

1 DOMINICA C. ANDERSON (SBN 2988)
TYSON E. HAFEN (SBN 13139)
2 **DUANE MORRIS LLP**
100 North City Parkway, Suite 1560
3 Las Vegas, NV 89106
T: 702.868.2600; F: 702.385.6862
4 E-Mail: DCAnderson@duanemorris.com
TEHafen@duanemorris.com

WILLIAM M. GANTZ (*pro* ~~vice~~
forthcoming)
DUANE MORRIS LLP
100 High Street, Suite 2400
Boston, MA 02110
T: 857.488.4234; F: 857.401.3026
E-Mail: BGantz@duanemorris.com

5 Attorneys for Plaintiffs
6 3342962 Nova Scotia Limited and
7 4043434 Nova Scotia Limited

8 **DISTRICT COURT**
9 **CLARK COUNTY, NEVADA**

10 3342962 NOVA SCOTIA LIMITED, a body
11 corporate existing under the laws of the Province
of Nova Scotia, Canada, and 4043434 NOVA
12 SCOTIA LIMITED, a body corporate existing
under the laws of the Province of Nova Scotia,
13 Canada, individually and derivatively on behalf
of ZIPPY CASH LLC, a Nevada limited liability
14 company

15 Plaintiffs,

16 vs.

17 ZIPPY CASH LLC, a Nevada limited liability
company; TOUGH MONEY LLC, a Delaware
18 limited liability company; DUANE TOUGH;
BRENT RUTTMAN; LIO LLC, a Delaware
19 limited liability company; ROBERT L.
STEWART; JOHN F. STEWART; GENE
20 WILLIAMS; SALES CONSULTANTS
INT'L, INC., a New York Corporation; and Z
21 Cash LLC, a Nevada limited liability company

22 Defendants.

Case No.: A-22-851637-B
Dept. No.: Department 31

VERIFIED COMPLAINT

BUSINESS COURT REQUESTED

EXEMPT FROM ARBITRATION:

1. Amount in controversy exceeds \$50,000
2. Seeks injunctive relief, appointment of Receiver.

**JURY TRIAL DEMANDED ON ALL
ISSUES SO TRIABLE**

23 Plaintiffs 3342962 NOVA SCOTIA LIMITED, a body corporate existing under the laws of
24 the Province of Nova Scotia, Canada, and 4043434 NOVA SCOTIA LIMITED, a body corporate
25 existing under the laws of the Province of Nova Scotia, Canada (collectively, "Plaintiffs"), by and
26 through their attorneys of record, the law firm of DUANE MORRIS LLP, by way of this complaint
27 ("Complaint") against the above-captioned defendants, hereby allege and aver as follows:
28

THE PARTIES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1. Plaintiff 3342962 NOVA SCOTIA LIMITED, a Canadian number company created under the laws of the Province of Nova Scotia, Canada for the ultimate benefit of its sole owner John Xidos (“Xidos”), is a member of defendant Zippy Cash LLC, and holds a 45% ownership interest in Zippy Cash LLC.

2. Plaintiff 4043434 NOVA SCOTIA LIMITED, a Canadian number company created under the laws of the Province of Nova Scotia, Canada, for the ultimate benefit of its sole owner, Leanne Taylor (“Taylor”), is a member of Defendant Zippy Cash LLC, and holds a 5% ownership interest in Zippy Cash LLC.

3. Defendant ZIPPY CASH LLC is a Nevada limited liability company with principal place of business in Las Vegas, Nevada (“Zippy Cash”). Zippy Cash has four members: Plaintiffs, Defendant TOUGH MONEY LLC, and Defendant LIO LLC.

4. Defendant TOUGH MONEY LLC (“Tough Money”) is a Delaware limited liability company with a principal place of business, on information and belief, in Toronto, Canada, and is a member of Zippy Cash holding a 45% ownership interest in Zippy Cash.

5. Defendant DUANE TOUGH (“Tough”) is an individual residing in Toronto, Canada. Tough is the beneficial owner and manager of Tough Money, a manager of Zippy Cash, serves as Chairman of the Board of Directors of Zippy Cash, and an agent of and otherwise affiliated with Defendant SALES CONSULTANTS INT’L, INC. (“SCI”).

6. Defendant LIO LLC (“LIO”) is a Delaware limited liability company with a principal place of business, on information and belief, in Omaha, Nebraska. LIO is a member of Zippy Cash and holds a 5% ownership interest in Zippy Cash. LIO is owned, controlled and managed by its members, Defendants Brent Ruttman, Robert Stewart, Gene Williams, and John Stewart.

7. Defendant BRENT RUTTMAN (“Ruttman”) is an individual residing in Omaha, Nebraska. Ruttman is a manager and Director of Zippy Cash, a member and manager of LIO, and a principal or otherwise affiliated with Defendant SCI.

8. Defendant ROBERT L. STEWART is an individual residing in Lynbrook, New York. Robert Stewart is a member of LIO and is a principal or otherwise affiliated with Defendant SCI

1 9. Defendant JOHN F. STEWART is an individual residing in Lynbrook, New York.
2 John Stewart is a member of LIO, and is a principal or otherwise affiliated with Defendant SCI.

3 10. Defendant GENE WILLIAMS is an individual residing in Central Islip, New York.
4 Gene Williams is a member of LIO and is a principal or otherwise affiliated with Defendant SCI.

5 11. Defendant SALES CONSULTANTS INTL INC (“SCI”) is a corporation organized
6 under the laws of the State of New York, with a principal place of business in Valley Stream, New
7 York. SCI is owned and managed by Defendants Ruttman, Robert Stewart, John Stewart and Gene
8 Williams. (SCI and Defendants Ruttman, Robert Stewart, John Stewart and Gene Williams are
9 referred to collectively as the “SCI Defendants.”)

10 12. Defendant Z CASH LLC is a Nevada limited liability company with principal place of
11 business in Clark County, Nevada (“Zippy Cash”). Z Cash is managed by Defendants Tough and
12 Ruttman, and its members are Tough, Ruttman and, on information and belief, the remaining SCI
13 Defendants.

14 JURISDICTION AND VENUE

15 13. This court has jurisdiction over this controversy by virtue of the fact that all or a
16 substantial part of the alleged acts and omissions complained of and performed by Defendants detailed
17 herein occurred in Clark County, Nevada.

18 14. Jurisdiction and venue for this Complaint are proper in Clark County, Nevada because
19 Zippy Cash is a Nevada limited liability company with its principal place of business in Las Vegas,
20 Nevada, and because the Operating Agreement of Zippy Cash, under which certain of the claims of
21 this Complaint arise, provides in Article 15.3 that the Operating Agreement will be construed and
22 enforced in accordance with the laws of the State of Nevada.

23 15. A true and correct copy of the Operating Agreement of Zippy Cash LLC signed May
24 11, 2021 is attached hereto as **Exhibit A**.

25 16. Jurisdiction and venue for this Complaint are also proper because Defendants Tough
26 and Ruttman serve as managers and Directors of Zippy Cash, a Nevada limited liability company with
27 its principal place of business in Las Vegas, Clark County, Nevada; because Tough and Ruttman are
28 the beneficial owners of and control Tough Money and LIO, respectively; and because all Defendants

1 possessed a pecuniary interest and business activities in and affecting Zippy Cash in Nevada.

2 17. Jurisdiction and venue for this Complaint are also proper because Defendants Tough
3 Money, LIO are members of Defendant Zippy Cash, and Defendants Tough and Ruttman serve as
4 managers and Directors of Zippy Cash a Nevada limited liability company with its principal place of
5 business in Las Vegas, Clark County, Nevada.

6 18. Jurisdiction and venue for this Complaint are also proper because the Defendants
7 specifically conspired to engaged in tortious misconduct through Zippy Cash, damaging Zippy Cash,
8 located in Nevada, and otherwise purposefully harmed and damaged Zippy Cash, a Nevada entity.

9 19. Defendants have further visited Nevada in connection with the business of formation
10 and operation of Zippy Cash, and otherwise generally conduct business in the State of Nevada, such
11 that specific and general jurisdiction exists over defendants.

12 **DERIVATIVE ACTION**

13 20. This is a derivative action that seeks to appoint a Receiver of Zippy Cash and to remedy
14 harm to Zippy Cash committed by Defendants in their unlawful conduct as managers and persons in
15 control of Zippy Cash.

16 21. Pursuant to Nev. R. Civ. P. 23.1, Plaintiffs bring the claims identified below
17 derivatively for the benefit of Zippy Cash to redress injuries suffered, and to be suffered, by Zippy
18 Cash, as a direct and proximate result of Defendants' misconduct.

19 22. Plaintiffs were and are members of Zippy Cash at the time of the misconduct
20 complained of herein, and held and continue to hold a combined 50% of the ownership interest and
21 voting units in Zippy Cash.

22 23. Plaintiffs have an ongoing proprietary interest as members in Zippy Cash.

23 24. Plaintiffs fairly and adequately represent the interests of the members similarly situated
24 in enforcing Zippy Cash's rights.

25 25. Plaintiffs fairly and adequately represent the interests of Zippy Cash, and act here to
26 protect the interests of Zippy Cash; to preserve and obtain Zippy Cash's business records and
27 communications; to halt Defendants' destruction of Zippy Cash's business and financial records; and
28 to stop Defendants' embezzlement and theft of funds belonging to Zippy Cash's customers.

1 26. Plaintiffs have met the demand requirement imposed by Nev. R. Civ. P. 23.1 to enforce
2 their rights as members, however Zippy Cash refuses to respond or allow the Plaintiffs any access to
3 records or information of Zippy Cash.

4 27. During the illegal and wrongful course of conduct at Zippy Cash and to the present,
5 Tough Money and LIO, which together possess 50% ownership interest and 50% of the voting units
6 in Zippy Cash, were controlled by their principals, Tough and Ruttman, who in turn have at all times
7 served as Managers and Directors of Zippy Cash.

8 28. Plaintiffs are otherwise excused from the demand requirement upon Zippy Cash due to
9 futility, as Zippy Cash is controlled by Defendants Tough and Ruttman, who are unduly influenced by
10 their own personal gain and exposure to liability to Zippy Cash and Zippy Cash’s customers, and
11 cannot be reasonably expected to pursue claims against themselves or impartially investigate the
12 claims detailed herein. Plaintiffs’ existing demands and any future demands to pursue such claims
13 would thus be futile.

14 29. The Zippy Cash Board of Directors (more fully identified below) cannot impartially
15 consider a demand on the merits as 50% of Zippy Cash’s Board of Directors are liable for the
16 challenged acts, Plaintiffs comprise the other 50% of Directors and are frozen out of the company, and
17 decisions of the Board are to be made under Section 4.2 of the Operating Agreement by “consensus,”
18 and where consensus may not be reached, decisions or to be made by Unit Holders who own 70% of
19 the outstanding voting units.

20 **GENERAL FACTUAL ALLEGATIONS**

21 ***Xidos and Taylor Seek a Payment Processing Solution for their Online Business***

22 30. For many years prior to the formation of Zippy Cash in February 2021, Xidos created
23 and operated a popular “social” gaming website known as www.funzpoints.com (“Funzpoints”),
24 owned by Woopla, Inc., a Canadian corporation organized under the laws of the province of Nova
25 Scotia (“Woopla”).

26 31. On the Funzpoints gaming platform, users may make purchases of “standard”
27 Funzpoints to use in games which do not award any prizes. Each purchase removes ads and unlocks
28 games.

1 32. To facilitate purchases by Funzpoints users, the normal operation of the Funzpoints
2 website requires a payment processor to accept and process user’s electronic online payments via
3 credit or debit card.

4 33. Funzpoints also has a sweepstakes component through which users may accumulate
5 “Premium Funzpoints” in their Funzpoints account which they may choose to redeem in the form of
6 a cash payout to their designated bank account.

7 34. To facilitate payouts to Funzpoints users, the normal operation of the Funzpoints
8 website requires a payment processor to accept and process user’s requests for online payouts in the
9 form of an ACH transfer deposit to the user’s designated bank account.

10 35. A major growth area for the industry of payment processing are companies which not
11 only have the ability to process payments for other companies (B2B) but also provide a digital wallet
12 to consumers (B2C) who may make payments to and receive payments from their own virtual wallet.

13 36. Prior to the formation of Zippy Cash in February 2021, Woopla was dissatisfied,
14 generally, with the limitations of third party payment processing providers. In addition, at that time
15 the company engaged to make payouts to Funzpoints users had indicated that it wished to transition
16 away from providing payout services.

17 37. Accordingly, Xidos and Taylor enlisted the aid of a payment service broker, who
18 introduced Xidos and Taylor, via email, on August 7, 2022 to Sales Consultants Int’l, Inc. (“SCI”) an
19 Independent Sales Organization (“ISO”).

20 ***The SCI Defendants, With Tough, Are Introduced to Xidos and Taylor***

21 38. The introduction to SCI led to a Zoom meeting on August 10, 2020 attended by
22 Plaintiffs and the owners of SCI, Defendants Ruttman, Robert Stewart, John Stewart and Gene
23 Williams (together, with SCI, the “SCI Defendants”), as well as Tough, whom Plaintiffs were advised
24 was affiliated with SCI.

25 39. Effective August 18, 2020, SCI was engaged by Woopla under a Memorandum of
26 Understanding (the “SCI Agreement”) as an ISO to find and provide services “to facilitate payment
27 into and out of WG [Woopla Gaming] and their associated companies for the benefit of their clients,”
28 in exchange for an upfront fee of \$50,000, and various fees and commissions to be paid to SCI in

1 relation to any payment services provided. A true and correct copy of the SCI Agreement dated on or
2 around August 12, 2020 is attached hereto as **Exhibit B**.

3 40. The Woopla company associated with Woopla and www.funzpoints.com in the United
4 States for purposes of processing payments from Funzpoints customers, as well as making ACH
5 payments to Funzpoints users, was, at all times pertinent, Woopla, Inc., a corporation organized under
6 the laws of the State of Delaware (“Woopla DE”).

7 41. Woopla and Woopla DE, at all times pertinent, were companies under common
8 ownership and control by Xidos.

9 42. Under the SCI Agreement, the parties expressed that the “structure of services initially
10 would be to Partner/Vendor with the goal to bring more services in-house.”

11 43. The type of services contemplated under the SCI Agreement included the following:
12 partnership with SCI to provide Woopla and associated companies with ODFI Services with ACH
13 debit and credit capabilities; the provision of US-based accounts to accommodate acceptance and
14 payment of funds tied into existing Woopla technology and infrastructure; merchant services accounts
15 to process credit and debit cards; and e-Wallet services for customers to manage accounts. All of the
16 aforementioned contemplated services were to be performed “in a compliant manner.”

17 ***Tough and the SCI Defendants Induce Plaintiffs to Form Zippy Cash***

18 44. During the course of the discussions with SCI and Tough in August 2020 regarding
19 Woopla’s needs for payment processing, the idea to form and create to a new payment processing and
20 e-wallet business was suggested, first, by Tough and Ruttman.

21 45. Tough and the SCI Defendants represented to Xidos and Taylor that Tough and the SCI
22 Defendants had the knowledge, experience, and banking relationships necessary to develop an e-wallet
23 solution and secure the necessary licenses and approvals, as well as a branding concept built around
24 the name, “Zippy Cash.”

25 46. The SCI Defendants also represented to Xidos and Taylor that they were able to
26 manage regulatory and compliance matters and onboard additional merchants to serve as customers
27 of Zippy Cash.

28 47. Xidos and Taylor advised that they could contribute technical experience in user

1 interface design, database architecture, system development and system security gained from their
2 successful creation and operation of the Funzpoints gaming platform.

3 48. In addition, Woopla’s Funzpoints business, controlled by Xidos and Taylor, also
4 presented a valuable initial high-volume “seed” customer for Zippy Cash for payment processing, as
5 Funzpoints had more than 250,000 active users who could be introduced to Zippy Cash via their
6 Funzpoints transactions and ultimately converted to regular users of a Zippy Cash e-wallet product.

7 49. Defendant Tough also expressly represented that he had the financial wherewithal to
8 fund the operations of Zippy Cash through loans during the development phase until the company had
9 cash flow from processing transactions and establishing e-wallet services, and Xidos agreed that he
10 would “match” Tough’s loans to Zippy Cash as requested and needed.

11 50. Based upon Defendants’ representations and professed capabilities, Xidos and Taylor
12 agreed to go into business with Tough and the SCI Defendants, and on February 8, 2021, Zippy Cash
13 was formed.

14 51. Zippy Cash was formed for the purpose of creating a payment solution for a niche
15 market in the underbanked and unbanked space, and to seek clients who were looking for alternative
16 economical payment solutions.

17 52. The business plan for Zippy Cash at its founding was to develop the payment platform,
18 start on a small scale, prove the product, and then expand services and markets in a controlled manner.

19 53. Xido’s Funzpoints business was identified as a first customer for Zippy Cash, with the
20 plan to begin with ACH transactions (payments to Funzpoints users), add credit card processing
21 (payments from Funzpoints users), and then finally add full e-wallet services providing Zippy Cash
22 accounts from which Zippy Cash users could make payments to anyone and receive payments from
23 anyone (akin to Venmo or Zelle).

24 ***The Members of Zippy Cash Agree to be Governed by a Board of Directors***

25 54. Under Article 4.1(a) of the Operating Agreement, the business and affairs of Zippy
26 Cash are managed by its members.

27 55. Under Article 4.2 of the Operating Agreement, the members further agreed to appoint
28 a Board of Directors to preside over the operation and governance of the Zippy Cash. Defendant

1 Tough was appointed as a Director by Tough Money and also to serve as the Chairman of the Board
2 of Directors. Defendant Ruttman was appointed as a Director by member LIO. Xidos and Taylor
3 were appointed as Directors by their respective Canadian number companies.

4 56. Under the Zippy Cash Operating Agreement, the initial members of Zippy Cash, along
5 with their respective ownership interests and the individuals selected by each member to represent
6 their interests on the Zippy Cash Board of Directors, are as follows:

7

Members of Zippy Cash LLC	Ownership Interest / Voting Units	Board of Directors
3342962 NOVA SCOTIA LIMITED	45%	Xidos
4043434 NOVA SCOTIA LIMITED	5%	Taylor
TOUGH MONEY LLC	45%	Tough
LIO LLC	5%	Ruttman

14

15 57. There have been no new members admitted or changes in the relative percentages of
16 ownership.

17 *Lack of Capitalization of Zippy Cash*

18 58. None of the members made any capital contributions at the time of formation of Zippy
19 Cash, or since formation.

20 59. Rather, at the outset of formation, Tough and Xidos agreed that they would each loan
21 money to Zippy Cash for operating and development expenses, on a 50/50 basis.

22 60. Funds would be advanced based upon the Company's needs, which would be agreed
23 upon and transparent to all shareholders.

24 61. Initial expectation was that development and administrative costs would be
25 approximately \$1 million.

26 62. Ongoing operational costs would be covered from contract services with Zippy Cash
27 clients.

28 63. Around the time of formation of Zippy Cash, Tough represented that he had infused

1 the company with sufficient funds in the form of a loan to cover its initial development and operating
2 expenses.

3 64. At Tough's request, Xidos disbursed \$200,000 in May 2021 and another \$200,000 in
4 September 2021 to Zippy Cash in loans for development and operational costs.

5 65. Since its formation, all financial information, accounting and reporting for Zippy Cash
6 have been under the control and dominion of Defendants Tough and LIO, through their principals and
7 Board of Directors representatives, Tough and Ruttman.

8 66. At all times pertinent, Defendants Tough and the SCI Defendants had access and
9 control over the financial records, banking accounts, day-to-day operation and matters of governance
10 of Zippy Cash.

11 67. Xidos and Taylor never had control over the financial records, banking accounts, day-
12 to-day operation, business records and matters of governance of Zippy Cash.

13 68. Xidos and Taylor had limited access to the Zippy Cash transactional information
14 pertaining to Funzpoints transactions, until that limited access was terminated abruptly by the
15 Defendants in February 2022.

16 69. Despite Plaintiffs' continuous requests for basic financial information and reports since
17 the formation of Zippy Cash, Defendant Tough, Ruttman and the other SCI Defendants have never
18 provided any records concerning profit and loss, financial statements, revenues, expenses or loans of
19 Zippy Cash.

20 ***Defendants Amass at least \$2.4 Million in Alleged "Reserves" from Zippy Cash Customer Woopla***

21 70. The development and coding for the Zippy Cash Platform began in February 2021,
22 when several technical personnel in India were hired on contract basis through a project management
23 and development agency. Having misrepresented their capabilities, the Defendants failed to provide
24 any direction or clarity for the development team, and Defendants fired and hired new technical
25 personnel repeatedly, preventing necessary progress and team collaboration.

26 71. As a result of the lack of progress in the development of Zippy Cash, Zippy Cash could
27 not begin processing ACH transfers for Woopla by end of March 2021 as planned.

28 72. Ultimately, Plaintiffs diverted technical personnel already providing development and

1 support services to Woopla through Taylor’s company GreenNode Software Limited (GreenNode), in
2 order to work on the development of the Zippy Cash Platform, and GreenNode was never compensated
3 for these services.

4 73. Defendants also failed to complete all necessary compliance in order for Zippy Cash
5 to obtain Metropolitan Commercial Bank (“MCB”) as an Originating Depository Financial Institution
6 (“ODFI”) in order that MCB would handle ACH payments to Funzpoints users on behalf of Zippy
7 Cash, as originally planned.

8 74. Accordingly, on May 24, 2021, it became necessary for Zippy Cash to enter into an
9 arrangement with payment provider Kyck Global (“Kyck”) to facilitate ACH payments to Funzpoints
10 users on behalf of Zippy Cash but using Kyck’s ODFI account with Metabank.

11 75. In order for Metabank to fund Kyck’s payments, it was necessary for there to be
12 commensurate funding in another account from which Metabank could draw upon.

13 76. It was at this time that Tough seized the opportunity to facilitate funding of Kyck’s
14 ACH payments through an existing Bank of America (“BofA”) account controlled by Tough,
15 representing to Xidos and Taylor that Zippy Cash would utilize the BofA account only until the
16 necessary compliance for Zippy Cash with MCB could be completed.

17 77. Xidos and Taylor reasonably relied upon Tough’s representations and were further
18 leveraged by Tough, who knew how ACH payment capabilities for Woopla were critical to customer
19 service and Xidos and Taylor’s Funzpoints brand.

20 78. From May 24, 2021 until January 25, 2022, Woopla DE fully funded the designated
21 BofA account, which in turn was drawn down on by the Kyck Metabank account, in amounts directed
22 by Defendants on a timely basis in order that Kyck could make the ACH payments to Funzpoints users
23 from Kyck’s Metabank account.

24 79. Tough’s representations to Xidos and Taylor were known by him to be false when
25 made, as he had no intention of using the BofA account on a temporary basis and rather intended to
26 use it as a vehicle for Defendants to accumulate and control excess payments from Woopla DE outside
27 of accounts held directly by Zippy Cash.

28 80. Based upon representations by Tough and the other Defendants that Metabank and

1 BofA required “reserves” in the account exceeding scheduled payouts, Woopla was regularly and
2 systematically directed, and Woopla DE regularly paid, certain amounts in excess of the ACH payouts
3 to serve as a “reserve.”

4 81. From the outset of the use of the BofA account, Tough and the SCI Defendants made
5 continuous representations that BofA required a sizeable “reserve” in the account exceeding scheduled
6 payouts, such that Woopla was directed by Defendants on a regular basis to deposit funds in the BofA
7 well in excess of the amounts needed to cover the ACH payments to Funzpoints users.

8 82. The amount of the supposed “reserve” required by BofA as represented by Defendants,
9 and paid into the BofA account by Woopla DE, exceeded \$2.4 Million.

10 83. Tough and the SCI Defendants have never accounted for the reserve, never returned
11 the reserve or provided any bank statements to demonstrate that the amounts were still held in the
12 Bank of America account.

13 84. Defendants misrepresented that reserves were required and that the amount of the
14 reserves would be held in the BofA account and did so in order to gain personal control over funds to
15 which Defendants had no right to use for personal reasons.

16 85. In addition to receiving access to a large pool of funds in the BofA account created by
17 the Woopla “reserve,” Tough and the other SCI Defendants received commissions and other fees from
18 Kyck and Zippy Cash as a result of the Woopla ACH payment program.

19 86. Defendants further failed and indeed caused Zippy Cash not to complete compliance
20 with MCB, in order that Zippy Cash would be required to continue to use the BofA account, in order
21 to avoid being held accountable for the supposed “reserves” which the Defendants had actually
22 absconded and converted to personal use, and in order to continue receiving fees and commissions
23 from the Kyck ACH payment program.

24 ***Defendants Use Zippy Cash to Gain Access to all of Woopla’s VISA Card Revenues***

25 87. While Zippy Cash never became a payment processor, on January 14, 2022, Zippy
26 Cash finally became capable of acting as a merchant when Zippy Cash obtained a Merchant ID
27 (“MID”) at Fresno Bank.

28 88. The issuance of an MID was necessary in order for Zippy Cash to engage a payment

1 processor to process credit card and debit card transactions for Zippy Cash users.

2 89. Fresno Bank also gave Zippy Cash a corporate bank account at the same time that
3 Fresno Bank issued the MID to Zippy Cash.

4 90. With its MID, Zippy Cash engaged payment processor IPPay for VISA card payments
5 from Funzpoints users.

6 91. Zippy Cash obtained the MID at Fresno Bank though Xidos' preexisting relationships
7 at IPPay and Fresno Bank and solely as a result of Xidos' efforts to establish Zippy Cash as merchant,
8 as Defendants failed to do so on Zippy Cash's behalf.

9 92. Once Zippy Cash held its MID and corporate account with Fresno Bank, it could have
10 directed IPPay to deposit the revenues from the Funzpoints VISA card transactions to its Fresno Bank
11 account, but never did do.

12 93. After Zippy Cash obtained the Fresno Bank MID and related account, there was no
13 plausible excuse left for Tough and the SCI Defendants to use the BofA account to fund the ACH
14 payments to Funzpoints users.

15 94. In addition, with Zippy Cash installed at Fresno Bank and payments which could be
16 funded from Zippy Cash's Fresno Bank account, the "reserves" at BofA would not be required and
17 could be released back to Woopla (through Woopla DE).

18 95. Despite the ability to do so, Defendants never directed IPPay to deposit the Funzpoints
19 VISA card revenue into the Fresno Bank account, and rather directed IPPay to deposit the revenue
20 into the BofA account controlled by Tough.

21 96. Thus, on January 14, 2022, Defendants had control over all of Funzpoint's revenue
22 from VISA card transactions as well as all of the amounts covering payments deposited by Woopla
23 DE into the BofA account.

24 97. Zippy Cash began receiving deposits to its BofA Bank account for the Funzpoints
25 VISA card transactions on January 14 2022 and continued to receive deposits each business banking
26 day.

27 98. Once Zippy Cash started receiving the Funzpoints VISA card revenue, it was supposed
28 to fund the ACH payments from such revenue and remit the remainder to Woopla DE on a daily basis,

1 but never did so.

2 99. Once Zippy Cash started receiving the VISA card revenues from Funzpoints, it was not
3 necessary for Woopla to also fund the BofA account, and accordingly Woopla DE stopped funding
4 the BofA account on January 25, 2022.

5 100. Zippy Cash transferred some funds to Woopla DE's Fresno Bank account on January
6 24, 2022, ten days after it started collecting Funzpoints' VISA card revenue, and transferred some
7 additional funds to Woopla DE on January 26, 2022, however both sums were far less than the full
8 amount of Funzpoints' VISA card transactions for that period and the amounts were remitted with no
9 explanation for the amount.

10 101. On January 28, 2022, Woopla requested another wire transfer of all collected revenues,
11 which Tough represented would be sent the next day.

12 102. However, Woopla did not receive a wire transfer from Zippy Cash on January 29, 2022
13 as Tough had promised, and in fact never received another payment, although Zippy Cash continued
14 to receive all of Funzpoints' VISA card revenue through February 18, 2022.

15 103. After January 29, 2022, Plaintiffs made numerous requests for payments and
16 verification of the amounts being held by Zippy Cash on Woopla's behalf, and were reassured by
17 Ruttman that Zippy Cash was working on getting the information and payments to Woopla but
18 Defendants were in the process of switching bookkeeping systems and that the information and funds
19 would be forthcoming shortly.

20 ***Tough Announces that Zippy Cash has No Revenue, has \$2 Million in Debt, and May Dissolve***

21 104. On February 1, 2022, Tough sent an unexpected email to the Directors, managers and
22 members of Zippy Cash, with the following subject line: "Zippy Cash LLC Annual General Meeting
23 Notice." Tough's e-mail states, in relevant part, as follows:

24 Request for AGM [Annual General Meeting] within 30 days as per the attached.
25 Full Agenda for two meetings to follow within 2 weeks:
26 Zippy Cash LLC
27 ...
27 Agenda items to be included (but not limited to):
28 Full financials
Capital in (approx. 2mm in debt)

1 Past Future Revenue situation (near zero revenue to date)
2 Capital History/Requirements (repayment/Raise option?)
3 Debt Consolidation (expansion/buy/sell exit)
4 Equity sales/debt conversion
5 No capital to continue operations beyond February 15 - March 1 2022
6 Closure/Dissolution
7 Taxation situation

8 Further details in full agenda to be circulated for comment/additions - days
9 before AGM.
10 Session will be recorded and approved date/time to be agreed upon.

11 Duane Tough
12 Chairman
13 Zippy Cash LLC

- 14 105. A true and correct copy of Tough’s February 1, 2022 email is attached as **Exhibit C**.
- 15 106. Tough’s February 1, 2022 email makes clear that according to the Chairman of the
16 Board of Directors, Zippy Cash is in financial distress, that Zippy Cash has “near zero revenue to
17 date,” that there is “[n]o capital to continue operations beyond February 15 – March 1 2022,” and
18 further asserts that the closing and dissolving of Zippy Cash is to be addressed at the upcoming “AGM”
19 (annual general meeting).
- 20 107. On February 8, 2022, Xidos sent an email to Zippy Cash Directors and members,
21 requesting that the AGM be held on February 21, 2022 and that financials be provided to all
22 shareholders as required under the Operating Agreement by February 14, 2022, a true and correct copy
23 of which is attached hereto as **Exhibit D**.
- 24 108. In the same email, Xidos requested once again that Zippy Cash cease using the Bank
25 of America Account controlled by Tough by February 25, 2022, in order that millions in reserves
26 could be released back to Woopla.
- 27 109. No records or information were provided by Chairman Tough or Zippy Cash, and no
28 annual general meeting or any other kind of meeting was conducted.
110. Zippy Cash did not release the \$2.4 Million in alleged reserves to Woopla.
111. Zippy Cash failed to file its annual report by February 22, 2022, such that Zippy Cash
is no longer a limited liability company in good standing in Nevada.
- 112.

1 ***Defendants Cause Zippy Cash to Stop Making Payments to Woopla Users While Continuing***
2 ***to Accept and Retain all of the VISA Revenue***

3 113. Around the time of the second (and last) payment to Woopla DE's account by Zippy
4 on January 26, 2022 and the last payment made by Woopla DE to fund ACH payments made on
5 January 25, 2022, the Defendants decided and conspired that they would try to amass as much of
6 Woopla's funds in as short a time as possible before Woopla "shut off" Zippy Cash from the
7 Funzpoints website.

8 114. Defendants' plan was to maximize their "take" from Woopla by continuing to receive
9 all of Funzpoints' VISA card revenues while simultaneously stopping ACH payments out to
10 Funzpoints users.

11 115. Kyck, which had been contracted by Zippy Cash to process same-day ACH payments
12 to Funzpoints users, did not process any payments on Monday, February 14, February 15, or February
13 16, 2022.

14 116. When Xidos and Taylor questioned Zippy Cash about the failed payments via Skype
15 mail, which the parties had used as a primary means of communication since February 2021, Ruttman
16 and other Defendants reassured that the missed payments were the result of technical difficulties, that
17 funds were available to make the payments, and the payments would be processed shortly.

18 117. On February 17, 2022, Kyck processed some, but not all of the outstanding payments.

19 118. On February 17, 2022, Ruttman confirmed and represented to Xidos and Taylor in
20 writing via Skype that funds were available to Kyck, and that all pending ACH transactions would be
21 processed on February 18, 2022.

22 119. Kyck did not process the payments on February 18, 2022.

23 120. When Xidos and Taylor questioned via Skype about the failed payments on Friday,
24 February 18, 2022, payments, Ruttman represented that Defendants had some additional technical
25 issues and reassured that the payments would be sorted out on Monday.

26 121. This representation was false and was designed to keep Woopla from shutting Zippy
27 Cash down on the Funzpoints website at least for a few more days over the weekend, in order that
28 Defendants could try to amass further funds to steal and convert.

1 122. From January 24, 2022 forward, Ruttman and the Defendants made the partial
2 payments, made false representations concerning alleged technical issues and gave reassurances about
3 payments they had no intention of keeping for the express purpose of attempting to string Woopla
4 along in order to maximize the amount of Funzpoints VISA card revenue they could ultimately amass
5 and steal.

6 123. The lack of communications from Ruttman and Tough and Defendants apparent
7 avoidance to confirm that funds were available to Kyck on February 18, 2022 caused Woopla to be
8 alarmed.

9 124. On February 18, 2022, faced with the risk of having Zippy Cash continue to collect and
10 keep Woopla's revenue from VISA credit transactions while also failing to make ACH payments to
11 Funzpoints users, Woopla was left with no choice but to shut down all payment functions on the
12 Funzpoints website.

13 ***Woopla Makes a Claim Against Zippy Cash***

14 125. On February 19, 2022, Woopla served Zippy Cash, its Directors, its members and the
15 SCI Defendants with a Notice of Termination for Material Breach, Demand for Preservation of
16 Documents and ESI, and a Demand for Payment in excess of \$8.1 Million.

17 126. Woopla's demand for in excess of \$8.1 Million was for:

- 18 a. return of the "reserves" (i.e. the amount transferred by Woopla DE to BofA
19 accounts in 2021 and 2022 to fund ACH payments in excess of the ACH
20 payments made to Funzpoints users); and
21 b. payment of the Funzpoints VISA card revenues collected and wrongfully
22 retained by Zippy Cash in 2022 in excess of the amounts remitted to Woopla.

23 127. Woopla further placed Defendants on notice in its February 19, 2022 demand letter that
24 Defendants had caused further damage to Woopla as a result of customer loss, negative consumer
25 sentiment, loss of good will, damage to the reputation and brand of Funzpoints and enterprise value
26 of Funzpoints.

27 128. Woopla further asserted in its February 19, 2022 demand letter that Zippy Cash and its
28 personnel had acted fraudulently and in violation of their duties to act as fiduciaries to Woopla.

1 ***Defendants Respond to Woopla’s Demand and Document Preservation Request by Immediately***
2 ***Destroying Records, Shutting Off Plaintiffs’ Access to Zippy Cash Transactional Records, and***
3 ***Forming a New Entity Called “Z Cash LLC”***

3 129. Defendants’ immediate response to Woopla’s February 19, 2022 Notice, Demand and
4 ESI Preservation Request was to delete all of the Skype conversations with Xidos and Taylor, even
5 though the parties had communicated almost exclusively on Skype since the formation of Zippy Cash
6 in February 2021.

7 130. Defendants also immediately terminated Plaintiffs’ access to Zippy Cash’s Admin
8 Dashboard and the Zippy Cash NMI gateway, which contained data for all Funzpoints ACH payouts
9 and the VISA credit card transactions collected for Funzpoints.

10 131. However, Taylor was logged in at the time of the account deactivation and collected
11 screenshots over the following days, showing transactions that were deleted from customer accounts
12 in Zippy Cash.

13 132. On February 23, 2022, a new Nevada entity called Z Cash LLC was formed by
14 Defendants, listing Tough and Ruttman as members and managers.

15 133. No notice of any meeting or otherwise was provided to Plaintiffs in connection with
16 the formation of Z Cash LLC by Defendants on February 23, 2022.

17 134. Defendants created Z Cash as a direct response to the liability demands being made by
18 Woopla and record demands made by Plaintiffs, and further for the improper purpose of trying to
19 continue the business and use the assets and development of Zippy Cash for their own personal benefit.

20 135. Defendants also created Z Cash to further oppress and exclude Plaintiffs from
21 participating in the Zippy Cash brand and business they founded and for the improper purpose of
22 attempting to shift assets and property away from Zippy Cash.

23 ***Defendants Ignore Plaintiffs’ Demand for Access to Books and Records of Zippy Cash Under the***
24 ***Operating Agreement and N.R.S. §86.241***

25 136. On February 22, 2022 Plaintiffs, as members, served their demand under Article 5.1 of
26 the Operating Agreement and N.R.S. § 86.241 (2) and (3) for access to the books and records of Zippy
27 Cash in order to assess the financial condition of Zippy Cash in advance of the annual general meeting.
28 A true and correct copy of the February 22, 2022 Demand to Inspect Zippy Cash LLC’s Records is

1 attached as **Exhibit E**.

2 137. Plaintiffs also demanded on February 22, 2022 that Zippy Cash restore Plaintiffs'
3 access to the Zippy Cash's Admin Dashboard, Zippy Cash NMI gateway and Skype communications.

4 138. On March 2, 2022, Counsel for Defendant Tough acknowledged receipt of the February
5 19, 2022 Notice and Demand issued by Woopla and the February 22, 2022 Demand to Inspect issued
6 by the Plaintiff, but failed to provide any substantive response or produce any records or information.
7 A true and correct copy of the March 2, 2022 correspondence of counsel for Defendant Tough is
8 attached hereto as **Exhibit F**.

9 139. To date, no further information or response has been provided by any Defendant.

10 **FIRST CLAIM FOR RELIEF**

11 **(Appointment of a Receiver and Injunctive Relief)**

12 140. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
13 paragraphs.

14 141. Defendants have absconded millions of dollars of Zippy Cash's and Zippy Cash's
15 clients' funds and have grossly mismanaged Zippy Cash, apparently running it into insolvency less
16 than a year after it was formed.

17 142. Defendants have destroyed Zippy Cash's business records and communications to hide
18 their wrongful and illegal acts.

19 143. Defendants' actions have damaged the brand, credibility, goodwill, good name, and
20 enterprise value of Zippy Cash and its clients, and have destroyed Zippy Cash's relationship with its
21 largest client, Woopla.

22 144. Defendants' actions have exposed Zippy Cash to a claim in excess of \$8.1 Million by
23 Woopla.

24 145. Defendants lack any justifiable business reason for their misconduct.

25 146. Defendants have allowed Zippy Cash LLC to go into default with the Nevada Secretary
26 of State.

27 147. Immediately after Woopla and Plaintiffs' demands, Defendants created a new entity, Z
28 Cash LLC, in order to further freeze out the Plaintiffs from the Zippy Cash business and brand which

1 they co-founded and own 50%.

2 148. Plaintiffs seek the appointment of a receiver to manage the affairs of Zippy Cash
3 pursuant to Nevada Revised Statutes (“NRS”) Sections 86.5411 and/or 86.5415 and to take all
4 necessary action consistent with Nevada law.

5 149. Pursuant to NRS § 86.5415, this Court also has the authority to appoint a Receiver and,
6 “by injunction restrain the company from exercising any of its powers or doing business whatsoever,
7 except by and through a receiver appointed by the court,” in certain situations, including when “the
8 managers or managing members have been guilty of fraud or collusion or gross mismanagement” in
9 the conduct or control of the company’s affairs and when “the assets of the company are in danger of
10 waste, sacrifice or loss through attachment, foreclosure, litigation or otherwise.”

11 150. Defendants are guilty of fraud, collusion and gross mismanagement in the conduct and
12 control of Zippy Cash’s affairs, in that they have personally converted and embezzled funds from
13 Zippy Cash and otherwise used Zippy Cash as a platform to steal from Woopla.

14 151. The assets of Zippy Cash are in danger of waste, sacrifice or loss through the conduct
15 of Defendants, particularly as a result of the claims of Woopla to which Zippy Cash is exposed as a
16 result of Defendants’ misconduct.

17 152. As a direct and proximate result of Defendants’ acts and conduct detailed above, Zippy
18 Cash has been placed at risk of losing its clients, assets, funds, profits, and profitability.

19 153. Zippy Cash is being operated at a great loss and/or has become insolvent, and Zippy
20 Cash has suspended its ordinary business.

21 154. Zippy Cash’s assets are in danger of waste, sacrifice or loss as the Defendants have
22 exposed it to company–ending liability and have harmed the brand.

23 155. Pursuant to NRS § 86.5411, this Court also has the authority to appoint a Receiver in
24 certain situations when a limited liability company [1] becomes insolvent, [2] suspends its ordinary
25 business for want of money to carry on the business, or [3] if the company has been and is being
26 conducted at a great loss and greatly prejudicial to the interest of its creditors or members[.]

27 156. As evidenced by Tough’s February 1, 2022 notice to the members, Zippy Cash’s lack
28 of customers or revenue, and the liabilities it now faces to Woopla as a result of the unlawful conduct

1 of the Defendants, Zippy Cash is insolvent.

2 157. Zippy Cash further has no ostensible ongoing business and appears to have suspended
3 its ordinary business for want of money to carry on the business.

4 158. Zippy Cash has been and is being conducted at a great loss and greatly prejudicial to
5 the interests of its creditors or members.

6 159. Zippy Cash's business cannot continue to be conducted with safety to the public.

7 160. As a direct and proximate result of Defendants' ongoing breach of fiduciary duties, and
8 other duties and obligations that they owe to Zippy Cash and its members, their acts and conduct in
9 misappropriating funds from Zippy Cash for personal benefit and otherwise grossly mismanaging the
10 business, Zippy Cash and at least half of its members have suffered and shall continue to suffer
11 irreparable harm, absent the appointment of a Receiver and the imposition of an injunction enjoining
12 any further operations by Zippy Cash except by and through a Receiver appointed by the court.

13 161. The appointment of a Receiver during the pendency of these proceedings is necessary
14 to conserve, preserve, protect, and administer assets in which Plaintiffs have an interest.

15 162. Plaintiffs request an order pursuant to NRS §§ 86.5411 and/or 86.5415 appointing a
16 Receiver to take possession and control of Zippy Cash's business, funds, and assets, which includes
17 the company, Z Cash LLC, formed by Defendants solely to usurp the business and assets of Zippy
18 Cash.

19 163. WHEREFORE, Plaintiffs request the issuance and entry of preliminary and permanent
20 injunctions mandating, among other things:

21 a. appointing a Receiver under NRS § 86.5411 and NRS § 86.5415 of Zippy Cash
22 and Z Cash;

23 b. Defendants surrender to the Receiver all business operations of Zippy Cash and
24 Z Cash;

25 c. The Receiver shall have authority under NRS §86.5418 to take possession and
26 control over all assets and property of Zippy Cash and Z Cash as necessary in
27 the discretion of the Receiver;

28 d. Zippy Cash and Z Cash and its Directors and Managers are restrained from

- 1 exercising any of its powers or doing business whatsoever, except by and
2 through a receiver appointed by the court,
- 3 e. Zippy Cash and Z Cash and its Directors and Managers, officers and agents are
4 restrained from exercising any of its privileges or franchises and from collecting
5 or receiving any debts or paying out, selling, assigning or transferring any of its
6 estate, money, lands, tenements or effects, except to the Receiver appointed by
7 the court;
- 8 f. ordering Defendants and the accountants of Zippy Cash and Z Cash, if any, to
9 surrender all business records and financial data and databases in their
10 possession and control to the Receiver;
- 11 g. removing Tough and Ruttman as managers or Directors and installing the
12 Receiver as the sole Director;
- 13 h. requiring Zippy Cash to file its annual report within 10 days of appointment of
14 a Receiver;
- 15 i. ordering Defendants to provide an accounting for all amounts transferred by
16 Woopla/Woopla DE in 2021 and 2022 to accounts held by or controlled by
17 Zippy Cash, Z Cash or Defendants;
- 18 j. ordering each Defendant to provide an accounting for all income or other
19 amounts transferred to or obtained by such Defendant in relation to the
20 operation of Zippy Cash or Z Cash;
- 21 k. enjoining Defendants from any destruction or failure to preserve any records of
22 Zippy Cash, Z Cash or Defendants' personal records of any kind relating to the
23 formation and operation of Zippy Cash or Z Cash, any accounts or funds related
24 to the operation of Zippy Cash or Z Cash, or relating to Woopla or Funzpoints
25 transactions;
- 26 l. ordering Defendants to restore and preserve all Skype, email, text messages and
27 other forms of communications with Plaintiffs, Woopla and between
28 Defendants concerning Zippy Cash or Z Cash or related transactions;

- 1 m. ordering Defendants to immediately restore Plaintiff's access to Zippy Cash's
2 Admin Dashboard and the Zippy Cash NMI gateway;
- 3 n. requiring Zippy Cash and Z Cash to assemble and produce the books and
4 records for review and copying by Plaintiffs in accordance with rights granted
5 in the Article 5.1 and 5.2 of the Zippy Cash Operating Agreement and NRS §
6 86.241(2) and (3), within 10 days of appointment of the Receiver;
- 7 o. imposing a constructive trust in favor of Zippy Cash and the Receiver over all
8 funds in the possession or control of Defendants which are derived in any
9 manner, directly or indirectly, from Zippy Cash, Z Cash or Woopla/Woopla DE
10 or Funzpoints;
- 11 p. awarding attorney's fees, related expenses and costs to Plaintiffs;
- 12 q. such other relief as deemed necessary and appropriate by the court under the
13 circumstances.

14 **SECOND CLAIM FOR RELIEF**

15 **(Breach of Constructive Trust For Benefit of Zippy Cash – All Defendants)**

16 164. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
17 paragraphs.

18 165. As a result of the insolvency of Zippy Cash, all of its funds and assets must be held in
19 constructive trust for the benefit of its creditors, including Woopla and Woopla DE.

20 166. SCI and Zippy Cash were in a position as fiduciary with respect to Woopla and Woopla
21 DE either by the terms of their agreements, statute, or as result of the position of special trust and
22 control of Defendants over Woopla's funds needed for payments and revenues.

23 167. Defendants, including Z Cash, have no lawful right to possess or take control of any of
24 Woopla's, Woopla DE's or Zippy Cash's funds or assets.

25 168. Defendants created Z Cash for improper and self-dealing purposes by stripping Zippy
26 Cash of assets and good will and to attempt to avoid personal liabilities to both Zippy Cash and Woopla
27 and Woopla DE.

28 169. Defendants also held a position of confidence with respect to Zippy Cash, such that the

1 retention of title or possession to Zippy Cash property and assets by Defendants would be inequitable.

2 170. The imposition of a trust is essential to the effectuation of justice for Zippy Cash.

3 171. To the extent Defendants possess or control any of Woopla's, Woopla DE's or Zippy
4 Cash's funds or assets, they do so under constructive trust.

5 172. Absent the imposition of constructive trust over Defendants' possession or control over
6 any of Woopla's, Woopla DE's or Zippy Cash's funds or assets, Zippy Cash and its creditors,
7 including Woopla and Woopla DE, shall suffer irreparable harm as Defendants hide, spend or transfer
8 such funds and assets.

9 173. Defendants have breached and shall breach such constructive trust to the extent they
10 have used, spent or otherwise failed to return all funds or assets in the possession or control of
11 Defendants which are derived in any manner, directly or indirectly, from Zippy Cash, Z Cash or
12 Woopla, Woopla DE or Funzpoints.

13 174. Plaintiffs are entitled to, and request an order compelling, an accounting from all
14 Defendants with respect to the Zippy Cash business, including, without limitation, any funds or assets
15 derived from or relating to of Woopla, Woopla DE, Funzpoints or Zippy Cash or Z Cash in
16 Defendants' possession or control.

17 175. WHEREFORE, Plaintiffs request the issuance and entry of an order declaring the
18 existence or imposition of constructive trust, for the benefit of Zippy Cash, over any funds or assets
19 derived from or relating to of Woopla, Woopla DE, Funzpoints or Zippy Cash in Defendants'
20 possession or control including Z Cash, for damages sustained by Zippy Cash to the extent of breach
21 of constructive trust, awarding attorney's fees, related expenses and costs to Plaintiffs, for an
22 accounting by Defendants, and for such other relief deemed necessary under the circumstances by the
23 court.

24 **THIRD CLAIM FOR RELIEF**

25 **(Breach of Duty of Good Faith and Fair Dealing Under NRS § 86.298 – Plaintiffs** 26 **Individually and Derivatively v. Tough and Ruttman)**

27 176. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
28 paragraphs.

1 177. NRS § 86.298 provides that the duties of a manager or managing member of a limited-
2 liability company to the company, to any member or to another person that is a party to or otherwise
3 bound by the operating agreement include the implied contractual covenant of good faith and fair
4 dealing.

5 178. Tough and Ruttman have been listed with the Nevada Secretary of State as managing
6 members of Zippy Cash since its formation in February 2021.

7 179. Tough and Ruttman violated their respective duties of good faith and fair dealing owed
8 to Zippy Cash and Plaintiffs as a result of their unlawful and bad faith conduct with respect to: the
9 mishandling of the funds related to Zippy Cash's customer, Woopla/Funzpoints; their
10 misrepresentations to Plaintiffs regarding the status of payments; defrauding Zippy Cash's customer
11 for their own personal benefit; their actions in destroying records and shutting Plaintiffs' out of the
12 company; their brazen attempt to divert the assets of Zippy Cash to Z Cash.

13 180. As a result of Tough and Ruttman's misconduct and breach of this duty, Zippy Cash
14 has been irreparably damaged as an enterprise, rendered insolvent and cannot continue as a going
15 concern.

16 181. Xidos, as a member, loaned \$400,000 to Zippy Cash to cover operating expenses, and
17 has suffered damages as a result of Zippy Cash's inability to repay the loans.

18 182. Xidos and Taylor, as members, own 50% of a company which was projected to be
19 worth in excess of \$100 Million in several years, and have lost the value of such investment.

20 183. Zippy Cash has been damaged as a result of Tough and Ruttman's breach of duty in
21 excess of \$100 Million related to the demise of Zippy Cash and transfer of its assets and business to Z
22 Cash.

23 184. Xidos has been damaged in the amount of \$400,000.00 in non-payment of the loans.

24 185. WHEREFORE, Plaintiffs seek damages in excess of \$100 Million caused by Tough
25 and Ruttman for breach of the duty of good faith and fair dealing, awarding attorney's fees, related
26 expenses and costs to Plaintiffs, for an Accounting by Defendants, and for such other relief deemed
27 necessary under the circumstances by the court.

28

FOURTH CLAIM FOR RELIEF

1 **(Aiding and Abetting Breach of Duty of Good Faith and Fair Dealing - Plaintiffs Individually**
2 **and Derivatively v. All Defendants)**

3 186. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
4 paragraphs.

5 187. All Defendants were aware that Tough and Ruttman acted as Directors and other wise
6 owed Zippy Cash and its members a duty of good faith and fair dealing.

7 188. All Defendants were aware that Tough and Ruttman violated their respective duties of
8 good faith and fair dealing owed to Zippy Cash and Plaintiffs as a result of their unlawful and bad
9 faith conduct with respect to: the mishandling of the funds related to Zippy Cash's customer,
10 Woopla/Funzpoints; their misrepresentations to Plaintiffs regarding the status of payments;
11 defrauding Zippy Cash's customer for their own personal benefit; their actions in destroying records
12 and shutting Plaintiffs' out of the company; their brazen attempt to divert the assets of Zippy Cash to
13 Z Cash.

14 189. Defendants knowingly and substantially assisted Tough and Ruttman, and each other,
15 in promoting the breach of duty by actively taking direction from Tough or Ruttman, refusing to
16 respond and hiding the actions to Tough and Ruttman, participating in and effectuating the
17 mishandling of funds related to Zippy Cash's customer, Woopla/Funzpoints; actively misrepresenting
18 to Plaintiffs regarding the status of payments; participating in defrauding Zippy Cash's customer for
19 their own personal benefit; destroying records and shutting Plaintiffs' out of the company; and
20 participating in the efforts to divert the assets and business of Zippy Cash to Z Cash.

21 190. As a result of Defendants' conduct, Zippy Cash has been irreparably damaged as an
22 enterprise, rendered insolvent and cannot continue as a going concern.

23 191. Defendants are jointly and severally liable.

24 192. Xidos, as a member, loaned \$400,000 to Zippy Cash to cover operating expenses, and
25 has suffered damages as a result of Zippy Cash's inability to repay the loans.

26 193. Xidos and Taylor, as members, own 50% of a company which was projected to be
27 worth in excess of \$100 Million in several years, and have lost the value of such investment.

28 194. Zippy Cash's damages as a result of Tough and Ruttman's breach of duty exceed \$100

1 Million related to the demise of Zippy Cash and transfer of its assets and business to Z Cash.

2 195. Xidos has been damaged in the amount of \$400,000.00 in non-payment of the loans.

3 196. WHEREFORE, Plaintiffs seek damages in excess of \$100 Million against Defendants,
4 jointly and severally, for aiding and abetting the Tough or Ruttman's breach of duty of good faith and
5 fair dealing, awarding attorney's fees, related expenses and costs to Plaintiffs, for an Accounting by
6 Defendants, and for such other relief deemed necessary under the circumstances by the court.

7 **FIFTH CLAIM FOR RELIEF**

8 **(Breach of Fiduciary Duty – Plaintiffs Individually and Derivatively v. Tough and Ruttman)**

9 197. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
10 paragraphs.

11 198. Under Article 4.2 of the Operating Agreement, the members of Zippy Cash elected to
12 create and be governed by a Board of Directors.

13 199. Under Article 4.2 of the Operating Agreement, Tough was appointed the Chairman of
14 the Board of Directors, to act as Chairman of all meetings, and Ruttman was appointed as a Director.

15 200. Under Nevada law, the fiduciary duty of a Director is to exercise their powers in good
16 faith and with a view to the interests of the corporation.

17 201. Tough and Ruttman, as Directors of Zippy Cash, owed the company and other members
18 a fiduciary duty, which they violated as a result of their unlawful and bad faith conduct with respect
19 to: the mishandling of the funds related to Zippy Cash's customer, Woopla/Funzpoints; their
20 misrepresentations to Plaintiffs regarding the status of payments; defrauding Zippy Cash's customer
21 for their own personal benefit; their actions in destroying records and shutting Plaintiffs' out of the
22 company; their brazen attempt to divert the assets and business of Zippy Cash to Z Cash.

23 202. As a result of Tough and Ruttman's breach of fiduciary duty, Zippy Cash has been
24 irreparably damaged as an enterprise, rendered insolvent and cannot continue as a going concern.

25 203. Xidos, as a member, loaned \$400,000 to Zippy Cash to cover operating expenses, and
26 has suffered damages as a result of Zippy Cash's inability to repay the loans.

27 204. Xidos and Taylor, as members, own 50% of a company which was projected to be
28 worth in excess of \$100 Million in several years, and have lost the value of such investment.

1 205. Zippy Cash's damages as a result of Tough and Ruttman's breach of fiduciary duty
2 exceed \$100 Million related to the demise of Zippy Cash, and Xidos has been damaged in the amount
3 of \$400,000.00 in non-payment of the loans.

4 206. Tough and Ruttman's actions were made and taken with, or in furtherance of, purposes
5 of oppression, fraud and malice, such that Plaintiffs are entitled to an award of punitive damages
6 against Defendants.

7 207. WHEREFORE, Plaintiffs seek damages in excess of \$100 Million caused by Tough
8 and Ruttman for breach of fiduciary duty, awarding attorney's fees, related expenses and costs to
9 Plaintiffs, for an Accounting by Defendants and for such other relief deemed necessary under the
10 circumstances by the court.

11 **SIXTH CLAIM FOR RELIEF**

12 **(Aiding and Abetting Breach of Fiduciary Duty - Plaintiffs Individually and Derivatively v. All**
13 **Defendants)**

14 208. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
15 paragraphs.

16 209. All Defendants were aware that Tough and Ruttman acted as Directors and other wise
17 owed the Zippy Cash and its members a fiduciary duty.

18 210. All Defendants were aware that Tough and Ruttman violated their respective fiduciary
19 duties owed to Zippy Cash and Plaintiffs as a result of their unlawful and bad faith conduct with respect
20 to: the handling of the funds related to Zippy Cash's customer, Woopla/Funzpoints; their
21 misrepresentations to Plaintiffs regarding the status of payments; defrauding Zippy Cash's customer
22 for their own personal benefit; their actions in destroying records and shutting Plaintiffs' out of the
23 company; their brazen attempt to divert the assets of Zippy Cash to Z Cash.

24 211. Defendants knowingly and substantially assisted Tough and Ruttman, and each other,
25 in promoting the breach of duty by actively taking direction from Tough or Ruttman, refusing to
26 respond and hiding the actions to Tough and Ruttman, participating in and effectuating the
27 mishandling of funds related to Zippy Cash's customer, Woopla/Funzpoints; actively misrepresenting
28 to Plaintiffs regarding the status of payments; participating in defrauding Zippy Cash's customer for

1 their own personal benefit; destroying records and shutting Plaintiffs' out of the company; and
2 participating in the efforts to divert the assets and business of Zippy Cash to Z Cash.

3 212. As a result of Defendants' conduct, Zippy Cash has been irreparably damaged as an
4 enterprise, rendered insolvent and cannot continue as a going concern.

5 213. Defendants are jointly and severally liable.

6 214. Xidos, as a member, loaned \$400,000 to Zippy Cash to cover operating expenses, and
7 has suffered damages as a result of Zippy Cash's inability to repay the loans.

8 215. Xidos and Taylor, as members, own 50% of a company which was projected to be
9 worth in excess of \$100 Million in several years, and have lost the value of such investment.

10 216. Zippy Cash's damages as a result of Tough and Ruttman's breach of duty exceed \$100
11 Million related to the demise of Zippy Cash.

12 217. Xidos has been damaged in the amount of \$400,000.00 in non-payment of the loans.

13 218. WHEREFORE, Plaintiffs seek damages in excess of \$100 Million against Defendants,
14 jointly and severally, for aiding and abetting the Tough or Ruttman's breach of fiduciary duty,
15 awarding attorney's fees, related expenses and costs to Plaintiffs, for an Accounting by Defendants,
16 and for such other relief deemed necessary under the circumstances by the court.

17 **SEVENTH CLAIM FOR RELIEF**

18 **(Action by Owner of Property Under NRS 41.580 – Zippy Cash v All Defendants)**

19 219. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
20 paragraphs.

21 220. Under NRS 41.580, the owner of property taken by larceny, robbery, burglary,
22 embezzlement, theft, or other offense that is a crime against property may maintain a civil action for
23 treble damages, reasonable attorney's fees and costs against persons who bought, received, possessed
24 or withheld the property.

25 221. Defendants have absconded with funds and other assets belonging to Zippy Cash,
26 including the computer hardware and software programmed to run the Zippy Cash operating platform.

27 222. Defendants have wrongly transferred Zippy Cash property and assets to Z Cash and
28 themselves.

1 paragraphs.

2 234. Nev. Rev. Stat. § 86.241(1) requires Nevada limited liability companies, such as Zippy
3 Cash, to maintain certain records. Nev. Rev. Stat. § 86.241(2) and (3) provide members and managers
4 of Nevada limited liability companies, such as Zippy Cash, the right to obtain business records from
5 such companies, and such records are required to be maintained and kept at each company's principal
6 office in Nevada or with its custodian of records.

7 235. Accordingly, on February 22, 2022, Plaintiffs, through their undersigned counsel of
8 record, the law firm of Duane Morris LLP, sent Tough, in his role as Chairman and Director of Zippy
9 Cash, another written demand to inspect Zippy Cash's records, and obtain copies of and/or access to
10 thirty-three (33) specifically identified records and/or categories of records within ten (10) business
11 days.

12 236. To date, no such records have been provided to the Plaintiffs in their capacity as
13 members of Zippy Cash.

14 237. Plaintiffs need access to Zippy Cash's records to investigate its insolvency and to make
15 an informed decision about whether Zippy Cash's potential closure and dissolution is in its best
16 interest.

17 238. Despite being members of Zippy Cash, Plaintiffs have not been provided any material
18 financial information about Zippy Cash since its formation in February 2021.

19 239. NRS § 86.241(2) and (3) entitles members of Nevada limited liability companies, such
20 as Zippy Cash, to obtain business records from such companies, which are to be maintained and kept
21 at each company's principal office in Nevada or with its custodian of records.

22 240. As detailed above, Defendants have violated NRS § 86.241(2) and (3) by refusing
23 Plaintiffs repeated demands to be given access to the books and records of Zippy Cash.

24 241. WHEREFORE, Plaintiffs request an order compelling Defendants to provide
25 immediate and full access to the books and records sought by Plaintiffs as required without further
26 demand under NRS § 86.241(2) and (3), an award of attorney's fees and expenses and costs of suit,
27 and such other relief deemed necessary and appropriate by the Court.

28

1 **TENTH CLAIM FOR RELIEF**

2 **(Breach of Operating Agreement, Failure to Provide Access to Books and Records**
3 **(Contractual) – Against All Defendants)**

4 242. Plaintiffs re-allege, as if fully set forth herein, the allegations contained in the above
5 paragraphs.

6 243. Article 5.1 of the Zippy Cash Operating Agreement provides that Zippy Cash must
7 maintain complete accounting records, including a full, complete, and accurate record of each
8 company transaction, and that all records must be kept at the executive office and must be open to
9 inspection and copying by members upon reasonable notice.

10 244. Article 5.2 of the Zippy Cash Operating Agreement outlines numerous additional
11 business records that Zippy Cash must keep.

12 245. As detailed above, Defendants have violated Articles 5.1 and 5.2 of the Zippy Cash
13 Operating Agreement by refusing Plaintiffs repeated demands to be given access to the books and
14 records of Zippy Cash, including formal demand under the Operating Agreement.

15 246. WHEREFORE Plaintiffs request an order compelling Defendants to provide full access
16 to the books and records sought by Plaintiffs as required without further demand under Articles 5.1
17 and 5.2 of the Zippy Cash Operating Agreement, an award of attorney’s fees and expenses and costs
18 of suit, and such other relief deemed necessary and appropriate by the Court.

19 **DEMAND FOR JURY TRIAL**

20 Plaintiffs hereby demand a trial by jury, pursuant to Nevada R. Civ. P. 38, on all claims and
21 issues so triable.

22
23 DATED: April 25, 2022

DUANE MORRIS LLP

24
25 By: /s/ Tyson E. Hafen
26 William M. Gantz (*pro hac vice* forthcoming)
Dominica C. Anderson (SBN 2988)
Tyson E. Hafen (SBN 13139)

27 Attorneys for Plaintiffs
28 3342962 Nova Scotia Limited and
4043434 Nova Scotia Limited

VERIFICATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

State of)
) ss.
County of)

I, John Xidos, being first duly sworn, deposes and says:

I am authorized to make this verification for and on behalf of the Plaintiff 3342962 NOVA SCOTIA LIMITED; I have read the foregoing Verified Complaint and know the contents therefore. The same is true of my knowledge except for those matters therein alleged on information and belief, and as to those matters I believe them to be true.

John Xidos, for 3342962 NOVA SCOTIA LIMITED

SUBSCRIBED and SWORN to before
me this _____ day of _____, 2022.

NOTARY PUBLIC

VERIFICATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

State of)
) ss.
County of)

I, Leanne Taylor, being first duly sworn, deposes and says:

I am authorized to make this verification for and on behalf of the Plaintiff 4043434 NOVA SCOTIA LIMITED; I have read the foregoing Verified Complaint and know the contents therefore. The same is true of my knowledge except for those matters therein alleged on information and belief, and as to those matters I believe them to be true.

Leanne Taylor, for 4043434 NOVA SCOTIA LIMITED

SUBSCRIBED and SWORN to before
me this _____ day of _____, 2022.

NOTARY PUBLIC

CERTIFICATE OF SERVICE

I hereby certify that on April 25, 2022, a true and correct copy of **VERIFIED COMPLAINT** was served by electronic filing via the Odyssey Electronic Service system with the Clerk of the Court, and serving all parties with an email address on record at that time, pursuant to Administrative Order 14-2 and Rule 9 of the Nevada Electronic Filing and Conversion Rules.

/s/ Jana Dailey
Jana Dailey, an employee of Duane Morris LLP

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

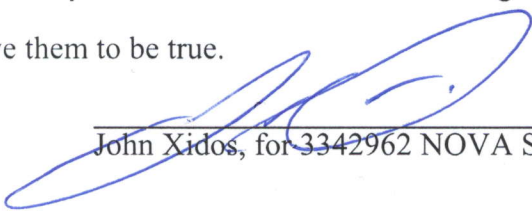
VERIFICATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

State of)
County of) ss.
)

I, John Xidos, being first duly sworn, deposes and says:

I am authorized to make this verification for and on behalf of the Plaintiff 3342962 NOVA SCOTIA LIMITED; I have read the foregoing Verified Complaint and know the contents therefore. The same is true of my knowledge except for those matters therein alleged on information and belief, and as to those matters I believe them to be true.



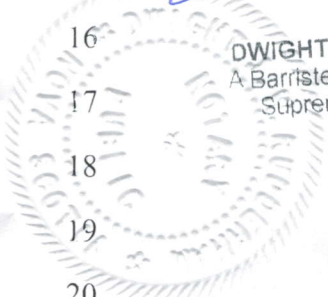
John Xidos, for 3342962 NOVA SCOTIA LIMITED

SUBSCRIBED and SWORN to before me this 19 day of APRIL, 2022.



NOTARY PUBLIC

DWIGHT J.W. RUDDERHAM, Q.C.
A Barrister and Commissioner of the
Supreme Court of Nova Scotia



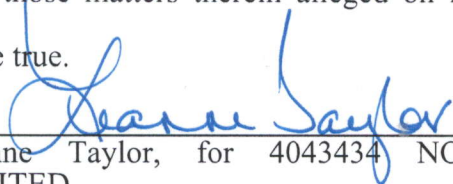
VERIFICATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

State of)
) ss.
County of)

I, Leanne Taylor, being first duly sworn, deposes and says:

I am authorized to make this verification for and on behalf of the Plaintiff 4043434 NOVA SCOTIA LIMITED; I have read the foregoing Verified Complaint and know the contents therefore. The same is true of my knowledge except for those matters therein alleged on information and belief, and as to those matters I believe them to be true.



Leanne Taylor, for 4043434 NOVA SCOTIA LIMITED

SUBSCRIBED and SWORN to before me this 19 day of APRIL, 2022.

NOTARY PUBLIC
DWIGHT J.W. RUDDERHAM, Q.C.
A Barrister and Commissioner of the
Supreme Court of Nova Scotia

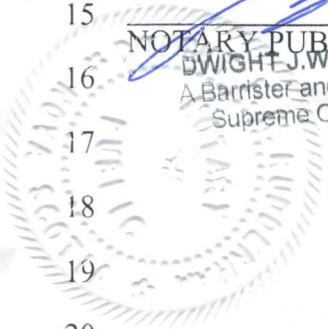


EXHIBIT A

EXHIBIT A

OPERATING AGREEMENT

Zippy Cash LLC A Nevada Limited Liability Company

ZIPPY CASH LLC, a body corporate existing under the laws of the State of Nevada, United States of America.

THIS OPERATING AGREEMENT of Zippy Cash LLC (the "Company") is entered into as of the date set forth on the signature page of this Agreement by each of the Members listed on Exhibit A of this Agreement. This operating agreement is to replace the previous and original Operating Agreement as stated on Zippy Cash LLC's formation on Feb 8, 2021

- A. The Members have formed the Company as a Nevada limited liability company under the Nevada Revised Statutes, Chapter 86. The purpose of the Company is to conduct any lawful business for which limited liability companies may be organized under the laws of the state of Nevada. The Members hereby adopt and approve the articles of organization of the Company filed with the Nevada Secretary of State.
- B. The Members enter into this Agreement to provide for the governance of the Company and the conduct of its business, and to specify their relative rights and obligations.

ARTICLE 1: DEFINITIONS

Capitalized terms used in this Agreement have the meanings specified in this Article 1 or elsewhere in this Agreement and if not so specified, have the meanings set forth in the Nevada Revised Statutes, Chapter 86.

"Agreement" means this Operating Agreement of the Company, as may be amended from time to time.

"Capital Account" means, with respect to any Member, an account consisting of such Member's Capital Contribution,

- 1) increased by such Member's allocated share of income and gain,
- 2) decreased by such Member's share of losses and deductions,
- 3) decreased by any distributions made by the Company to such Member, and
- 4) otherwise adjusted as required in accordance with applicable tax laws.

"Capital Contribution" means, with respect to any Member, the total value of

- 1) cash and the fair market value of property other than cash and
- 2) services that are contributed and/or agreed to be contributed to the Company by such Member, as listed on Exhibit A, as may be updated from time to time according to the terms of this Agreement.

"Exhibit" means a document attached to this Agreement labeled as "Exhibit A," "Exhibit B," and so forth, as such document may be amended, updated, or replaced from time to time according to the terms of this Agreement.

"Member" means each Person who acquires Membership Interest pursuant to this Agreement. The Members are listed on Exhibit A, as may be updated from time to time according to the terms of this Agreement. Each Member has the rights and obligations specified in this Agreement.

"Membership Interest" means the entire ownership interest of a Member in the Company at any particular time, including the right to any and all benefits to which a Member may be entitled as provided in this Agreement and under the Nevada Revised Statutes, Chapter 86, together with the obligations of the Member to comply with all of the terms and provisions of this Agreement.

"Ownership Interest" means the Percentage Interest or Units, as applicable, based on the manner in which relative ownership of the Company is divided.

"Percentage Interest" means the percentage of ownership in the Company that, with respect to each Member, entitles the Member to a Membership Interest and is expressed as either:

A. If ownership in the Company is expressed in terms of percentage, the percentage set forth opposite the name of each Member on Exhibit A, as may be adjusted from time to time pursuant to this Agreement; or

B. If ownership in the Company is expressed in Units, the ratio, expressed as a percentage, of:

(1) the number of Units owned by the Member (expressed as "MU" in the equation below) divided by

(2) the total number of Units owned by all of the Members of the Company (expressed as "TU" in the equation below).

$$\text{Percentage Interest} = \frac{MU}{TU}$$

"Person" means an individual (natural person), partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, whether domestic or foreign.

"Units" mean, if ownership in the Company is expressed in Units, units of ownership in the Company, that, with respect to each Member, entitles the Member to a Membership Interest which, if applicable, is expressed as the number of Units set forth opposite the name of each Member on Exhibit A, as may be adjusted from time to time pursuant to this Agreement.

- 1.1 As used in this Agreement, in addition to the definitions contained in the heading hereof, the following words have the following meanings, respectively:
- a) **"Affected Unit Holders"** means any Unit Holders affected, or any Unit Holders whose Unit Holder Principal is affected, by any of the Event(s) listed in ARTICLE 5.1 hereof.
 - b) **"Board"** means the board of directors of the Company from time to time;
 - c) **"Business"** means the business carried on by the Company which primarily involves the virtual wallet;
 - d) **"Business Day"** means a day other than a Saturday, Sunday or statutory holiday in Nevada;
 - e) **"Common Units"** means all present and future common Units in the capital stock of the Company;
 - f) **"Confidential Information"** means, without limitation, inventions, trade secrets, know-how, research, data, development and marketing plans, cost figures, client lists, names and addresses of suppliers and business contacts, software and operating systems, and information relating to employees and other persons in a contractual relationship with the Company;
 - g) **"Fair Market Value"** means the fair market value of each of the Common Units at a particular time as determined by a Valuator in such Valuator's opinion using reasonable and appropriate criteria having regard to the Company and its industry;
 - h) **"Unit holders' Loan"** means a loan or advance made by a Unit Holder to the Company at any time while
 - i) **"Valuator"** means a Charter Business Valuator capable of valuing the market value of the Units and appointed by the Board of Directors.
- 1.2 Wherever the singular or masculine is used herein, the same shall be deemed to include the plural or feminine or body corporate, as the context requires.
- 1.3 All accounting terms not defined in this Agreement shall have the meanings generally ascribed to them in accordance with generally accepted accounting principles, applied consistently.
- 1.4 In the event of a conflict or inconsistency between the terms of this Agreement and either or both the constating documents of the Company, including the Operating Agreement, the provisions of this Agreement shall prevail. To the extent of such an inconsistency, the Parties hereto agree to amend the constating documents of the Company to comply with the terms herein.
- 1.5 The provisions of this Agreement shall apply *mutatis mutandis* to any Units into which any of the Units may hereafter be converted or changed or to any Units resulting from a reclassification, subdivision or consolidation of the Units, and also to any Units of the Company which are received by the Unit Holders as a stock dividend and to any Units or other securities of the Company or of a successor company thereof, respectively, which may be received by the holders of the Units on an amalgamation,

reorganization or reconstruction of the Company.

**ARTICLE 2: CAPITAL CONTRIBUTIONS, ADDITIONAL MEMBERS, CAPITAL ACCOUNTS
AND LIMITED LIABILITY**

- 2.1 **Initial Capital Contributions.** The names of all Members and each of their respective addresses, initial Capital Contributions, and Ownership Interests must be set forth on Exhibit A. Each Member has made or agrees to make the initial Capital Contribution set forth next to such Member's name on Exhibit A to become a Member of the Company.
- 2.2 **Subsequent Capital Contributions.** Members are not obligated to make additional Capital Contributions unless unanimously agreed by all the Members. If subsequent Capital Contributions are unanimously agreed by all the Members in a consent in writing, the Members may make such additional Capital Contributions on a pro rata basis in accordance with each Member's respective Percentage Interest or as otherwise unanimously agreed by the Members.
- 2.3 **Additional Members**
- a) With the exception of a transfer of interest (1) governed by Article 7 of this Agreement or (2) otherwise expressly authorized by this Agreement, additional Persons may become Members of the Company and be issued additional Ownership Interests only if approved by and on terms determined by a unanimous written agreement signed by all of the existing Members.
 - b) Before a Person may be admitted as a Member of the Company, that Person must sign and deliver to the Company the documents and instruments, in the form and containing the information required by the Company, that the Members deem necessary or desirable. Membership Interests of new Members will be allocated according to the terms of this Agreement.
- 2.4 **Capital Accounts.** Individual Capital Accounts must be maintained for each Member, unless (a) there is only one Member of the Company and (b) the Company is exempt according to applicable tax laws. Capital Accounts must be maintained in accordance with all applicable tax laws.
- 2.5 **Interest.** No interest will be paid by the Company or otherwise on Capital Contributions or on the balance of a Member's Capital Account.
- 2.6 **Limited Liability; No Authority.** A Member will not be bound by, or be personally liable for, the expenses, liabilities, debts, contracts, or obligations of the Company, except as otherwise provided in this Agreement or as required by the Nevada Revised Statutes, Chapter 86. Unless expressly provided in this Agreement, no Member, acting alone, has any authority to undertake or assume any obligation, debt, or responsibility, or otherwise act on behalf of, the Company or any other Member.

ARTICLE 3: ALLOCATIONS AND DISTRIBUTIONS

- 3.1 **Allocations.** Unless otherwise agreed to by the unanimous consent of the Members any income, gain, loss, deduction, or credit of the Company will be allocated for accounting and tax purposes on a pro rata basis in proportion to the respective Percentage Interest held by each Member and in compliance with applicable tax laws.
- 3.2 **Distributions.** The Company will have the right to make distributions of cash and property to the Members on a pro rata basis in proportion to the respective Percentage Interest held by each Member. The timing and amount of distributions will be determined by the Members in accordance with the Nevada Revised Statutes, Chapter 86.
- 3.3 **Limitations on Distributions.** The Company must not make a distribution to a Member if, after giving effect to the distribution:
- a) The Company would be unable to pay its debts as they become due in the usual course of business; or
 - b) The fair value of the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the Company were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of Members, if any, whose preferential rights are superior to those of the Members receiving the distribution.

ARTICLE 4: MANAGEMENT

- 4.1 **Management.**
- a) **Generally.** Subject to the terms of this Agreement and the Nevada Revised Statutes, Chapter 86, the business and affairs of the Company will be managed by the Members.
 - b) **Approval and Action.** Unless greater or other authorization is required pursuant to this Agreement or under the Nevada Revised Statutes, Chapter 86 for the Company to engage in an activity or transaction, all activities or transactions must be approved by the Members, to constitute the act of the Company or serve to bind the Company. With such approval, the signature of any Members authorized to sign on behalf of the Company is sufficient to bind the Company with respect to the matter or matters so approved. Without such approval, no

Members acting alone may bind the Company to any agreement with or obligation to any third party or represent or claim to have the ability to so bind the Company.

4.2 **Board of Directors.** The Company shall consist of four directors, in particular, one nominee of each of the Unit Holders. Unless the Unit Holders otherwise unanimously agree, Duane Tough shall be the Chairman of the Board of Directors and shall act as Chairman of all meetings of the Unit Holders. The Board shall be renewed on an annual basis. Decisions of the Board of Directors shall be made by consensus. In the event consensus cannot be reached, those decisions shall be made by the Unit Holders and shall require consent of Unit Holders who own 70% of the issued and outstanding voting Units of the Company. The Board of Directors shall meet on a regular basis. As of the date of this Agreement, the Unit Holders have selected the following nominees to serve on the Board of Directors:

- 3342962 Nova Scotia Limited has nominated John Xidos as a Director;
- 4043434 Nova Scotia Limited has nominated Leanne Taylor as a Director;
- LIO LLC has nominated Brent Ruttman as a Director; and
- Tough Money LLC has nominated Duane Tough as a Director

4.3 **Certain Decisions Requiring Greater Authorization.** Notwithstanding clause B above, the following matters require unanimous approval of the Members in a consent in writing to constitute an act of the Company:

- 1) A material change in the purposes or the nature of the Company's business;
- 2) With the exception of a transfer of interest governed by Article 7 of this Agreement, the admission of a new Member or a change in any Member's Membership Interest, Ownership Interest, Percentage Interest, or Voting Interest in any manner other than in accordance with this Agreement;
- 3) The merger of the Company with any other entity or the sale of all or substantially all of the Company's assets; and
- 4) The amendment of this Agreement.

4.4 **Officers.** The Members are authorized to appoint one or more officers from time to time. The officers will have the titles, the authority, exercise the powers, and perform the duties that the Members determine from time to time. Each officer will continue to perform and hold office until such time as (a) the officer's successor is chosen and appointed by the Members; or (b) the officer is dismissed or terminated by the Members, which termination will be subject to applicable law and, if an effective employment agreement exists between the officer and the Company, the employment agreement. Subject to applicable law and the employment agreement (if any), each officer will serve at the direction of Members, and may be terminated, at any time and for any reason, by the

Members.

ARTICLE 5: ACCOUNTS AND ACCOUNTING

- 5.1 **Accounts.** The Company must maintain complete accounting records of the Company's business, including a full and accurate record of each Company transaction. The records must be kept at the Company's principal executive office and must be open to inspection and copying by Members during normal business hours upon reasonable notice by the Members wishing to inspect or copy the records or their authorized representatives, for purposes reasonably related to the Membership Interest of such Members. The costs of inspection and copying will be borne by the respective Member.
- 5.2 **Records.** The Members will keep or cause the Company to keep the following business records.
- (i) An up-to-date list of the Members, each of their respective full legal names, last known business or residence address, Capital Contributions, the amount and terms of any agreed upon future Capital Contributions, and Ownership Interests, and Voting Interests;
 - (ii) A copy of the Company's federal, state, and local tax information and income tax returns and reports, if any, for the six most recent taxable years;
 - (iii) A copy of the articles of organization of the Company, as may be amended from time to time ("Articles of Organization"); and
 - (iv) An original signed copy, which may include counterpart signatures, of this Agreement, and any amendments to this Agreement, signed by all then-current Members.
- 5.3 **Income Tax Returns.** Within 45 days after the end of each taxable year, the Company will use its best efforts to send each of the Members all information necessary for the Members to complete their federal and state tax information, returns, and reports and a copy of the Company's federal, state, and local tax information or income tax returns and reports for such year.
- 5.4 **Subchapter S Election.** The Company may, upon unanimous consent of the Members, elect to be treated for income tax purposes as an S Corporation. This designation may be changed as permitted under the Internal Revenue.
- 5.5 **Tax Matters Member.** Anytime the Company is required to designate or select a tax matters partner or partnership representative, pursuant to Section 6223 of the Internal Revenue Code and any regulations issued by the Internal Revenue Service, the Members must designate one of the Members as the tax matters partner or partnership representative of the Company and keep such designation in effect at all times.
- 5.6 **Banking.** All funds of the Company must be deposited in one or more bank accounts in the name of the Company with one or more recognized financial institutions. The Members are authorized to establish such accounts and complete, sign, and deliver any banking resolutions reasonably required by the respective financial institutions in order to establish an account.

ARTICLE 6: MEMBERSHIP - VOTING AND MEETINGS

- 6.1 **Members and Voting Rights.** The Members have the right and power to vote on all matters with respect to which the Articles of Organization, this Agreement, or the Nevada Revised Statutes, Chapter 86 requires or permits. Unless otherwise stated in this Agreement (for example, in Section 4.1(c)) or required under the Nevada Revised Statutes, Chapter 86, the vote of the Members holding at least a majority of the Voting Interest of the Company is required to approve or carry out an action.
- 6.2 **Meetings of Members.** Annual, regular, or special meetings of the Members are not required but may be held at such time and place as the Members deem necessary or desirable for the reasonable management of the Company. Special meetings may be called by the Members holding at least 20% of the Voting Interest. Written notice must be given not less than 10 days nor more than 60 days before the date of the meeting to each Member entitled to vote at the meeting. A written notice set forth the date, time and location of a meeting must be sent within reasonable amount of time before the date of the meeting to each Member entitled to vote at the meeting. A Member may waive notice of a meeting by sending a signed waiver to the Company's principal executive office or as otherwise provided in the Nevada Revised Statutes, Chapter 86. In any instance in which the approval of the Members is required under this Agreement, such approval may be obtained in any manner permitted by the Nevada Revised Statutes, Chapter 86, including by conference call or similar communications equipment. Any action that could be taken at a meeting may be approved by a consent in writing that describes the action to be taken and is signed by Members holding the minimum Voting Interest required to approve the action. If any action is taken without a meeting and without unanimous written consent of the Members, notice of such action must be sent to each Member that did not consent to the action.

ARTICLE 7: WITHDRAWAL AND TRANSFERS OF MEMBERSHIP INTERESTS

- 7.1 **Withdrawal.** Members may withdraw from the Company prior to the dissolution and winding up of the Company (a) by transferring or assigning all of their respective Membership Interests pursuant to Section 7.2 below, or (b) if all of the Members unanimously agree in a written consent. Subject to the provisions of Article 3, a Member that withdraws pursuant to this Section 7.1 will be entitled to a distribution from the Company in an amount equal to such Member's Capital Account.
- 7.2 **Restrictions on Transfer; Admission of Transferee.** A Member may not transfer any Membership Interests, whether now owned or later acquired, unless Members holding all of the Percentage Interests not subject to transfer consent to such transfer. A person may acquire Membership Interests directly from the Company upon the written consent of all Members. A Person that acquires Membership Interests in accordance with this Section 7.2 will be admitted as a Member of the Company only after the requirements of Section 2.3(b) are complied with in full.

ARTICLE 8: DISSOLUTION

8.1 **Dissolution.** The Company will be dissolved upon the first to occur of the following events:

- (i) The unanimous agreement of all Members in a consent in writing to dissolve the Company;
- (ii) Entry of a decree of judicial dissolution under Nevada Revised Statutes, Chapter 86;
- (iii) At any time that there are no Members, unless and provided that the Company is not otherwise required to be dissolved and wound up, within 90 days after the occurrence of the event that terminated the continued membership of the last remaining Member, the legal representative of the last remaining Member agrees in writing to continue the Company and (i) to become a Member; or (ii) to the extent that the last remaining Member assigned its interest in the Company, to cause the Member's assignee to become a Member of the Company, effective as of the occurrence of the event that terminated the continued membership of the last remaining Member;
- (iv) The sale or transfer of all or substantially all of the Company's assets;
- (v) A merger or consolidation of the Company with one or more entities in which the Company is not the surviving entity.

8.2 **Decision Making.**

- (1) Notwithstanding anything contained in the constituting documents of the Company or any provision of this Agreement, and regardless of any action taken at any meeting by the Board of Directors or by the Unit Holders or by an officer of the Company, no obligation of the Company will be created nor action taken by or with respect to the Company concerning any of the following matters unless consent of Unit Holders who own 75% of the issued and outstanding voting Units of the Company is obtained to:
 - (a) appoint additional directors to the Board of Directors;
 - (b) make any material change in the type of business carried on by the Company;
 - (c) make loans or other advances of credit to any of the Unit Holders other than in accordance with this Agreement;
 - (d) provide a guarantee by the Company of any contracts or obligations of any Unit Holder;
 - (e) borrow monies in excess of \$250,000.00, US Currency or equivalent in any one-year period or grant any mortgage, pledge, security interest or other charge on any assets of the Company except in accordance with or as contemplated by this Agreement or as

contained in the Company's approved business plan for any year;

- (f) purchase or sell any real property;
- (g) enter into any partnership or joint venture;
- (h) enter into any transaction out of the ordinary course of business;
- (i) provide a guarantee of or provide security for any debt, liability or obligation (contingent or otherwise) of any person;
- (j) make any change in the authorized capital of the Company, or any issue of additional Units in its capital stock;
- (k) make any amendment to the Company's constating documents or Operating Agreement;
- (l) sell, lease, exchange, or dispose of all or substantially all of the assets of the Company;
- (m) accept loans by Unit Holders to the Company;
- (n) amalgamate, continue, merge, dissolve, wind-up or reorganize the Company;
- (o) enter into contracts or other agreements creating legal obligations in excess of \$250,000.00;
- (q) permit certain non-pecuniary benefits to Unit Holders, Unit Holder Principals, and/or immediate or extended family members of Unit Holder Principals.

8.3 **No Automatic Dissolution Upon Certain Events.** Unless otherwise set forth in this Agreement or required by applicable law, the death, incapacity, disassociation, bankruptcy, or withdrawal of a Member will not automatically cause a dissolution of the Company.

ARTICLE 9: INDEMNIFICATION

- 9.1 **Indemnification.** The Company has the power to defend, indemnify, and hold harmless any Person who was or is a party, or who is threatened to be made a party, to any Proceeding (as that term is defined below) by reason of the fact that such Person was or is a Member, officer, employee, representative, or other agent of the Company, or was or is serving at the request of the Company as a director, Governor, officer, employee, representative or other agent of another limited liability company, corporation, partnership, joint venture, trust, or other enterprise (each such Person is referred to as a "Company Agent"), against Expenses (as that term is defined below), judgments, fines, settlements, and other amounts (collectively, "Damages") to the maximum extent now or hereafter permitted under Nevada law. "Proceeding," as used in this Article 9, means any threatened, pending, or completed action, proceeding, individual claim or matter within a proceeding, whether civil, criminal, administrative, or investigative. "Expenses," as used in this Article 9, includes, without limitation, court costs, reasonable attorney and expert fees, and any expenses incurred relating to establishing a right to indemnification, if any, under this Article 9.
- 9.2 **Mandatory.** The Company must defend, indemnify, and hold harmless a Company Agent in connection with a Proceeding in which such Company Agent is involved if, and to the extent, Nevada law requires that a limited liability company indemnify a Company Agent in connection with a Proceeding.
- 9.3 **Expenses Paid by the Company Prior to Final Disposition.** Expenses of each Company Agent indemnified or held harmless under this Agreement that are actually and reasonably incurred in connection with the defense or settlement of a Proceeding may be paid by the Company in advance of the final disposition of a Proceeding if authorized by a vote of the Members that are not seeking indemnification holding a majority of the Voting Interests (excluding the Voting Interest of the Company Agent seeking indemnification). Before the Company makes any such payment of Expenses, the Company Agent seeking indemnification must deliver a written undertaking to the Company stating that such Company Agent will repay the applicable Expenses to the Company unless it is ultimately determined that the Company Agent is entitled or required to be indemnified and held harmless by the Company (as set forth in Sections 9.1 or 9.2 above or as otherwise required by applicable law).
- 9.4 **Covenant Not to Solicit.**

Each Unit Holder agrees that for a period of three (3) years after it, he or she, ceases for any reason to own or control Units in the Company directly or indirectly ("**Restricted Period**"), it, he or she, as the case may be, shall not, directly or indirectly, solicit or attempt to solicit any current customers of the Company existing at the time the Unit Holder ceases to own or control Units or any customers of the Company for the two years prior to the Unit Holder ceasing to own or control Units.

Each Unit Holder agrees to refrain from, directly or indirectly, soliciting any employee of the Company to terminate his/her employment with the Company or from hiring any employee of the Company during the Restricted Period unless otherwise agreed in writing by the remaining Unit Holders.

ARTICLE 10: REMEDY

- 10.1 The Parties acknowledge that the provisions of ARTICLE 9 are reasonable and necessary for the protection of the Company and that no remedy at law of any breach or threatened breach of ARTICLE 9 may be adequate, and that the Company, in addition to any claim it may have by way of damages, will be entitled to equitable relief by way of temporary and/or permanent injunction restraining such breach or threatened breach as well as such other relief as any court may deem just and equitable.
- 10.2 If a court of competent jurisdiction should declare all or any part of ARTICLE 9 to be unenforceable as being unreasonable restrictions in terms of duration or geographic territory, then Parties hereto hereby acknowledge and agree that such court shall be empowered to reform either or both of the foregoing to a reasonable restriction and/or grant a Unit Holder, or the Company, any other injunctive relief as may be reasonably necessary or desirable to protect their respective interests hereunder.
- 10.3 The Unit Holders covenant and agree with the Company that the remedies available for breach of any obligation contained herein under ARTICLE 9 would be inadequate and that they hereby waive any defence to any claim for injunctive relief made by the Company. The Unit Holders agrees that any affected party shall be entitled to an immediate remedy of a restraining order, interim injunction, injunction or other form of injunctive or other relief as may be granted by any court to prevent or stop any breach of the provisions in ARTICLE 9 of this Agreement and to enforce specifically the terms and provisions hereof in any action instituted in any court having jurisdiction, in addition to any other remedy to which such party may be entitled at law or in equity.

ARTICLE 11: UNIT HOLDER RIGHT OF FIRST REFUSAL

- 11.1 **First Offer to Sell.** Except as provided in ARTICLES 6.5 hereof, if a Unit Holder receives a bona fide offer from an Arm's Length third party (a "**Third Party Offer**") to purchase all or any of the Units owned by the Unit Holder (the "**Subject Units**"), such Unit Holder (in this part referred to as the "**Offeror**") shall, before accepting the Third Party Offer, offer the Subject Units in writing (the "**First Offer**") to the other Unit Holders who are entitled to vote (in this part referred to as the "**Offerees**") in proportion to their respective shareholdings in the Company at the same price and upon the same terms set out in the Third Party Offer. The First Offer shall be accompanied by a statement identifying the third party who has offered to purchase the subject Units and reasonable information about such third party and his or its financial position to the extent known to the Offeror (including information regarding the persons controlling the third party if it is a corporation) as well as any material terms which will form part of the proposed transaction with the third party. The first offer shall also be accompanied by an undertaking and statutory declaration signed by the Offeror to the effect that there will be no direct or indirect supplementary consideration (whether or not in the nature of a tangible or intangible asset, money, property, securities or other benefit) and that the sale of the Subject Units to the third party will not be made as part of or in connection with any other transaction.
- 11.2 **Acceptance of First Offer.** The Offerees may accept in writing the First Offer within thirty (30) days

after receipt thereof and any Offeree who fails to do so shall be deemed to have rejected the First Offer.

- 11.3 **Sale to third Party.** If none of the Offerees accepts the First Offer, the Offeror shall have the right to accept the Third Party Offer and to sell the Subject Units pursuant to such offer at a price not less than and on terms not more favourable to the purchaser than those set out in the First Offer provided that the third party agrees, in writing, to be bound by the terms and conditions of this Agreement and that the sale to the third party is completed within sixty (60) days after the Offerees have rejected or are deemed to have rejected the First Offer.
- 11.4 **Second Offer to Sell.** If any (but not all) of the Offerees accepts the First Offer (any such Offeree who has accepted such offer being referred to in this ARTICLE as a ("**Purchasing Unit Holder**" or if more than one, the "**Purchasing Unit Holders**") then, within fifteen (15) days after the other Offerees have rejected or are deemed to have rejected the First Offer, the Offeror shall send an offer in writing to the Purchasing Unit Holder or Unit Holders (the "**Second Offer**") offering to sell the remaining Subject Units to the Purchasing Unit Holder or Unit Holders on the same terms and conditions as contained in the Third Party Offer.
- 11.5 **Acceptance of Second Offer.** The Purchasing Unit Holder or Unit Holders, as the case may be, may accept the Second Offer by notice in writing within fifteen (15) days after receipt of the Second Offer and any Purchasing Unit Holder which fails to do so shall be deemed to have rejected the Second Offer.
- 11.6 **Sale to Third Party.** If any Purchasing Unit Holder rejects or is deemed to have rejected the Second Offer, the Offeror shall have the right to sell the Units offered in the Second Offer to any third party, at a price not less than and upon terms not more favourable to the purchaser than those set out in the Third Party Offer provided that the third party agrees to be bound by the terms of this Agreement and that the sale to the third party is completed within sixty (60) days after the Second Offer has been rejected or is deemed to have been rejected.
- 11.7 **Time Limit for Sale to Third Party.** If a sale to a third party is not concluded within the time limit provided for in the foregoing paragraphs, then, except for a sale, transfer or assignment pursuant to ARTICLE 4.5, the offering Unit Holder shall not be entitled to sell the Subject Units without again re-offering to sell them to the other Unit Holders in accordance with the provisions of this ARTICLE 6.

ARTICLE 12: PRE-EMPTIVE RIGHTS

- 12.1 Subject to Article 7.4, any issue or offering by the Company of Units (herein called the "**Offered Units**") shall, as a condition precedent to the Company's ability to issue same, first be offered to the Unit Holders on the same terms and conditions at which the Units would otherwise be offered by the Company. Each Unit Holder shall be offered the percentage of the Offered Units that the aggregate number of Units then held by such offeree represents of the aggregate number of Units issued and outstanding in the capital of the Company (the "**Proportionate Percentage**").
- 12.2 Each offer shall be made in writing by the Secretary of the Company and shall specify:
- a) the number of the Offered Units which each Unit Holder is entitled to subscribe for,

- b) the price per Offered Share,
 - c) that if the offer is not accepted by the Unit Holder in writing and payment is not made for the lesser of the number of Offered Units subscribed for by such Unit Holder or the Unit Holder's Proportionate Percentage of the Offered Units within ten (10) Business Days after the offer, it will be deemed to have been declined, and
 - d) any Unit Holder who desires to subscribe for a number of Offered Units that is less than its Proportionate Percentage shall, in its subscription, specify the number of Offered Units it desires to purchase.
- 12.3 If all or any of the Offered Units are not subscribed for and taken up and paid for within the time period referred to in Section 7.2, the Company may, during the period of one hundred eighty (180) days after the expiry of such time period, accept any offer for all or any of the Offered Units not taken up by the Unit Holders from other persons, provided always (i) the price and other terms at which the Offered Units may be allotted and issued to such person(s) may not be more favorable to such person(s) than the terms offered to the Unit Holders, and (ii) each such person and its principal, if applicable, shall enter into an Assumption Agreement. Any Offered Units not acquired by the Unit Holders or other person(s) in accordance with Section 7.2(c) (including, without limitation, within the time period stipulated herein) may not be issued, sold or exchanged until they are again offered to the Unit Holders in accordance with the procedure outlined in Section 7.2
- 12.4 The pre-emptive rights contained in this Article 7 shall not apply to any Company issuance that is:
- a) in connection with an initial public offering;
 - b) between the Company and any subsidiary;
 - c) in connection with any stock option or similar plan;
 - d) to employees of the Company and any subsidiary; and
 - e) to pay all or a part of the purchase price in connection with any purchase of Units or assets by the Company or any subsidiary.

ARTICLE 13: DRAG ALONG

- 13.1 If at any time any voting Unit Holder or group of voting Unit Holders holding 75% or more of the voting Units (in this Article 8 referred to singularly or collectively as the case may be as the "**Majority Unit Holders**") obtains from a person acting bona fide and at Arm's Length with the Majority Unit Holders (in this Article 8, a "**Third Party**") a bona fide offer in writing to purchase all, but not less than all, of the Units (in this Article 8, a "**Third Party Offer**"), and if the Majority Unit Holders wish to accept the Third Party Offer, such sale is subject to the following terms of this Article 8.
- 13.2 The Third-Party Offer must be in writing and offer to purchase all (but not less than all) of the Units for a purchase price payable in cash in full on closing. Such purchase price shall be stated as a per share

price.

- 13.3 The Third-Party Offer must offer to purchase for full face value any Unit Holder's loans payable by the Company to any Unit Holder and the release of such Unit Holder from any guarantees by that Unit Holder of the indebtedness of the Company.
- 13.4 The Majority Unit Holders thereafter shall provide a copy of the Third Party Offer to the other Unit Holder(s) (in this Article 8, individually, the "**Minority Unit Holder**") at least Fourteen (14) days before the closing date.
- 13.5 Each Minority Unit Holder is obliged to accept the Third Party Offer with respect to all Units held by him, her or it within seven (7) days of receipt of the Third-Party Offer. The acceptance of the Third-Party Offer shall be made in writing and a copy of the acceptance shall be delivered to the Majority Unit Holders within such seven (7) day period.
- 13.6 If a Minority Unit Holder does not accept the Third Party Offer within seven (7) days of receipt of the Third Party Offer from the Majority Unit Holders, the Majority Unit Holders shall be entitled to accept the Third Party Offer on behalf of the Minority Unit Holder and to deliver such acceptance to the Third Party and, for such purpose, each Minority Unit Holder hereby appoints the Majority Unit Holders with full power of substitution, in the respective name of such Minority Unit Holder to accept the Third Party Offer and to execute and deliver all documents and instruments to give effect to such acceptance and to establish a binding contract of purchase and sale between such Minority Unit Holder and the Third Party with respect to all of the Units held by each such Minority Unit Holder. Such appointment is irrevocable by each Minority Unit Holder and shall not be revoked by the insolvency, bankruptcy, death, incapacity, dissolution, liquidation or other termination of the existence of such Minority Unit Holder. Each Minority Unit Holder agrees that it shall perform the agreement resulting from acceptance of the Third Party Offer in accordance with its terms and shall ratify and confirm all actions and things the Company may do or cause to be done pursuant to the foregoing.
- 13.7 **COATTAIL (TAG-ALONG)** In the event that each member of a group of Unit Holder, which group holds a majority of the common shares, serves a Selling Notice in connection with the same Outside Offer and if after the Outside Offer is served upon the Offerees in accordance with Article "Right of First Refusal", one or more of the Offerees decide that s/he or they wish to sell their Shares to the Outsider on the same terms and conditions as contained in the Outside Offer, then the group shall not be entitled to sell, transfer or otherwise dispose of the Offered Shares unless the Outsider purchases at the same time and on the same terms and conditions all of the Shares of the Offerees who so desire to sell their Shares.
- 13.8 In the event that any Unit Holder serves a Selling Notice in accordance with Article "Right of First Refusal", in connection with an Outside Offer which provides for a sale, the completion of which would result in the ownership by the Outsider of a majority of the common shares, and should one or more of the Offerees decide that s/he or they wish to sell their Shares to the Outsider on the same terms and conditions as contained in the Outside Offer, then the Shareholder serving the Selling Notice shall not be entitled to sell, transfer or otherwise dispose of the Offered Shares unless the Outsider purchases at the same time and on the same terms and conditions all of the Shares of the Offerees who so desire to sell their Shares.
- 13.9 For the purpose of section 12.7 – 12.8, separate offers addressed to each member of a group of

Shareholders or any combination of them by the same Outsider or by separate Outsiders or any combination of Outsiders acting in concert shall be considered a single Outside Offer.

ARTICLE 14: GENERAL SALE PROVISIONS

- 14.1 Except where the below provisions are in conflict with the express provisions in this Agreement, the provisions of this ARTICLE 10 shall apply to all sales of Units of the Company pursuant to this Agreement.
- 14.2 At the time of closing, each vendor of Units of the Company (hereinafter in this ARTICLE 10 referred to as a “Vendor”) shall:
- (a) deliver to the Company signed resignations of the Vendor and other nominees of the Vendor as a director, officer and employee of the Company, as the case may be;
 - (b) assign and transfer to the purchaser of the Units (hereinafter in this ARTICLE 10 referred to as the “Purchaser”) the Vendor’s Units and deliver the required share certificate(s) duly endorsed for transfer into the Purchaser’s name and duly completed assignment and transfers of the Unit Holder Loans, if any, being purchased, acknowledged by the Company;
 - (c) deliver good and marketable title to the Units and Unit Holder Loans, if any, to the Purchaser free and clear of any claims, liens and encumbrances whatsoever;
 - (d) deliver to the Company a release by the Vendor of all claims against the Company in his capacity as a director, officer, employee and Unit Holder of the Company, provided however, that such release shall not relate to any indebtedness of the Company on account of accrued and unpaid remuneration, expenses, pension or other employee benefits or any claims which might arise out of the transactions of purchase and sale herein contemplated;
- (a) deliver to the Purchaser a release by the Vendor of all of his claims against the Purchaser in his capacity as a Unit Holder, director, officer or employee of the Company, except for any claims which might arise out of the transactions of purchase and sale herein contemplated; and
- (b) if, at closing, the Vendor or any person for or on behalf of the Vendor shall have any guarantees, securities or covenants lodged with any person to secure any indebtedness, liability or obligation of the Company or the Purchaser, then the Purchaser shall deliver up or cause to be delivered up to the Vendor or cancel or cause to be cancelled such guarantees, securities and covenants at closing, or if unable to do so, shall provide an indemnity therefore to the Vendor.
- 14.3 If, at the time of any closing pursuant to this Agreement, the Vendor fails to complete the subject transaction of purchase and sale, the Purchaser shall have the right, if not in default under this Agreement, without prejudice to any other rights which it may have, upon payment of the purchase price payable to the Vendor at the time of closing (for greater certainty, after deducting the amount of any adjustments or set-offs contemplated hereunder) to the credit of the Vendor in the main branch of the Company’s bank, to execute and deliver, on behalf of and in the name of the Vendor, such deeds, transfers, share certificates, resignations or other documents that may be necessary or desirable to

complete the subject transaction and the Vendor hereby irrevocably appoints the Purchaser, with full power of substitution, as the Vendor's attorney in accordance with the *Powers of Attorney Act* (Nova Scotia) and such appointment shall endure and not be revoked by any insolvency, bankruptcy, death, legal incapacity, dissolution, liquidation or other termination of the existence of the Vendor. If the Purchaser is a body corporate, the Vendor hereby irrevocably appoints any officer of the Purchaser, with full power of substitution, as the Vendor's attorney in accordance with the *Powers of Attorney Act* (Nova Scotia) and such appointment shall endure and not be revoked by any insolvency, bankruptcy, death, legal incapacity, dissolution, liquidation, or other termination of the existence of the Vendor.

- 14.4 Unless otherwise expressly stated herein, any closing for the purchase and sale of Units of the Company shall take place at the office of the Company.

ARTICLE 15: GENERAL PROVISIONS

15.1 Notice.

Any notices (including requests, demands, or other communications) to be sent by one party to another party in connection with this Agreement must be in writing and delivered personally, by reputable overnight courier, or by certified mail (or equivalent service offered by the postal service from time to time) to the following addresses or as otherwise notified in accordance with this Section:

- (i) if to the Company, notices must be sent to the Company's principal executive office; and
- (ii) if to a Member, notices must be sent to the Member's last known address for notice on record.

Any party to this Agreement may change its notice address by sending written notice of such change to the Company in the manner specified above. Notice will be deemed to have been duly given as follows:

- (i) upon delivery, if delivered personally or by reputable overnight carrier, or
- (ii) five days after the date of posting if sent by certified mail.

15.2 **Entire Agreement; Amendment.** This Agreement along with the Articles of Organization (together, the "Organizational Documents"), constitute the entire agreement among the Members and replace and supersede all prior written and oral understandings and agreements with respect to the subject matter of this Agreement, except as otherwise required by the Nevada Revised Statutes, Chapter 86. There are no representations, agreements, arrangements, or undertakings, oral or written, between or among the Members relating to the subject matter of this Agreement that are not fully expressed in the Organizational Documents. This Agreement may not be modified or amended in any respect, except in a writing signed by all of the Members, except as otherwise required or permitted by the Nevada Revised Statutes, Chapter 86.

15.3 **Governing Law; Severability.** This Agreement will be construed and enforced in accordance with the laws of the state of Nevada. If any provision of this Agreement is held to be unenforceable by a court of competent jurisdiction for any reason whatsoever, (i) the validity, legality, and enforceability of the remaining provisions of this Agreement (including without limitation, all portions of any provisions containing any such unenforceable provision that are not themselves unenforceable) will not in any way be affected or impaired thereby, and (ii) to the fullest extent possible, the unenforceable provision will be deemed modified and replaced by a provision that approximates the intent and economic effect of the unenforceable provision and the Agreement will be deemed amended accordingly.

15.4 **Further Action.** Each Member agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

15.5 **No Third-Party Beneficiary.** This Agreement is made solely for the benefit of the parties to this

Agreement and their respective permitted successors and assigns, and no other Person or entity will have or acquire any right by virtue of this Agreement. This Agreement will be binding on and inure to the benefit of the parties and their heirs, personal representatives, and permitted successors and assigns.

- 15.6 **Incorporation by Reference.** The recitals and each appendix, exhibit, schedule, and other document attached to or referred to in this Agreement are hereby incorporated into this Agreement by reference.
- 15.7 **Counterparts.** This Agreement may be executed in any number of counterparts with the same effect as if all of the Members signed the same copy. All counterparts will be construed together and will constitute one agreement.

[Remainder Intentionally Left Blank.]

IN WITNESS WHEREOF the Parties hereto have duly executed this Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
in the presence of:

Witness

Witness

Witness

Witness

Witness

ZIPPY CASH LLC

Per: Brent Ruttman

Brent Ruttman, President

May 11 2021 12:01 PDT

3342962 NOVA SCOTIA LIMITED

Per: John Xidos

John Xidos, President

May 11 2021 11:51 PDT

4043434 NOVA SCOTIA LIMITED

Per: Leanne Taylor

Leanne Taylor, President

May 11 2021 11:46 PDT

LIO LLC

Per: Brent Ruttman

Brent Ruttman, President

May 11 2021 12:01 PDT

Tough Money LLC

Per: DUANE TOUGH

Duane Tough, President

May 11 2021 11:59 PDT

EXHIBIT A
MEMBERS

The Members of the Company and their respective addresses, Capital Contributions, and Ownership Interests are set forth below. The Members agree to keep this Exhibit A current and updated in accordance with the terms of this Agreement, including, but not limited to, Sections 2.1, 2.3, 2.4, 7.1, 7.2, and 10.1.

MEMBERS	CONTACT	UBO	CAPITAL CONTRIBUTION
<p>3342962 NOVA SCOTIA LIMITED, a body corporate existing under the laws of the Province of Nova Scotia, Canada</p>	John Xidos	John Xidos	
<p>4043434 NOVA SCOTIA LIMITED, a body corporate existing under the laws of the Province of Nova Scotia, Canada</p>	Leanne Taylor	Leanne Taylor	
<p>LIO LLC a body corporate existing under the laws of The State of Delaware, United States of America</p>	Brent Ruttman	Brent Ruttman Robert Gene John	
<p>Tough Money LLC, a body corporate existing under the laws of The State of Delaware, United States of America</p>	Duane Tough	Duane Tough	

SCHEDULE "A"
ACKNOWLEDGEMENT AND JOINDER AGREEMENT TO BE BOUND

To: The Parties to the Unit Holders' Agreement (the "**Unit Holders' Agreement**") made as of the ____ day of _____, 2021 between ZIPPY CASH LLC, (the "**Company**"), and certain Unit Holders of the Company

The undersigned, _____, having subscribed for Units in the capital stock of the Company, in consideration of the approval by the Board of Directors of the Company of the issuance of Units to the undersigned and other good and valuable consideration (receipt of which is hereby acknowledged) hereby agrees to be a party to and bound by all of the provisions of the Unit Holders' Agreement as if the undersigned were an original party thereto.

The undersigned further acknowledges that it has received a copy of the Unit Holders' Agreement and has had an opportunity to review the same and obtain such legal advice with respect thereto as the undersigned considers necessary or desirable.

DATED this ____ day of _____, 20__.

**If the Subscriber is a corporation,
partnership or other entity:**

If the Subscriber is an Individual:

<i>Name and Position of Signatory</i>	<i>Name</i>	<i>Name of Witness</i>
<i>Signature of Authorized Signatory</i>	<i>Signature</i>	<i>Signature of Witness</i>
<i>Name of Purchasing Entity</i>		
<i>Jurisdiction of Residence</i>	<i>Jurisdiction of Residence</i>	

EXHIBIT B

EXHIBIT B

MEMORANDUM OF UNDERSTANDING

This AGREEMENT with effect from: August 12, 2020
BETWEEN:

Woopla Gaming Limited

("WG")

AND

Sales Consultants Intl Inc
165 Horton Ave
Lynbrook, NY 11563

("SCI")

WHEREAS Woopla Gaming Limited (WG) and Sales Consultants Intl Inc (SCI) intend to implement certain aspects of the follow products and services that facilitate payment into and out of WG and their associated companies for the benefit of their clients.

The structure of services initially would be to Partner/Vendor with a goal to bring more services in house, services include:

1. Partnership with a company to provide WG with ODFI Services with ACH debit & credit capabilities
2. The ability to issue individuals and corporate Reloadable Debit Cards.
3. US based accounts to accommodate acceptance and payment of funds which would tie into existing WG tech and infrastructure.
4. Merchant services accounts to process credit and debit cards.
5. e-Wallet services for customer to manage account all in a compliant manner

Further that SCI to perform the services as set out in Schedule A (below).

WG wishes to retain SCI to facilitate the introduction, negotiations and launch of WG services working with SCI on the above.

Therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree as follows

Definitions

"Client": Any party with a business relationship with either WG or SCI, who may be referred to either WG or SCI.

"Referral": The introduction of a Client by either WG or SCI to the other with the intention that the client of the Referrer obtains services from the Referee, and for which the Referee agrees to pay the Referrer a fee.

"Referee": Either WG or SCI who is to receive referrals in accordance with this Agreement.

"Referrer": Either WG or SCI who is to provide referrals in accordance with this Agreement.

"Retainer": The Amount monthly that WG will pay in advance to SCI for SCI Services.

"Vendor/Partner": An entity that SCI introduces to WG to facilitate the mandates of WG as per this agreement.

BP

Responsibilities of WG and SCI

1. SCI shall be responsible for obtaining and WG will be responsible for completing all required account opening documentation in respect of the services to be provided by the SCI proposed Vendor/Partner.
2. The SCI may provide advice to WG but will not be responsible or liable for any advice that the Referee may provide to the WG.
3. The Referee may provide advice to the Client but will not be responsible or liable for any advice that the Referrer may provide to the Client.
4. WG and SCI both represent and warrant that they hold all necessary registrations as are required to permit performance of the services for Clients.
5. SCI must complete to the written satisfaction of WG the services in SCHEDULE "A"

Payment of Fees

1. In return for providing a Referral, one of, or a combination of, referral fees, commission splits or other compensation to SCI may be paid. The terms of fee payments, including the amount and/or basis for calculation and the frequency of payment will occur as outlined in the "Referral Fee Schedule" (see Schedule A). One Referral Fee Schedule is to be completed for each client-specific referral arrangement established between WG/Agent and SCI/Associate and or all parties to a potential Vendor/Partner. The consideration is dependent on the particular client referral made and the licensing of the Agent and Associate.
2. All referral fees will be paid from firm to firm (e.g. SCI to WG or WG to SCI). No fees will be paid directly to an Agent or Associate by the Referee.
3. Upon execution of this agreement WG will transfer to SCI compensation for services under the following terms:
 - a) US\$ 25,000.00 to SCI – THE **RETAINER**- (instruction under separate communique)
 - b) US\$ 10,000.00 Within 2 Business days of execution of this agreement
 - c) US\$ 7500.00 within 30 days of execution of this agreement
 - d) US\$ 7500.00 upon the 60th day of the anniversary of execution of this agreement

All prior approved costs and expenses shall be submitted to WG for approval prior to payment from SCI to any vendor and as both parties have agreed as per SCHEDULE "A"

Confidentiality of Agreement

1. All information, materials, and technology ("information") provided by one party to the other party is strictly confidential to the disclosing party and is to be treated as confidential by the receiving party. Information may not be disclosed, in whole or in part, to any third party except as explicitly authorized hereunder. WG and SCI shall be permitted to disclose such information to their accountants, legal, and financial associates and employees, or to appropriate regulatory bodies as necessary for the performance of their respective duties, provided that said persons agree to treat the information as confidential in the above described manner and as required by law or by any government regulatory authority.

Indemnification

1. SCI shall indemnify WG from and against any and all losses, liabilities, claims, demands, actions, damages, costs and expenses (including legal expenses on a client basis) incurred, directly or indirectly, as a result of:
 - a. any breach by SCI of any of their obligations under this Agreement.
 - b. any improper, fraudulent, dishonest or negligent act, omission or intentional error of SCI.
 - c. any misrepresentation made by SCI, or
 - d. any breach made by SCI of any of the representations contained herein



2. WG shall indemnify SCI from and against any and all losses, liabilities, claims, demands, actions, damages, costs and expenses (including legal expenses on a client basis) incurred, directly or indirectly, as a result of:
 - a. any breach by WG, of any of their obligations under this Agreement,
 - b. any improper, fraudulent, dishonest or negligent act, omission or intentional error of WG,
 - c. any misrepresentation made by WG; or
 - d. any breach made by WG of any of the representations contained herein.

Termination

1. This Agreement may be terminated:
 - a. By either party on sixty (60) days' written notice to the other party;
 - b. By either party for breach of any term, covenant, representation or warranty in this Agreement that is not cured within thirty (30) days following written notice of same;
 - c. Immediately by either party in the event that (i) a receiver, receiver-manager, trustee or similar official is appointed for the other party or any of its property; (ii) the other party makes or proposes an assignment or arrangement for the benefit of creditors or becomes insolvent, bankrupt or ceases operations; (iii) the other party becomes subject to or commences any proceeding in bankruptcy or insolvency or for liquidation, dissolution, restructuring, winding up or relief from creditors, or any analogous proceeding.
2. Payment of referral fees for services provided to Clients already referred under the Agreement will continue after termination of the Agreement for a period of 1 year or as described in section 1.b and 1c.

Non-Solicitation

1. Neither the Referrer nor the Referee will solicit or market in any way, any products or services other than the services outlined in the client-specific Schedule A gained by way of this Agreement. In addition, neither the Referrer nor the Referee will sell or otherwise distribute to a third party a list of Clients gained by way of this agreement, nor refer a Client to any other third party except as for the provision of services related to facilitating referred transactions.
2. Ongoing communication between the Agent or Associate and a Client referred under the Agreement is permitted, unless expressly prohibited in writing.

Entire Agreement

1. This Agreement, including all schedules, constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes any prior negotiations or agreements. The headings used in this agreement are for convenience only and are not to be construed as defining, limiting or describing the scope or intent of this Agreement.
2. For clarity, this agreement does not extend to, nor amend previously negotiated arrangements between, WG Agent companies and SCI Associate companies.

Representation and Warranties

1. WG represents and warrants to SCI that it has the right to enter into this Agreement, that it is not subject to any agreements or other restrictions which would prohibit WG from performing its obligations under this Agreement and that it has all necessary licenses, consents and registrations to operate its business.
2. SCI represents and warrants to WG that it has the right to enter into this Agreement, that it is not subject to any agreements or other restrictions which would prohibit SCI from performing its obligations under this Agreement and that it has all necessary licenses, consents and registrations to operate its business.

Miscellaneous

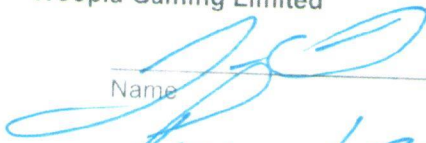

1. This Agreement cannot be amended except in writing duly executed by both parties.
2. The failure of either party to exercise any rights under this Agreement shall not be deemed a waiver of such right or any other rights.
3. If any provision of this agreement is held to be invalid, illegal, or unenforceable, that provision will be severed to the extent of its invalidity, illegality, or unenforceability, and all other provisions will continue in full force and effect to the extent permitted by law.

Governing Law

1. This Agreement shall be governed by, and subject to the laws of the State of New York-USA (excluding any conflict of laws, rule or principle which might refer to such construction to the laws of another jurisdiction) and shall be deemed for all purposes to be made and fully performed in the State of New York-USA.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first mentioned above.

Woopla Gaming Limited


Name _____

Title _____

Sales Consultants Int'l Inc


Name _____
Brent Ruttman
Managing Partner



SCHEDULE A

SCOPE OF SERVICE Schedule

WG and SCI acknowledge and agree:

- (a) SCI to Architect, secure third parties to implement to the best of his ability:
1. ODFI services and registration
 2. Issue Reloadable Debit Cards to individuals and businesses
 3. Worldwide Compliance
 4. As necessary, Correspondent banks that are friendly to the industry in which WG operates
 5. An e-Wallet for customers to manage their funds
 6. Time frame of 180 days from execution to complete the above is a best effort by both parties for a RETAINER that will be replaced by a revenue share at the earliest possible time that the RETAINER amount is exceeded by the revenue share on referrals.

REFERALL

- (b) that if the Referee will provide some services to the noted clients, or other clients
- (c) that in consideration for the referral, the Referee will compensate the Referrer by paying an Overriding Revenue Share percentage or as otherwise mutually agreed upon in writing by both parties of Referee's collected net revenue for any and all services; excluding any collections of taxes or other fees intended as pass-throughs to unrelated parties. E.g., ISO/IAD revenue shares.
- (d) the compensation will be calculated by the Referrer and will be paid directly to the Referrer's firm on the 15th of each month for all revenue collected in the previous month.
- (e) Example of referrals from SCI to WG include Financial institutions to service the above, MoneyGram key executives, Visa Key executives, Service contracts with mark up for WG from Referred vendors, clients and more.
- (f) As an example, an Debit Card Program monthly account fee may be set at a whole sale fee of USD 500.00 and the customer may be charged USD 1000.00 and either an addendum to this agreement or a further agreement will be formed to revenue share in the mark up between WG and SCI.

SCI Wire Instructions:

Sales Consultants Int'l, Inc. Wells Fargo Bank
ABA:026012881
Acct#: 6011392666

EXHIBIT C

EXHIBIT C



Leanne Taylor <ltaylor@wooplagaming.com>

Zippy Cash LLC Annual General Meeting Notice

1 message

duane tough <dtough@hotmail.com>

Tue, Feb 1, 2022 at 7:29 PM

To: "brentr@scigateways.com" <brentr@scigateways.com>, Leanne Taylor <ltaylor@wooplagaming.com>, John Xidos <jxidos@wooplagaming.com>

Unit Holders:

Request for AGM within 30 days as per the attached.

Full Agenda for two meetings to follow within 2 weeks:

Zippy Cash LLC

Z Cash Inc (wholly owned Canadian subsidiary)

- Kent Ulrich, President to present/review

Agenda items to be included (but not limited to):

Full financials

Capital in (approx. 2mm in debt)

Past Future Revenue situation (near zero revenue to date)

Capital History/Requirements (repayment/Raise option?)

Debt Consolidation (expansion/buy/sell exit)

Equity sales/debt conversion

No capital to continue operations beyond February 15 - March 1 2022

Closure/Dissolution

Taxation situation

Further details in full agenda to be circulated for comment/additions - days before AGM.

Session will be recorded and approved date/time to be agreed upon.

Duane Tough

Chairman

Zippy Cash LLC

Noteworthy:

One of the unit holders has put forth a scenario of severing the relationship with Funzpoints as customer/alliance (to be discussed as 'other' business)

Including other consumer/business reward/incentive options for Zippy if it decides to be an ongoing concern.

 **Zippy Cash Operating Agreement (002)May 2021_Feb_2022.pdf**
430K

EXHIBIT D

EXHIBIT D

AGM and other matters

John Xidos <jx@zippy.cash>

Tue 2/8/2022 6:45 PM

To: BRENT RUTTMAN <bruttman@zippy.cash>; Leanne Taylor <leannet@zippy.cash>; Mr. TOUGH <mr.tough@zippy.cash>

Cc: John Xidos <jx@zippy.cash>; jxidos@wooplagaming.com <jxidos@wooplagaming.com>; dtough@hotmail.com <dtough@hotmail.com>

Board Members -

On February 1, 2022, Zippy's Board of Directors were notified of an AGM within 30 days. To formalize this request, I'm requesting that the meeting be held on Monday, February 21, 2022 at 1pm Eastern Standard Time (EST). Per Article 5, Section 5.1 of the Operating Agreement, Zippy must maintain complete accounting records of the Company's business including a full and accurate record of each Company transaction. Reasonable notice is hereby given to provide the accounting records and financials to each member by Monday, February 14, 2022 so that each member can be fully informed before the AGM.

Preliminary numbers that were shared by Brent on Monday, February 7, 2022 are very concerning to me. Woopla separately has prepared and provided a spreadsheet that shows the current financial status and money owed to Woopla. There are some discrepancies that need to be addressed in short order. A call was held with Brent Ruttman on Tuesday, February 8, 2022 to walk through the data that was collected through the various payment systems, transaction platforms, and bank accounts.

The following needs to be addressed soonest:

- More than \$2.4M is in reserve in Bank of America (BOA). A statement reflecting this balance needs to be provided by end of day Wednesday, February 9, 2022.
- Approximately \$32,000 is in reserve in Meta Bank. A statement reflecting this amount needs to be provided by end of day Wednesday, February 9, 2022.
- In addition to the above reserves, approximately \$2 million is owed to Woopla. We know that some of these funds may be discrepancies with Kyck and IPpay so additional time is needed to resolve this. \$1,500,000 needs to be released to Woopla by end of day Thursday, February 10, 2022 and the discrepancies to be worked out by end of day Thursday, February 17, 2022.

Fresno has already provided a bank account for Zippy which can be used for ACH pulls from Kyck. In doing so this would release the approximate \$2.4million that BOA is holding in reserve. Efforts must be made to start using Fresno for this activity by Friday, February 25, 2022 so that the \$2.4million in reserve with BOA can be released back to Woopla.

As previously discussed with Brent, Woopla wants to determine the transactional rejection rate if it were using a 7995 MCC code. To do so, Woopla needs to test transactions on a separate IPpay MID. Troddling would be put in place so that any transaction rejected on the 7995 MCC MID would immediately be processed on the Zippy 4816 MCC MID. Since Zippy does not benefit financially from Woopla credit card transactions, there is no financial loss to Zippy in making this change. Woopla is currently experiencing a high rejection rate on the 4816 MID. These rejections first increased on the Repay 4816 MID and continued to climb on the Zippy 4816 MID. In testing the 7995 MCC, Woopla will

be able to do a comparison between the rejection rate on the 4816 MCC and the 7995 MCC. Woopla would like this to take place once IPpay can finalize a 7995 MID with Fresno.

Once the above matters are resolved, Woopla would like to put forward the proposal whereby 1% of Woopla's gross revenues would be disbursed to Zippy on a semi-monthly basis for Zippy operational expenses. We believe that this will cover Zippy's current monthly burn. This would be a repayable loan with terms equal to existing loans to Zippy.

Please confirm receipt of this email and acknowledge the requested deliverables and timelines

John X

EXHIBIT E

EXHIBIT E

NEW YORK
LONDON
SINGAPORE
PHILADELPHIA
CHICAGO
WASHINGTON, DC
SAN FRANCISCO
SILICON VALLEY
SAN DIEGO
LOS ANGELES
BOSTON
HOUSTON
DALLAS
AUSTIN
HANOI
HO CHI MINH CITY

Duane Morris®

FIRM and AFFILIATE OFFICES

WILLIAM M. GANTZ
DIRECT DIAL: +1 857 488 4234
PERSONAL FAX: +1 857 401 3026
E-MAIL: BGantz@duanemorris.com

www.duanemorris.com

SHANGHAI
ATLANTA
BALTIMORE
WILMINGTON
MIAMI
BOCA RATON
PITTSBURGH
NEWARK
LAS VEGAS
CHERRY HILL
LAKE TAHOE
MYANMAR

ALLIANCES IN MEXICO
AND SRI LANKA

February 22, 2022

VIA FEDERAL EXPRESS AND EMAIL

Duane Tough
Managing Member
Zippy Cash LLC
500 North Rainbow Boulevard
Suite 300A
Las Vegas, Nevada, 89107

8465 W Sahara Avenue
Suite 111
Las Vegas, Nevada, 89117

Re: Demand to Inspect Zippy Cash LLC's Records

Dear Mr. Tough:

Please be advised that Duane Morris LLP has been retained to represent 3342962 Nova Scotia Limited and 4043434 Nova Scotia Limited in their capacity as members of Zippy Cash LLC ("Zippy Cash"), as well as their respective beneficial owners, John Xidos and Leanne Taylor (collectively, the "Members"). In addition, John Xidos and Leanne Taylor serve as members of the Board of Directors of Zippy Cash, and, under Section 4.2 of the Operating Agreement of Zippy Cash, dated May 11, 2021, it is the Board of Directors which effectively manage the affairs of Zippy Cash, and particularly must decide whether the entity should continue as a going concern. Section 4.1(a) of the Operating Agreement further provides that Zippy Cash shall be managed by the members. Accordingly, on behalf of the Members in their capacity as members, managers and directors, we hereby request access and opportunity to review books and records of Zippy Cash pursuant to Nev. Rev. Stat. § 86.241 (2) and (3) and Article 5.1 of the Operating Agreement.

The purpose of the Members' request below is to assess the financial condition of Zippy Cash in advance of the annual general meeting. Your email to the company's members on

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 2

February 1, 2022 raised concern that Zippy Cash is in financial distress. You stated that it has “near zero revenue to date” and there is “[n]o capital to continue operations beyond February 15 – March 1 2022.” You further stated that the possibility of closing and dissolving of Zippy Cash will be addressed at the upcoming annual general meeting. The Members need access to Zippy Cash’s records to investigate its solvency and to make an informed decision about whether the company’s closure and dissolution is in its best interest. Although the company was formed in February 2021, the Members have not been provided any material financial information about the company.

Section 5.1 of the Operating Agreement provides that Zippy Cash’s “records must be kept at [its] principal executive office and must be open to inspection and copying by Members during normal business hours upon reasonable notice by the Members wishing to inspect or copy the records or their authorized representatives...”

This firm is designated as the Members’ agent for purposes of inspection and copying of records.¹ We are amenable to obtaining access at 500 North Rainbow Boulevard, Suite 300A, Las Vegas, Nevada, 89107 if that remains the principal place of business, or such other reasonable locations where the books and records sought are kept in the ordinary course of business of Zippy Cash. We request the right to inspect records and will then subsequently designate those documents which we wish to obtain copies of, at reasonable expense to the Members, in accordance with Section 5.1 of the Operating Agreement.

We request access to the following records of Zippy Cash at a time and place mutually agreeable within the next ten (10) business days hereof. The particular records sought are as follows:

1. A current list of the full name and last known business address of each member and manager, separately identifying the members in alphabetical order and the managers, if any, in alphabetical order.
2. Capitalization charts from inception of Zippy Cash to date reflecting full names and addresses of all Members, their capital contributions and respective percentages of ownership.
3. A copy of the filed articles of organization and all amendments thereto, together with signed copies of any powers of attorney pursuant to which any record has been signed.

¹ A copy of the firm’s power of attorney for each member is attached herewith.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 3

4. Copies of any operating agreements of Zippy Cash from February 8, 2021 to the present.
5. True and complete records regarding the activities and the status of the business and financial condition of the company;
6. Copies of Zippy Cash's federal, state, and local income tax returns and reports, if any, from February 8, 2021 to the present.
7. True and complete records regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each member and which each member has agreed to contribute in the future, and the date on which each became a member.
8. An up-to-date list of the members' capital contributions, the amount and terms of any agreed upon future capital contributions, and ownership interests, and voting interests.
9. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present.
10. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present and profit/loss statements.
11. Ledger for all items of income or revenue from February 8, 2021 to the present.
12. Ledger for all items of expense from February 8, 2021 to the present.
13. All bank account statements and other financial statements of account as referred to in Section 5.6 of the Operating Agreement from February 8, 2021 to the present. This request includes Bank of America Account #501019730365 and any other accounts which have been used in the process of handling the processing of handling Funzpoints customer purchases or payouts to Funzpoints customers.
14. A list of all Directors, Officers and Managers and all notices, minutes, transcripts or other records reflecting or pertaining to meetings of members, managers or directors from February 8, 2021 to the present.
15. Records and documentation and agreements for all loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 4

16. Records and documentation of any payments by or on behalf on Zippy Cash on any loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.
17. All Guaranties of any obligations entered by or on behalf on Zippy Cash.
18. All agreements or contracts or communications reflecting same between Zippy Cash and IPay, Kyck, Metabank, Evolve Bank, Bank of America or other banks or payment processing entities, including any activity or account reports.
19. Records of any distributions or dividends or other monies paid to any members by Zippy Cash from February 8, 2021 to the present.
20. All communications or reports sent by a manager to members pertaining to the business or operations of Zippy Cash.
21. Statements and invoices for legal services rendered to or paid by Zippy Cash.
22. Any documents or communications or demands pertaining to any actual or suspected embezzlement or financial wrongdoing.
23. Correspondence and communications with any outside accountants or the IRS concerning the books and records of Zippy Cash, audits, adjustments or changes in accounting methods.
24. Records and documentation of all monies that Zippy Cash received, held or transferred in connection with Woopla or funzpoints.com
25. Records and documentation of all money that Zippy Cash received, held or transferred in connection with IPay.
26. All agendas, notices, communications and minutes of Zippy Cash's meetings from February 8, 2021 to the present.
27. Any valuations of Zippy Cash or its corresponding membership interests.
28. List of all employees and 1099's on payroll and salary and compensation information, and any employment agreements.
29. Access to the book of corporate records including all resolutions, minutes of annual or special meetings, notices of meetings etc.
30. All payroll records and record of state income tax withheld and paid relating to employees from February 8, 2021 to the present.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 5

31. List of all consultants and contractors, including compensation information and contractual agreements
32. List of all records and payments paid to consultants and contractors from February 8, 2021 to the present
33. All notices of audit, levy or payments due with the IRS or the Nevada Department of Taxation, and all communications with same.

To the extent desired and reasonable, the Members are willing to receive the listed information in electronic format to the extent such transmission is mutually desirable.

If the records subject to this demand are not available to obtain or made available for examination, as applicable, at a location within this State, this letter should be considered the Members' demand upon the limited-liability company's registered agent that the records to be obtained or examined be sent to the demanding manager or member. Upon such a demand, the limited-liability company shall send copies of the requested records described in subsection 2 either in paper or electronic form to the manager or member within 10 business days after the demand is served upon the registered agent.

In anticipation that Zippy Cash may request the Members to provide affidavits under NRS 86.243, please see the attached. The Members have no interest in receiving the records for any purpose other than ascertaining the status and health of the company for purposes of the upcoming annual general meeting, assessing your assertion that the company may not be able to continue as a going concern, and protecting Zippy Cash on an entity level from the apparent destruction of company records. The Members have no interest in any competing business and have not at any time sold or offered for sale any list of members of the company or aided or abetted any person in procuring any such record for any such purpose.

We are advised that Zippy Cash, presumably by your instruction, has terminated access of the Members to Zippy Cash Admin Dashboard and Zippy Cash NMI gateway. We are further advised by our clients that skype communications have been removed. There is no legitimate business purpose to such actions, and these actions harm Zippy Cash, LLC as an entity. Accordingly, under NRS 86.483, the Member's request that Zippy Cash restore access of the Members to the Zippy Cash Admin Dashboard and Zippy Cash NMI gateway and that the company's records and communications be restored immediately.

Please contact me to confirm the location, time and date for the inspection requested. If you have any questions, please give me a call.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 6

Very truly yours,



William M. Gantz

WMG

CC VIA FedEx and Email:

Chas Rampenthal	
Brent Ruttman	bruttman@zippy.cash ;
Lio LLC	bruttman@zippy.cash
Tough Money LLC	dtough@hotmail.com
Robert Stewart	bstewart@zippy.cash
Gene Williams	gwilliams@zippy.cash
John Stewart	jstewart@zippy.cash

LIMITED POWER OF ATTORNEY

BE IT ACKNOWLEDGED that I, John Xidos, on my own behalf and behalf of 3342962 Nova Scotia Limited, of 314 Newlands Avenue in Sydney, Nova Scotia B1S 1Z1, the undersigned, do hereby grant a limited and specific power of attorney to William M. Gantz, Esq., of 100 High Street, Suite 2400 in Boston, Massachusetts 02110, with a telephone number of (857) 488-4234, as my attorney-in-fact.

Said attorney-in-fact shall have full power and authority to undertake and perform only the following acts on my behalf:

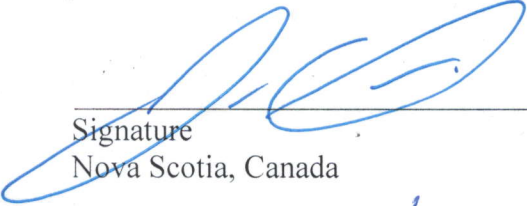
1. Access, review and obtain Zippy Cash LLC's records as described in Attachment A.

The authority herein shall include such incidental acts as are reasonably required to carry out and perform the specific authorities granted herein.

My attorney-in-fact agrees to accept this appointment subject to its terms, and agrees to act and perform in said fiduciary capacity consistent with my best interest, as my attorney-in-fact in its discretion deems advisable.

This power of attorney is effective upon execution. This power of attorney may be revoked by me at any time, and shall automatically be revoked upon my death, provided any person relying on this power of attorney shall have full rights to accept and reply upon the authority of my attorney-in-fact until in receipt of actual notice of revocation.

Signed this 22 day of February, 2022.



Signature
Nova Scotia, Canada

This document was acknowledged before me on Feb 22/22, by



Signature of Notary

My commission expires: o/a

DWIGHT J.W. RUDDERHAM, Q.C.
A Barrister and Commissioner of the
Supreme Court of Nova Scotia

ATTACHMENT A

NEW YORK
LONDON
SINGAPORE
PHILADELPHIA
CHICAGO
WASHINGTON, DC
SAN FRANCISCO
SILICON VALLEY
SAN DIEGO
LOS ANGELES
BOSTON
HOUSTON
DALLAS
AUSTIN
HANOI
HO CHI MINH CITY

Duane Morris®

FIRM and AFFILIATE OFFICES

WILLIAM M. GANTZ
DIRECT DIAL: +1 857 488 4234
PERSONAL FAX: +1 857 401 3026
E-MAIL: BGantz@duanemorris.com

www.duanemorris.com

SHANGHAI
ATLANTA
BALTIMORE
WILMINGTON
MIAMI
BOCA RATON
PITTSBURGH
NEWARK
LAS VEGAS
CHERRY HILL
LAKE TAHOE
MYANMAR

ALLIANCES IN MEXICO
AND SRI LANKA

February 22, 2022

VIA FEDERAL EXPRESS AND EMAIL

Duane Tough
Managing Member
Zippy Cash LLC
500 North Rainbow Boulevard
Suite 300A
Las Vegas, Nevada, 89107

8465 W Sahara Avenue
Suite 111
Las Vegas, Nevada, 89117

Re: Demand to Inspect Zippy Cash LLC's Records

Dear Mr. Tough:

Please be advised that Duane Morris LLP has been retained to represent 3342962 Nova Scotia Limited and 4043434 Nova Scotia Limited in their capacity as members of Zippy Cash LLC ("Zippy Cash"), as well as their respective beneficial owners, John Xidos and Leanne Taylor (collectively, the "Members"). In addition, John Xidos and Leanne Taylor serve as members of the Board of Directors of Zippy Cash, and, under Section 4.2 of the Operating Agreement of Zippy Cash, dated May 11, 2021, it is the Board of Directors which effectively manage the affairs of Zippy Cash, and particularly must decide whether the entity should continue as a going concern. Section 4.1(a) of the Operating Agreement further provides that Zippy Cash shall be managed by the members. Accordingly, on behalf of the Members in their capacity as members, managers and directors, we hereby request access and opportunity to review books and records of Zippy Cash pursuant to Nev. Rev. Stat. § 86.241 (2) and (3) and Article 5.1 of the Operating Agreement.

The purpose of the Members' request below is to assess the financial condition of Zippy Cash in advance of the annual general meeting. Your email to the company's members on

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 2

February 1, 2022 raised concern that Zippy Cash is in financial distress. You stated that it has “near zero revenue to date” and there is “[n]o capital to continue operations beyond February 15 – March 1 2022.” You further stated that the possibility of closing and dissolving of Zippy Cash will be addressed at the upcoming annual general meeting. The Members need access to Zippy Cash’s records to investigate its solvency and to make an informed decision about whether the company’s closure and dissolution is in its best interest. Although the company was formed in February 2021, the Members have not been provided any material financial information about the company.

Section 5.1 of the Operating Agreement provides that Zippy Cash’s “records must be kept at [its] principal executive office and must be open to inspection and copying by Members during normal business hours upon reasonable notice by the Members wishing to inspect or copy the records or their authorized representatives...”

This firm is designated as the Members’ agent for purposes of inspection and copying of records.¹ We are amenable to obtaining access at 500 North Rainbow Boulevard, Suite 300A, Las Vegas, Nevada, 89107 if that remains the principal place of business, or such other reasonable locations where the books and records sought are kept in the ordinary course of business of Zippy Cash. We request the right to inspect records and will then subsequently designate those documents which we wish to obtain copies of, at reasonable expense to the Members, in accordance with Section 5.1 of the Operating Agreement.

We request access to the following records of Zippy Cash at a time and place mutually agreeable within the next ten (10) business days hereof. The particular records sought are as follows:

1. A current list of the full name and last known business address of each member and manager, separately identifying the members in alphabetical order and the managers, if any, in alphabetical order.
2. Capitalization charts from inception of Zippy Cash to date reflecting full names and addresses of all Members, their capital contributions and respective percentages of ownership.
3. A copy of the filed articles of organization and all amendments thereto, together with signed copies of any powers of attorney pursuant to which any record has been signed.

¹ A copy of the firm’s power of attorney for each member is attached herewith.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 3

4. Copies of any operating agreements of Zippy Cash from February 8, 2021 to the present.
5. True and complete records regarding the activities and the status of the business and financial condition of the company;
6. Copies of Zippy Cash's federal, state, and local income tax returns and reports, if any, from February 8, 2021 to the present.
7. True and complete records regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each member and which each member has agreed to contribute in the future, and the date on which each became a member.
8. An up-to-date list of the members' capital contributions, the amount and terms of any agreed upon future capital contributions, and ownership interests, and voting interests.
9. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present.
10. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present and profit/loss statements.
11. Ledger for all items of income or revenue from February 8, 2021 to the present.
12. Ledger for all items of expense from February 8, 2021 to the present.
13. All bank account statements and other financial statements of account as referred to in Section 5.6 of the Operating Agreement from February 8, 2021 to the present. This request includes Bank of America Account #501019730365 and any other accounts which have been used in the process of handling the processing of handling Funzpoints customer purchases or payouts to Funzpoints customers.
14. A list of all Directors, Officers and Managers and all notices, minutes, transcripts or other records reflecting or pertaining to meetings of members, managers or directors from February 8, 2021 to the present.
15. Records and documentation and agreements for all loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 4

16. Records and documentation of any payments by or on behalf on Zippy Cash on any loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.
17. All Guaranties of any obligations entered by or on behalf on Zippy Cash.
18. All agreements or contracts or communications reflecting same between Zippy Cash and IPpay, Kyck, Metabank, Evolve Bank, Bank of America or other banks or payment processing entities, including any activity or account reports.
19. Records of any distributions or dividends or other monies paid to any members by Zippy Cash from February 8, 2021 to the present.
20. All communications or reports sent by a manager to members pertaining to the business or operations of Zippy Cash.
21. Statements and invoices for legal services rendered to or paid by Zippy Cash.
22. Any documents or communications or demands pertaining to any actual or suspected embezzlement or financial wrongdoing.
23. Correspondence and communications with any outside accountants or the IRS concerning the books and records of Zippy Cash, audits, adjustments or changes in accounting methods.
24. Records and documentation of all monies that Zippy Cash received, held or transferred in connection with Woopla or funzpoints.com
25. Records and documentation of all money that Zippy Cash received, held or transferred in connection with IPpay.
26. All agendas, notices, communications and minutes of Zippy Cash's meetings from February 8, 2021 to the present.
27. Any valuations of Zippy Cash or its corresponding membership interests.
28. List of all employees and 1099's on payroll and salary and compensation information, and any employment agreements.
29. Access to the book of corporate records including all resolutions, minutes of annual or special meetings, notices of meetings etc.
30. All payroll records and record of state income tax withheld and paid relating to employees from February 8, 2021 to the present.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 5

31. List of all consultants and contractors, including compensation information and contractual agreements
32. List of all records and payments paid to consultants and contractors from February 8, 2021 to the present
33. All notices of audit, levy or payments due with the IRS or the Nevada Department of Taxation, and all communications with same.

To the extent desired and reasonable, the Members are willing to receive the listed information in electronic format to the extent such transmission is mutually desirable.

If the records subject to this demand are not available to obtain or made available for examination, as applicable, at a location within this State, this letter should be considered the Members' demand upon the limited-liability company's registered agent that the records to be obtained or examined be sent to the demanding manager or member. Upon such a demand, the limited-liability company shall send copies of the requested records described in subsection 2 either in paper or electronic form to the manager or member within 10 business days after the demand is served upon the registered agent.

In anticipation that Zippy Cash may request the Members to provide affidavits under NRS 86.243, please see the attached. The Members have no interest in receiving the records for any purpose other than ascertaining the status and health of the company for purposes of the upcoming annual general meeting, assessing your assertion that the company may not be able to continue as a going concern, and protecting Zippy Cash on an entity level from the apparent destruction of company records. The Members have no interest in any competing business and have not at any time sold or offered for sale any list of members of the company or aided or abetted any person in procuring any such record for any such purpose.

We are advised that Zippy Cash, presumably by your instruction, has terminated access of the Members to Zippy Cash Admin Dashboard and Zippy Cash NMI gateway. We are further advised by our clients that skype communications have been removed. There is no legitimate business purpose to such actions, and these actions harm Zippy Cash, LLC as an entity. Accordingly, under NRS 86.483, the Member's request that Zippy Cash restore access of the Members to the Zippy Cash Admin Dashboard and Zippy Cash NMI gateway and that the company's records and communications be restored immediately.

Please contact me to confirm the location, time and date for the inspection requested. If you have any questions, please give me a call.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 6

Very truly yours,



William M. Gantz

WMG

CC VIA FedEx and Email:

Chas Rampenthal	
Brent Ruttman	bruttman@zippy.cash ;
Lio LLC	bruttman@zippy.cash
Tough Money LLC	dtough@hotmail.com
Robert Stewart	bstewart@zippy.cash
Gene Williams	gwilliams@zippy.cash
John Stewart	jstewart@zippy.cash

LIMITED POWER OF ATTORNEY

BE IT ACKNOWLEDGED that I, Leanne Taylor, on my own behalf and on behalf of 4043434 Nova Scotia Limited of 314 Newlands Avenue in Sydney, Nova Scotia B1S 1Z1, the undersigned, do hereby grant a limited and specific power of attorney to William M. Gantz, Esq., of 100 High Street, Suite 2400 in Boston, Massachusetts 02110, with a telephone number of (857) 488-4234, as my attorney-in-fact.

Said attorney-in-fact shall have full power and authority to undertake and perform only the following acts on my behalf:

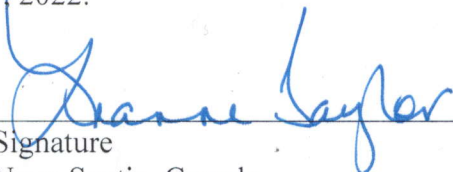
1. Access, review and obtain Zippy Cash LLC's records as described in Attachment A.

The authority herein shall include such incidental acts as are reasonably required to carry out and perform the specific authorities granted herein.

My attorney-in-fact agrees to accept this appointment subject to its terms, and agrees to act and perform in said fiduciary capacity consistent with my best interest, as my attorney-in-fact in its discretion deems advisable.

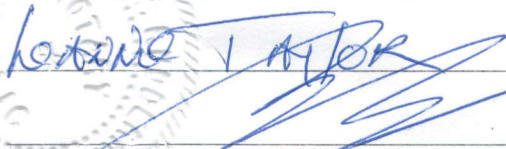
This power of attorney is effective upon execution. This power of attorney may be revoked by me at any time, and shall automatically be revoked upon my death, provided any person relying on this power of attorney shall have full rights to accept and reply upon the authority of my attorney-in-fact until in receipt of actual notice of revocation.

Signed this 22 day of February, 2022.



Signature
Nova Scotia, Canada

This document was acknowledged before me on Feb 22/22, by



Signature of Notary

My commission expires:

DWIGHT J.W. RUDDERHAM, Q.C.
A Barrister and Commissioner of the
Supreme Court of Nova Scotia

ATTACHMENT A

NEW YORK
LONDON
SINGAPORE
PHILADELPHIA
CHICAGO
WASHINGTON, DC
SAN FRANCISCO
SILICON VALLEY
SAN DIEGO
LOS ANGELES
BOSTON
HOUSTON
DALLAS
AUSTIN
HANOI
HO CHI MINH CITY

Duane Morris®

FIRM and AFFILIATE OFFICES

WILLIAM M. GANTZ
DIRECT DIAL: +1 857 488 4234
PERSONAL FAX: +1 857 401 3026
E-MAIL: BGantz@duanemorris.com

www.duanemorris.com

SHANGHAI
ATLANTA
BALTIMORE
WILMINGTON
MIAMI
BOCA RATON
PITTSBURGH
NEWARK
LAS VEGAS
CHERRY HILL
LAKE TAHOE
MYANMAR

ALLIANCES IN MEXICO
AND SRI LANKA

February 22, 2022

VIA FEDERAL EXPRESS AND EMAIL

Duane Tough
Managing Member
Zippy Cash LLC
500 North Rainbow Boulevard
Suite 300A
Las Vegas, Nevada, 89107

8465 W Sahara Avenue
Suite 111
Las Vegas, Nevada, 89117

Re: Demand to Inspect Zippy Cash LLC's Records

Dear Mr. Tough:

Please be advised that Duane Morris LLP has been retained to represent 3342962 Nova Scotia Limited and 4043434 Nova Scotia Limited in their capacity as members of Zippy Cash LLC ("Zippy Cash"), as well as their respective beneficial owners, John Xidos and Leanne Taylor (collectively, the "Members"). In addition, John Xidos and Leanne Taylor serve as members of the Board of Directors of Zippy Cash, and, under Section 4.2 of the Operating Agreement of Zippy Cash, dated May 11, 2021, it is the Board of Directors which effectively manage the affairs of Zippy Cash, and particularly must decide whether the entity should continue as a going concern. Section 4.1(a) of the Operating Agreement further provides that Zippy Cash shall be managed by the members. Accordingly, on behalf of the Members in their capacity as members, managers and directors, we hereby request access and opportunity to review books and records of Zippy Cash pursuant to Nev. Rev. Stat. § 86.241 (2) and (3) and Article 5.1 of the Operating Agreement.

The purpose of the Members' request below is to assess the financial condition of Zippy Cash in advance of the annual general meeting. Your email to the company's members on

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 2

February 1, 2022 raised concern that Zippy Cash is in financial distress. You stated that it has “near zero revenue to date” and there is “[n]o capital to continue operations beyond February 15 – March 1 2022.” You further stated that the possibility of closing and dissolving of Zippy Cash will be addressed at the upcoming annual general meeting. The Members need access to Zippy Cash’s records to investigate its solvency and to make an informed decision about whether the company’s closure and dissolution is in its best interest. Although the company was formed in February 2021, the Members have not been provided any material financial information about the company.

Section 5.1 of the Operating Agreement provides that Zippy Cash’s “records must be kept at [its] principal executive office and must be open to inspection and copying by Members during normal business hours upon reasonable notice by the Members wishing to inspect or copy the records or their authorized representatives...”

This firm is designated as the Members’ agent for purposes of inspection and copying of records.¹ We are amenable to obtaining access at 500 North Rainbow Boulevard, Suite 300A, Las Vegas, Nevada, 89107 if that remains the principal place of business, or such other reasonable locations where the books and records sought are kept in the ordinary course of business of Zippy Cash. We request the right to inspect records and will then subsequently designate those documents which we wish to obtain copies of, at reasonable expense to the Members, in accordance with Section 5.1 of the Operating Agreement.

We request access to the following records of Zippy Cash at a time and place mutually agreeable within the next ten (10) business days hereof. The particular records sought are as follows:

1. A current list of the full name and last known business address of each member and manager, separately identifying the members in alphabetical order and the managers, if any, in alphabetical order.
2. Capitalization charts from inception of Zippy Cash to date reflecting full names and addresses of all Members, their capital contributions and respective percentages of ownership.
3. A copy of the filed articles of organization and all amendments thereto, together with signed copies of any powers of attorney pursuant to which any record has been signed.

¹ A copy of the firm’s power of attorney for each member is attached herewith.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 3

4. Copies of any operating agreements of Zippy Cash from February 8, 2021 to the present.
5. True and complete records regarding the activities and the status of the business and financial condition of the company;
6. Copies of Zippy Cash's federal, state, and local income tax returns and reports, if any, from February 8, 2021 to the present.
7. True and complete records regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each member and which each member has agreed to contribute in the future, and the date on which each became a member.
8. An up-to-date list of the members' capital contributions, the amount and terms of any agreed upon future capital contributions, and ownership interests, and voting interests.
9. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present.
10. Copies of any financial statements including all assets and liabilities of Zippy Cash from February 8, 2021 to the present and profit/loss statements.
11. Ledger for all items of income or revenue from February 8, 2021 to the present.
12. Ledger for all items of expense from February 8, 2021 to the present.
13. All bank account statements and other financial statements of account as referred to in Section 5.6 of the Operating Agreement from February 8, 2021 to the present. This request includes Bank of America Account #501019730365 and any other accounts which have been used in the process of handling the processing of handling Funzpoints customer purchases or payouts to Funzpoints customers.
14. A list of all Directors, Officers and Managers and all notices, minutes, transcripts or other records reflecting or pertaining to meetings of members, managers or directors from February 8, 2021 to the present.
15. Records and documentation and agreements for all loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 4

16. Records and documentation of any payments by or on behalf on Zippy Cash on any loans, credit lines, or other indebtedness of Zippy Cash to any person or entity.
17. All Guaranties of any obligations entered by or on behalf on Zippy Cash.
18. All agreements or contracts or communications reflecting same between Zippy Cash and IPay, Kyck, Metabank, Evolve Bank, Bank of America or other banks or payment processing entities, including any activity or account reports.
19. Records of any distributions or dividends or other monies paid to any members by Zippy Cash from February 8, 2021 to the present.
20. All communications or reports sent by a manager to members pertaining to the business or operations of Zippy Cash.
21. Statements and invoices for legal services rendered to or paid by Zippy Cash.
22. Any documents or communications or demands pertaining to any actual or suspected embezzlement or financial wrongdoing.
23. Correspondence and communications with any outside accountants or the IRS concerning the books and records of Zippy Cash, audits, adjustments or changes in accounting methods.
24. Records and documentation of all monies that Zippy Cash received, held or transferred in connection with Woopla or funzpoints.com
25. Records and documentation of all money that Zippy Cash received, held or transferred in connection with IPay.
26. All agendas, notices, communications and minutes of Zippy Cash's meetings from February 8, 2021 to the present.
27. Any valuations of Zippy Cash or its corresponding membership interests.
28. List of all employees and 1099's on payroll and salary and compensation information, and any employment agreements.
29. Access to the book of corporate records including all resolutions, minutes of annual or special meetings, notices of meetings etc.
30. All payroll records and record of state income tax withheld and paid relating to employees from February 8, 2021 to the present.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 5

31. List of all consultants and contractors, including compensation information and contractual agreements
32. List of all records and payments paid to consultants and contractors from February 8, 2021 to the present
33. All notices of audit, levy or payments due with the IRS or the Nevada Department of Taxation, and all communications with same.

To the extent desired and reasonable, the Members are willing to receive the listed information in electronic format to the extent such transmission is mutually desirable.

If the records subject to this demand are not available to obtain or made available for examination, as applicable, at a location within this State, this letter should be considered the Members' demand upon the limited-liability company's registered agent that the records to be obtained or examined be sent to the demanding manager or member. Upon such a demand, the limited-liability company shall send copies of the requested records described in subsection 2 either in paper or electronic form to the manager or member within 10 business days after the demand is served upon the registered agent.

In anticipation that Zippy Cash may request the Members to provide affidavits under NRS 86.243, please see the attached. The Members have no interest in receiving the records for any purpose other than ascertaining the status and health of the company for purposes of the upcoming annual general meeting, assessing your assertion that the company may not be able to continue as a going concern, and protecting Zippy Cash on an entity level from the apparent destruction of company records. The Members have no interest in any competing business and have not at any time sold or offered for sale any list of members of the company or aided or abetted any person in procuring any such record for any such purpose.

We are advised that Zippy Cash, presumably by your instruction, has terminated access of the Members to Zippy Cash Admin Dashboard and Zippy Cash NMI gateway. We are further advised by our clients that skype communications have been removed. There is no legitimate business purpose to such actions, and these actions harm Zippy Cash, LLC as an entity. Accordingly, under NRS 86.483, the Member's request that Zippy Cash restore access of the Members to the Zippy Cash Admin Dashboard and Zippy Cash NMI gateway and that the company's records and communications be restored immediately.

Please contact me to confirm the location, time and date for the inspection requested. If you have any questions, please give me a call.

Duane Tough
8465 W Sahara Avenue
February 22, 2022
Page 6

Very truly yours,



William M. Gantz

WMG

CC VIA FedEx and Email:

Chas Rampenthal	
Brent Ruttman	bruttman@zippy.cash ;
Lio LLC	bruttman@zippy.cash
Tough Money LLC	dtough@hotmail.com
Robert Stewart	bstewart@zippy.cash
Gene Williams	gwilliams@zippy.cash
John Stewart	jstewart@zippy.cash

AFFIDAVIT OF JOHN XIDOS

I, John Xidos, hereby state as follows:

1. I am the beneficial owner of 3342962 Nova Scotia Limited.
2. 3342962 Nova Scotia Limited is a member of Zippy Cash LLC ("Zippy Cash").
3. I am also a member of the Board of Directors of Zippy Cash.
4. I have requested access and opportunity to review books and records of Zippy Cash pursuant to Nev. Rev. Stat. § 86.241 (2) and (3) and Article 5.1 of the Operating Agreement, dated May 11, 2021.
5. I have no interest in receiving the records other than ascertaining the status and health of Zippy Cash for purposes of the upcoming annual general meeting, assessing Duane Tough's assertion that Zippy Cash may not be able to continue as a going concern, and protecting Zippy Cash on an entity level from the apparent destruction of company records.
6. I have no interest in any competing business and have not at any time sold or offered for sale any list of members of Zippy Cash or aided or abetted any person in procuring any such record for any such purpose.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 22 DAY OF
FEBRUARY 2022:



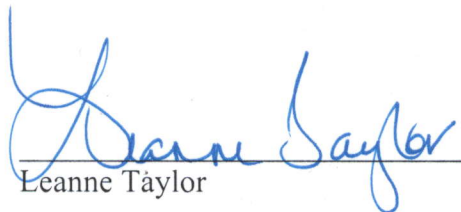
John Xidos

AFFIDAVIT OF LEANNE TAYLOR

I, Leanne Taylor, hereby state as follows:

1. I am the beneficial owner of 4043434 Nova Scotia Limited.
2. 4043434 Nova Scotia Limited is a member of Zippy Cash LLC ("Zippy Cash").
3. I am also a member of the Board of Directors of Zippy Cash.
4. I have requested access and opportunity to review books and records of Zippy Cash pursuant to Nev. Rev. Stat. § 86.241 (2) and (3) and Article 5.1 of the Operating Agreement, dated May 11, 2021.
5. I have no interest in receiving the records other than ascertaining the status and health of Zippy Cash for purposes of the upcoming annual general meeting, assessing Duane Tough's assertion that Zippy Cash may not be able to continue as a going concern, and protecting Zippy Cash on an entity level from the apparent destruction of company records.
6. I have no interest in any competing business and have not at any time sold or offered for sale any list of members of Zippy Cash or aided or abetted any person in procuring any such record for any such purpose.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 22 DAY OF
FEBRUARY 2022:



Leanne Taylor

EXHIBIT F

EXHIBIT F

March 2, 2022

Via Certified U.S. Mail & Electronic Mail (E-mail)

Duane Morris LLP
100 High Street, Suite 2400
Boston, MA 02110-1724
Attn: William M. Gantz, Esq.
BGantz@duanemorris.com

Re: Demand for Payment – Zippy Cash, LLC
Notice of Termination for Material Breach
Demand for Preservation of Documents and ESI
Demand to Inspect Zippy Cash, LLC's Records

Dear Mr. Gantz:

This correspondence is to inform you that this office represents Duane Tough in the above-referenced matters. I am in receipt of your letters dated February 19, 2022, concerning a Demand for Payment, Notice of Termination for Material Breach, and Demand for Preservation of Documents and ESI, and dated February 22, 2022 concerning a Demand to Inspect Zippy Cash, LLC's Records. Our office has been retained recently, we are in the process of reviewing relevant information, and intend to address the merits of your claims in subsequent communication.

However, please be advised that in light of your clients' threat of litigation and my client's related prospective counter-claims, Mr. Tough formally demands that Woopla, Inc., "funzpoints," 3342962 Nova Scotia Limited and 4043434 Nova Scotia Limited and their respective beneficial owners, John Xidos and Leanne Taylor, together with each of their respective members, managers, owners, professionals, employees, agents, and contractors, as applicable (collectively, the "Claimants") preserve and safeguard any hard-copy documents and electronically stored documents and data within the possession of Claimants, which in any way relates to the above-referenced matters. Additionally, Claimants are prohibited by law from altering, deleting, destroying, or discarding any such documents or information.

This Litigation Hold Notice ("Notice") applies to all paper documents, electronically stored documents and data that may be relevant to the above-referenced matters. Relevant documents and data include correspondence, e-mails and their attachments, text messages and attachments, social media communications and chats, handwritten notes, telephone logs, calendars, and other business records. If Claimants are unsure as to whether certain documents or data are relevant, Claimants should preserve said documents and data.

Claimants must also take immediate affirmative steps to suspend any deletion, overwriting, modification or other destruction of all relevant electronically stored data under Claimants' control or under the control of any member, manager, owner, official, agent, servant or employee of Claimants. Electronic data includes, but is not limited to, correspondence, telephone logs, and other business records, such as e-mails, voicemails, text messages, instant messages (IMs), calendars, [Outlook PST/Lotus Notes NSF] and word processing files, spreadsheets, PDFs, JPEGs, PowerPoint Presentations, Access, Oracle, cloud-based storage, temporary Internet files, cookies, ZIP files and all other forms of electronic information, wherever it resides, including the Internet. Claimants must preserve this information in its current form, without changing any related metadata (for example, a document's creation or last access date).

Claimants' preservation obligation also extends to the preservation of relevant data on any and all external media including hard drives, DVD, CDs, flash drives, personal home computers, laptops and mobile devices, including PDAs, cell phones and tablets, and on all social media sites, the Internet, web-based mail, and document or file service or storage. To that end, the data on any and all external devices in Claimants' possession, custody or control, as well as any professional, agent, contractor, or employee's custody or control must be preserved.

It is a violation of the law to fail to retain these documents and data, whether intentionally or accidentally, or ignore the directive of this Notice. Failure to obey this Notice may result in severe penalties. Please note that Mr. Tough provides this demand without waiving or intending to waive, but rather preserving and intending to preserve Mr. Tough's right to make any claim of spoliation for improper action before this litigation hold was provided as the obligation to preserve evidence originated at the inception of this matter and the Claimants' compliance with it is mandatory. Please review this correspondence and forward it to all individuals involved in any aspect of this matter.

Should you have any questions about the nature or scope of this Notice, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael R. Brunet", with a long horizontal line extending to the right.

Michael R. Brunet

MRB:njl

cc: Elizabeth Fegreus via e-mail
Duane Tough via e-mail
Michael Salad via e-mail