorney

1/19/18  
Date

# DISCOUNTED CORPORATE NOTE W/40% RETURN

\$108,000.00



**Unpaid Principal Balance:** 132563

**Est. Property Value:** N/A

**Property Valuation Date:** N/A

**Address:** [Register Here](#)

**Property City:** N/A

**State:** Connecticut

**Property Zip Code:** N/A

**Original Balance:** 149900

**Interest Rate:** 14

**Balloon Pmt:** No

**Amortization:** Other

**Note Payment:** 7153.92

**Last Payment Amount:** 7153.92

**Last Payment Date:** 2/15/2017

**Origination Date:** 11/15/2016

**Maturity Date:** 11/15/2018

**Delinquent Taxes:** N/A

**Note Position:** other

**Owner Occupied Property:** Yes

**Property Type:** Commercial

**Listed:** March 1, 2017 11:52 am

**Expires:** 76 days, 3 hours

## Description

This is a non-real estate note with a corporation as the borrower. The company owns 2 other companies that are in a niche recycling business with \$6M in annual sales. The note is fully amortized over 24 months and the first three payments have been made on time as required. With the discounted price this affords an investor an extraordinary return.

PROMISSORY NOTE

December 30, 2016

\$149,000.00  
East Windsor, CT

For value received, the undersigned, **UNIVERSAL WASTE MANAGEMENT, INC.**, (Maker), with an address of 250 Main Street, P.O. Box 680 East Windsor, Connecticut 06088, promises to pay to **GENESIS INVESTMENT GROUP LTD** (Payee), or order, at its office at 2456 Lafayette Road, Portsmouth, New Hampshire 03801, the principal sum of One Hundred Forty Nine Thousand Four Dollars (\$149,000.00), together with interest at the rate hereinafter provided for.

The undersigned promise to pay the said principal and interest as follows:

Payments of principal and interest in the amount of \$7,153.92 shall be due and payable on the 15<sup>th</sup> day of each month beginning on December 15, 2016 and continuing on the 15<sup>th</sup> day of each and every month thereafter until all payments of principal and interest and any other charges due under this Note are paid in full. This Note shall mature on November 15, 2018, at which time any outstanding principal together with interest accrued thereon shall be due and payable (the Maturity Date). Maker shall make all payments hereunder to Payee in lawful money of the United States and in immediately available funds.

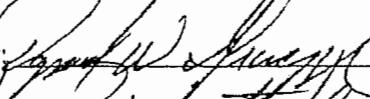
Maker waives presentment, demand, notice of demand, protest, notice of protest or notice of nonpayment in connection with the delivery, acceptance, performance, default or enforcement of this note or of any document or instrument evidencing any security for payment of this note.

Failure at any time to exercise any of the rights of Payee hereunder shall not constitute a waiver of such rights and shall not be a bar to exercise of any of such rights at a later date. In the event of commencement of suit to enforce payment of this note, the prevailing party shall be entitled to receive the costs of collection including reasonable attorneys' fees and court costs.

Nothing contained in this note shall be deemed to require the payment of interest or other charges by Maker or any other person in excess of the amount which the Payee may lawfully charge under the applicable usury laws. In the event that Payee shall collect moneys which are deemed to constitute interest which would increase the effective interest rate to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the legal rate shall be credited against the principal balance of this note then outstanding, and any excess shall be returned to Maker.

IN WITNESS WHEREOF, the undersigned has caused this promissory note to be duly executed as of the date first written above.

**UNIVERSAL WASTE MANAGEMENT, INC.**

By:   
Title: President

*\$149,000 @ 14% FM 24 MONTHS*

## Amortization Schedule Calculator

This amortization calculator will help you determine how much of your monthly payment will go toward the principal and how much will go toward the interest. You can also use this calculator to create a printable amortization table for your loan and to estimate the monthly payments on your mortgage. Simply fill in the fields below and click on calculate.

[HELP?](#)

### Amortization Schedule

Date	Payment	Principal	Interest	Total Interest	Balance
Dec. 2018	\$7,153.92	\$5,415.59	\$1,738.33	\$1,738.33	\$143,584.41
Jan. 2017	\$7,153.92	\$5,478.77	\$1,675.15	\$3,413.48	\$138,105.65
Feb. 2017	\$7,153.92	\$5,542.69	\$1,611.23	\$5,024.72	\$132,562.96
Mar. 2017	\$7,153.92	\$5,607.35	\$1,546.57	\$6,571.29	\$126,955.61
April 2017	\$7,153.92	\$5,672.77	\$1,481.15	\$8,052.43	\$121,282.84
May 2017	\$7,153.92	\$5,738.95	\$1,414.97	\$9,467.40	\$115,543.88
June 2017	\$7,153.92	\$5,805.91	\$1,348.01	\$10,815.41	\$109,737.98
July 2017	\$7,153.92	\$5,873.64	\$1,280.28	\$12,095.69	\$103,864.33
Aug. 2017	\$7,153.92	\$5,942.17	\$1,211.75	\$13,307.44	\$97,922.16
Sept. 2017	\$7,153.92	\$6,011.49	\$1,142.43	\$14,449.86	\$91,910.67
Oct. 2017	\$7,153.92	\$6,081.83	\$1,072.29	\$15,522.16	\$85,828.04
Nov. 2017	\$7,153.92	\$6,152.58	\$1,001.34	\$16,523.49	\$79,676.46
Dec. 2017	\$7,153.92	\$6,224.38	\$929.56	\$17,453.05	\$73,452.10
Jan. 2018	\$7,153.92	\$6,296.98	\$856.94	\$18,309.99	\$67,155.12
Feb. 2018	\$7,153.92	\$6,370.44	\$783.48	\$19,093.47	\$60,784.68
Mar. 2018	\$7,153.92	\$6,444.77	\$709.15	\$19,802.63	\$54,339.91
April 2018	\$7,153.92	\$6,519.95	\$633.97	\$20,436.69	\$47,819.96
May 2018	\$7,153.92	\$6,596.02	\$557.80	\$20,994.49	\$41,223.94
June 2018	\$7,153.92	\$6,672.97	\$480.95	\$21,475.44	\$34,550.96
July 2018	\$7,153.92	\$6,750.63	\$403.09	\$21,878.53	\$27,800.14
Aug. 2018	\$7,153.92	\$6,829.58	\$324.33	\$22,202.67	\$20,970.55
Sept. 2018	\$7,153.92	\$6,909.20	\$244.66	\$22,447.52	\$14,061.29
Oct. 2018	\$7,153.92	\$6,989.87	\$164.05	\$22,611.57	\$7,071.42
Nov. 2018	\$7,153.92	\$7,071.42	\$82.50	\$22,694.07	\$0.00

### Amortization Schedule Help

A mortgage amortization calculator shows how much of your monthly mortgage payments goes toward principal (the money you borrowed), and how much goes toward interest.

#### Amortization

Amortization is paying off a debt over time in equal installments. Part of each payment goes toward the loan principal, and part goes toward interest.

With a mortgage, the amount going toward principal starts out small, and gradually grows larger month by month. Meanwhile, the amount going toward interest declines month by month.

The amortization schedule calculator shows:

- How much principal and interest are paid in any particular payment.
- How much total principal and interest have been paid at a specified date.
- How much principal you owe on the mortgage at a specified date.
- How much time you will chop off the end of the mortgage by making one or more extra payments.

# Two Operating Companies

Universal Waste  
Management, Inc.  
(UWM)

NLR, Inc.  
East Windsor, CT

Southeast Recycling  
Technologies, Inc.  
Johnson City, TN  
(SRT)

Market Area

New York and  
New England

Tennessee

Customers

Commercial

Industrial/Commercial

Recycling

Fluorescent light bulbs  
E-waste  
Batteries

Fluorescent light bulbs  
E-waste  
Batteries

Genesis Investments Group, LLC

## ASSIGNMENT OF NOTE & PAYMENT RIGHTS

THIS ASSIGNMENT ("Assignment") is entered into effective this 15th day of March, 2017, by and between Genesis Investment Group Ltd, with an address of 2456 LaFayette Road, Portsmouth, New Hampshire 03801 ("Assignor"), William Bischoff, an individual ("Guarantor"), and an individual ("Assignee").

### RECITALS

WHEREAS, Universal Waste Management, Inc. ("UWM") is a holding company owning one hundred percent (100.0%) of the issued and outstanding capital stock of two operating subsidiaries, (i) NLR, Inc. ("NLR") and (ii) Southeast Recycling Technologies, Inc. (together with NLR, collectively, the "Operating Subsidiaries").

WHEREAS, UWM executed a Promissory Note dated November 15, 2016, in the original principal amount of One Hundred Forty-Nine Thousand Dollars and 00/100 (\$149,000.00) (the "Note"), payable to Assignee in monthly installments of Seven Thousand One Hundred Fifty-Three Dollars and 92/100 (\$7,153.92), due on the fifteenth (15th) day of each calendar month beginning December 15, 2016, with a final payment of all remaining and outstanding principal and interest due on November 15, 2018 (collectively, the "Payment Rights").

WHEREAS, Assignor now desires to assign and transfer all right, title and interest in and to the Note and the Payment Rights, in each case, to the extent of Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) of each of the next fifteen (15) consecutive monthly payments to become due in respect of the Note and the Payment Rights, beginning March 15, 2017 (collectively, the "Assigned Interest").

WHEREAS, Assignee now desires to purchase the Assigned Interest subject to the terms hereof.

WHEREAS, Guarantor is the chairman of the board of directors of UWM and a partner in Assignor. As a material part of the consideration for Assignee's purchase of the Assigned Interest hereunder, Guarantor desires to irrevocably and unconditionally guarantee the obligations of UWM in respect of the Assigned Interest.

### AGREEMENT

NOW THEREFORE, in consideration of the mutual promises made herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The recitals set forth above are hereby incorporated into this Agreement as material parts hereof and not simply as mere recitals.

2. Consideration for the Assigned Interest. Concurrently with the execution hereof, Assignee hereby pays to Assignor the sum of Thirty-Four Thousand Eight Hundred Fifty Dollars and 00/100 (\$34,850.00), which represents full consideration for the Assigned Interest.

3. Assignment. As of the effective date referenced above, Assignor hereby assigns, transfers and conveys to Assignee any and all of Assignor's right, title and interest in and to the Assigned Interest, and the right to collect all sums due thereunder. All such monthly payments shall be made in US dollars and caused by Assignor to be immediately and directly deposited into the bank account designated for the same by Assignee, from time to time. Assignor does not guarantee payment to Assignee on this or any other note. In the unlikely event of UWM default, Assignee will have all rights and remedies set forth herein and in the Note up to the total of Fifty-Two Thousand Five Hundred and 00/100 Dollars (\$52,500.00) (the "**Total Payoff Amount**"), minus any payments received by Assignee to date of the default. Any amount received by any party, above that amount, will be due and payable to Assignor. Assignee is entitled to Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) of each of the next fifteen (15) payments of Seven Thousand One Hundred Fifty-Three Dollars and 92/100 (\$7,153.92) due under the Note, any overpayments and all rights will be returned to Assignor thereafter. Assignee will take all necessary actions to return the Note in connection therewith.

4. Buy-Back Option. Assignor shall have the right, but not the obligation, to repurchase from Assignee the Assigned Interest at any time prior to Assignee's receipt of the Total Payoff Amount, for a purchase price equal to the Total Payoff Amount, minus any payments received by Assignee to date of the repurchase.

5. Authorization Warranty. Each party hereby represents and warrants that the person executing this Assignment for such party is an authorized agent who has actual authority to bind such party to each and every term, condition and obligation of this Assignment, and that all requirements of such party have been fulfilled in order to provide such actual authority. Accordingly, this Assignment constitutes a legal, valid and binding obligation of such party enforceable against such party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

6. Representations and Warranties of Assignor. Assignor represents and warrants to Assignee that (i) Assignor now have good and marketable title to the Assigned Interest, free and clear of any mortgages, liens, restrictions, judgments, guaranties, pledges, encumbrances, conditional sale or security agreements, security interests or adverse claims; (ii) there are no defenses, offsets or counterclaims to the Assigned Interest; (iii) no aspect of the Assigned Interest is subject to any restriction which would prevent the conveyance thereof to Assignee or adversely affect the Assignee's exercise of rights thereunder; (iv) all applicable contractual

provisions relating to the Assigned Interest are valid, binding and enforceable; (v) no contractual provision relating to the Assigned Interest has been amended or modified; (vi) no act or omission on the part of Debtor has occurred which would constitute a default in respect of the Assigned Interest; (vii) all written information supplied to Assignee by or on behalf of Assignor or UWM is and shall be true and correct in all material respects, and all financial projections or forecasts of future results or events supplied to Assignee by or on behalf of Assignor have been prepared in good faith and based on good faith estimates and assumptions of the management of UWM, and Assignor has no reason to believe that such projections or forecasts are not reasonable; and (viii) there are presently no contractual limitations or restrictions on the ability of the Operating Subsidiaries to make dividend or other payments to or for the benefit of UWM.

7. Representations, Warranties and Covenants of Guarantor. Guarantor represents, warrants and covenants to Assignee that (i) he has assumed personal liability and is the personal guarantor of the obligations of UWM in respect of the Assigned Interest; (ii) this is a continuing guaranty by Guarantor for as long as UWM remains indebted to Assignee in respect of the Assigned Interest, and shall remain in effect until all debts of UWM to Assignee in respect of the Assigned Interest have been satisfied in-full; (iii) as a director of UWM and partner in Assignor, Guarantor has received sufficient consideration for this guaranty; (iv) he hereby waives all presentments, demands, protests and notices of every kind or nature, including notices of protest, dishonor, nonpayment, acceptance of this guaranty, and the creation, renewal, extension, modification or accrual of any of the obligations Guarantor has hereby guaranteed; and (v) he hereby waives any right to require Assignee to proceed against UWM or to proceed against any security or to pursue any other remedy in Assignee's power.

8. Indemnification. Each party shall indemnify, defend and hold harmless the other party and such party's officers, directors, stockholders, employees, agents, attorneys and other representatives (collectively, the "Party Indemnitees") from and against any and all judgments, losses, liabilities, damages, interest, fines, penalties, costs, settlements and expenses (including reasonable attorney, consultant, contractor, accountant or similar fees) plus, if applicable, the costs of enforcing such indemnity, incurred or suffered by any Party Indemnitee to the extent caused by, resulting from or arising out of or by reason of any breach of any representation, warranty, covenant, agreement or undertaking of the indemnifying party set forth in this Assignment.

9. Notices. Any notice provided for in this Assignment must be in writing and must be either personally delivered, sent by registered or certified mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) and by email (if applicable) to the recipient at the address (including email address, if applicable) or telecopy number indicated by such party on the signature page hereof, as may be updated by such party in writing from time to time. Any such notice shall be effective when personally delivered or, if mailed or sent, on the date set forth on the receipt of delivery.



10. Further Assurances. Each party hereto shall promptly execute and deliver such additional documents, and take such additional actions, as may be reasonably necessary or desirable in order to give effect to the provisions of this Assignment and the intent of the parties evidenced thereby.

11. Successors and Assigns; Waivers and Amendments. The provisions of this Assignment shall be binding upon the parties hereto and their respective successors and assigns, and such provisions may not be amended or waived without the prior written consent of the party against whom enforcement is sought.

12. Entire Agreement. This Assignment contains the entire understanding and agreement between the parties concerning the subject matter hereof and supersedes all prior understandings and agreements, whether written or oral, concerning such subject matter.

13. Severability. The provisions of this Assignment shall be severable in the event that any of the provisions hereof are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

14. Governing Law; Jurisdiction and Venue. This Assignment shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts entered into and to be performed entirely within the state. Each party agrees that the state or federal courts located in Sonoma County, California, shall have exclusive jurisdiction to hear and determine any claims or disputes between or among any of the parties hereto pertaining to this Agreement or to any matter arising out of or relating to this Assignment. Each party expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and each party hereby waives any objection which such party may have based upon lack of personal jurisdiction, improper venue or *forum non conveniens*.

15. Counterparts. This Assignment may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same agreement.

16. Professional Advice. Each party acknowledges that he has been afforded the opportunity to seek the advice of independent legal and/or tax counsel before signing this Assignment, and either sought and obtained such counsel or voluntarily decided not to do so.

17. Attorneys' Fees. In any action, proceeding, or arbitration arising from or related to this Assignment, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

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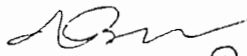
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IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed and delivered as of the date first above written.

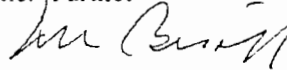
**Assignor:**

**Genesis Investment Group Ltd**

By:   
By: WILLIAM BISCHOFF

Name: William Bischoff

Title: Partner




**Assignee:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_

**Guarantor:**

By:   
By: William Bischoff

Name: William Bischoff

