

IN THE CIRCUIT COURT OF THE 17th
JUDICIAL CIRCUIT IN AND FOR
BROWARD COUNTY, FLORIDA

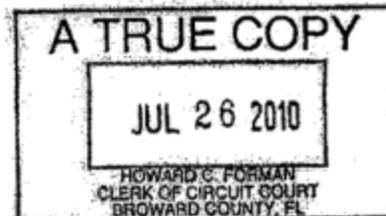
CASE NO.: 09-062943 (19)
Complex Litigation Unit

RAZORBACK FUNDING, LLC, D3 CAPITAL CLUB, LLC, BFMC INVESTMENT, LLC, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST, D&L PARTNERS, LP, DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST, ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST, DEAN KRETSCHMAR, COOPER MANAGEMENT, ANTHONY DEGENNARO, as Trustee of the EXTRA INNING DYNASTY TRUST, ADELE MUSSRY, JACK MUSSRY, NASSIM MUSSRY, MELINA EL-ANI, DANIELLE EL-ANI, H&N ASSOCIATES, ARETZ & ASSOCIATES, PARK NATIONAL CAPITAL FUNDING, LLC, PARK NATIONAL MORTGAGE SERVICING, SCOTT MORGAN, VICEROY GLOBAL INVESTMENTS, INC., CONCORDE CAPITAL, INC., IRA SOCHET as Trustee of the IRA SOCHET REVOCABLE INTER VIVOS TRUST, INVESTORS RISK ADVANTAGE, LP, SUSSCO, INC., EDWARD PALEY, FLORENCE PALEY, THE EDWARD AND FLORENCE PALEY FOUNDATION, STEVEN PALEY, LAURA PALEY, JANE ZARETSKY, STEVEN ZARETSKY as Trustee of the JANE ZARETSKY DYNASTY TRUST, LAWRENCE E. DEKELBAUM, AND SHALOM STRICTLY KOSHER MEATS, INC.,

Plaintiffs,

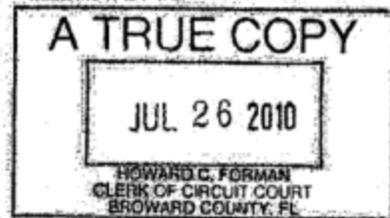
v.

SCOTT W. ROTHSTEIN, DAVID BODEN, DEBRA VILLEGAS, ANDREW BARNETT, IRENE STAY, TD BANK, N.A., FRANK A. SPINOSA, JENNIFER KERSTETTER, ROSANNE CARETSKY, BANYON INCOME FUND, L.P., BANYON USVI, LLC, BANYON 1030-32, LLC, GEORGE G. LEVIN, FRANK PREVE, MICHAEL SZAFRANSKI, ONYX OPTIONS CONSULTANTS CORPORATION,



ABS CAPITAL FUNDING, LLC, ALEXA FUNDING, LLC, BERENFELD SPRITZER SHECHTER SHEER, LLP, TRACY WEINTRAUB, GARY BERKOWITZ, BRIAN LEITSTEIN, BALLAMOR CAPITAL MANAGEMENT, LLC, BARRY R. BEKKEDAM, R.L. PEARSON & ASSOCIATES, INC., RICHARD PEARSON, GIBRALTAR PRIVATE BANK & TRUST, CO., PLATINUM PARTNERS VALUE ARBITRAGE FUND (USA), L.P., and CENTURION STRUCTURED GROWTH, LLC,

Defendants.



THIRD AMENDED COMPLAINT

Plaintiffs, RAZORBACK FUNDING, LLC, D3 CAPITAL CLUB, LLC, BFMC INVESTMENT, LLC, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST, D&L PARTNERS, LP, DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST, ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST, DEAN KRETSCHMAR, COOPER MANAGEMENT, ANTHONY DEGENNARO as Trustee of the EXTRA INNING DYNASTY TRUST, ADELE MUSSRY, JACK MUSSRY, NASSIM MUSSRY, MELINA EL-ANI, DANIELLE EL-ANI, H&N ASSOCIATES, ARETZ ASSOCIATES, PARK NATIONAL CAPITAL FUNDING, LLC, PARK NATIONAL MORTGAGE SERVICING, SCOTT MORGAN, VICEROY GLOBAL INVESTMENTS, INC., CONCORDE CAPITAL, INC., IRA SOCHET REVOCABLE INTER VIVOS TRUST, INVESTORS RISK ADVANTAGE, LP, SUSSCO, INC., EDWARD PALEY, FLORENCE PALEY, THE EDWARD AND FLORENCE PALEY FOUNDATION, STEVEN PALEY, LAURA PALEY, JANE ZARETSKY, STEVEN ZARETSKY, as Trustee of the JANE ZARETSKY DYNASTY TRUST, LAWRENCE E. DEKELBAUM, AND SHALOM

VI. Ponzi Scheme In Action

A. Fabricated Settlements Premised on Real Cases

90. In certain instances, the purported settlements, *albeit* fraudulent, were based on actual cases being handled by RRA. For example, one of the settlements involved herein was based upon facts surrounding Jeffrey Epstein, the infamous billionaire financier. In fact, RRA did have inside information due to its representation of one of Epstein's alleged victims in a civil case styled *Jane Doe v. Jeffrey Epstein*, currently pending in the Southern District of Florida. Representatives of D3 were offered "the opportunity" to invest in a pre-suit, \$30,000,000.00, court settlement against Epstein arising from the same set of operative facts as the *Jane Doe* case, but involving a different underage female plaintiff. To bolster his concocted story, Rothstein invited D3 representatives to his office to view the thirteen banker's boxes of actual case files in *Jane Doe* in order to demonstrate that the claims against Epstein were legitimate and that the evidence against Epstein was real. In particular, Rothstein claimed that his investigative team discovered that there were high-profile witnesses onboard Epstein's private jet where some of the alleged sexual assaults took place and showed D3 copies of a flight log purportedly containing names of celebrities, dignitaries and international figures. Because of these potentially explosive facts, putative defendant Epstein had allegedly offered \$200,000,000.00 for settlement of the claims held by various young women who were his victims. Adding fuel to the fire, an investigative team representative privately told a D3 representative that they found three additional claimants about whom Rothstein did not yet know. Preve was present for this meeting, despite the fact that he was not involved as an investor or representative in the D3 deal.

91. Additionally, Rothstein leveraged RRA's representation in the Epstein case to pursue issues and evidence wholly unrelated to the underlying litigation but which could potentially be beneficial to lure investors into the Ponzi scheme. For instance, RRA relentlessly chased flight data and passenger manifests regarding flights Epstein took with other famous individuals knowing full well that no underage women were on board and no illicit activities took place. RRA also inappropriately attempted to take the depositions of these celebrities in a deliberate effort to bolster Rothstein's fictitious story.

92. Conspicuously, Preve and Szafranski shared an office inside RRA one floor down from Rothstein's office, which provided them direct access to assist Rothstein in the furtherance of the Ponzi scheme. This fact helps explain why Preve attended the aforementioned D3 meeting despite his lack of involvement as an investor or representative.

93. Another actual case which Rothstein attempted to use as a false predicate for his scheme was a mass tort case against Chiquita Brands International. In this instance, Rothstein claimed to be representing plaintiffs in 450 wrongful death cases on the verge of settling for \$2,000,000.00 each. Rothstein told investors to begin raising funds in order to purchase this settlement. While the cases against Chiquita are real, Rothstein did not represent any of the plaintiffs and the cases remain pending.

157. In reliance on the foregoing, Razorback transferred the sum of \$32,000,000.00 to RRA's trust account.

158. As it turns out, account number 4245221356 never contained the funds represented in the wire transfer statements or on the online screenshot of that account at TD Bank.

4. D3 Capital Club, LLC

159. The Principal Conspirator's frenzied demand for the required capital necessary to keep the Ponzi going coupled with the identification of an exuberant new funding source provided the conspirators a perfect opportunity to secure funding. Accordingly, the Principal Conspirator's concocted a new settlement "opportunity" premised upon the Jeffrey Epstein case referenced *supra*.

160. D3 was formed October 4, 2009, for purposes of investing in a \$30,000,000.00 RRA structured settlement, payable in six equal monthly installments of \$5,000,000.00, offered in exchange for \$18,000,000.00.

161. A D3 representative, who was also a representative of Razorback's management team, along with Douglas and David Von Allmen as investors, had knowledge of and relied upon the contacts and representations made by TD Bank in connection with the Razorback transaction.

162. On or about October 15, 2009, as part of its due diligence, D3 obtained a copy of a TD Bank "lock letter" signed by Spinosa stating the following:

Pursuant to your written instructions to us of October 14, 2009, please be advised that all funds contained in the above referenced account shall only be distributed upon your or Stuart Rosenfeldt's instruction and shall only be distributed to D3 Capital Club, LLC, 2833 NE 35th Court, Fort Lauderdale, FL, 33308, TD Bank NA, Account # 4245728568.

Your letter is understood not to convey ownership of the account or access to the account to any other party, but rather is meant to irrevocably restrict conveyances as follows: conveyances shall only