

BIDDER INSTRUCTIONS
Online Auction – Tax Lien Portfolio, Kentucky
Bidding Closes February 22 starting at 3:00 PM ET

1. The attached Bidder Registration Form must be completed and returned to Tiffeny Cook at tcook@tranzon.com or by fax to 949.727.9022 no later than 5:00 PM ET on February 21, 2017.
2. Proof of financial ability to close the purchase must also be provided, attached to this registration form.
3. A valid credit card number must be provided on the attached form. If you are unable to provide a valid credit card, then a wire transfer/cashier's check deposit in the amount of \$2,500.00 must be posted with the auction company.
4. Once the above items are received, login credentials will be provided to the bidder.
5. Cashier's check deposits can be sent to:
Tranzon Asset Strategies
c/o Tiffeny Cook
9891 Irvine Center Drive, Suite 200
Irvine, CA 92618
Phone: 949.727.9011

We recommend that packages be sent by an overnight service that guarantees delivery and provides tracking information.

Wire transfer deposits can be sent to:

Wells Fargo Bank, N.A.
2211 Michelson Drive, Ste.200
Irvine, CA 92612
Account #:7428106111
Beneficiary: WFS, Inc. dba Tranzon Asset Strategies
Routing #: 121000248 – for domestic wires
SWIFT #: WFBIUS6S – for foreign wires

Please be sure to include your wire transfer instructions to expedite the return of the bid deposit to unsuccessful bidders.

Following the auction, bid deposits will be returned to unsuccessful bidders within 24 hours.

If you have any questions with regard to the registration process, please contact Tiffeny Cook at 949.727.9037 (direct) or tcook@tranzon.com.



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Terms and Conditions

1. Tranzon Asset Advisors/Tranzon Asset Strategies ("Auctioneer") is conducting the Auction Sale of the estate's interest in the portfolio consisting of approximately 208 defaulted tax liens against properties in the state of Kentucky, a schedule of which is attached hereto as Exhibit "1" ("Portfolio"); from case # 5:15-cv-01792 in the United States District Court, Central District of California in the matter of Paul Mata, David Kayatta, Mario Pincheira, Secured Capital Investments, LLC, Logos Real Estate Holdings, LLC, Logos Wealth Advisors, Inc., and Lifetime Enterprises, LLC (*dba* Logos Lifetime University). By order of the United States District Court, Eastern Division Riverside, Robert Mosier has been appointed the Receiver for Paul Mata, David Kayatta, Mario Pincheira, Secured Capital Investments, LLC, Logos Real Estate Holdings, LLC, Logos Wealth Advisors, Inc., and Lifetime Enterprises, LLC (*dba* Logos Lifetime University) and their subsidiaries and affiliates. The auction sale is subject to confirmation of Robert P. Mosier, Receiver ("Seller"), who is selling solely in his capacity as Receiver and the high bidder only becomes the purchaser upon confirmation and acceptance by the Seller of that bidder's bid following conclusion of the auction.
2. Bids on the Portfolio will be accepted only from persons ("Qualified Bidders") who properly register with the Auctioneer prior to the Auction, post a deposit in certified funds in the amount of \$2,500.00, and provide proof of financial ability to close the purchase.
3. The suggested opening bid amount for the Portfolio is \$25,000.00 and the sale is subject to the Seller's confirmation at the conclusion of the sale.
4. Once a bid is received by the Auctioneer, advances on that bid must be made in increments at least as great as those which the Auctioneer, at his sole discretion, shall designate as being necessary to surpass the last bid acknowledged by the Auctioneer. Should there be any dispute among competitive bidders for the property, the Auctioneer may reopen bidding on the property or he may, at his sole discretion, designate one of the bidders as the "Successful Bidder". All decisions by the Auctioneer shall be final.
5. A buyer's premium of ten per cent (10%) shall be added to the Successful Bidder's high bid price and become part of the total purchase price to be paid by the Successful Bidder.
6. At the conclusion of bidding on the Portfolio, the Successful Bidder will be required to confirm its bid amount and tender its earnest money deposit as follows: the Successful Bidder will be required to tender a total deposit in an amount equal to ten percent (10%) of the total purchase price, in the form of a Cashier's Check or wire transfer, within 24 hours or such other time as may be specified by the Auctioneer following the close of the auction. All deposits shall be held by the Seller.
7. The Successful Bidder will be required to sign a Purchase Agreement and other documentation concerning the Portfolio immediately upon the completion of the Auction. These documents will set forth the "Purchaser", the "Seller", the "Broker" if applicable, and contain the precise terms and conditions of the sale. Copies of said documents shall be available through the Auctioneer's office.
8. The sale will not be contingent upon obtaining financing and will not be extended for that purpose. Purchasers who fail to close the transaction because they do not obtain financing or any other reason will be required to release their entire deposit to Seller as liquidated damages and not as a penalty.
9. At the conclusion of bidding on the Portfolio, the Seller is unconditionally authorized to decline to confirm the sale or to cancel the sale to the Successful Bidder.
10. All bidders are encouraged to personally inspect the documentation relating to the Portfolio. The Portfolio is being sold "as-is, where is" with no representations or warranties whatsoever. The sale is not contingent upon inspection and will not be extended for that purpose. Neither Seller, Broker nor Auctioneer makes any warranties or representations, either expressed or implied, concerning the Portfolio. Neither Seller, Broker nor Auctioneer shall be liable for any relief, including damages, rescission, reformation, allowance or adjustment based on the failure of the Portfolio to conform to any standard or expectation.
11. Title is to be conveyed by Assignment of the liens.
12. All sales must close within 10 days unless extended by the Seller, at its option, in writing. The Seller may, for a fee, grant an extension to the closing date. Requests for extensions must be made in writing at least five days prior to the scheduled closing date. All extension requests are evaluated by the Seller on a case-by-case basis and are solely at Seller's discretion. Purchasers who fail to close in a timely manner for any reason shall be required to release their deposit(s) to seller as liquidated damages and not as a penalty. Seller retains the

unilateral right to cancel escrow and retain the deposit in the event Purchaser fails to close as required by the terms of the Purchase Agreement.

13. The Purchaser will be required to pay all closing costs, including, but not limited to any, document preparation fees, transfer tax, recording fees, and closing fees.
14. The Auctioneer reserves the right to deny any person admittance to the Auction, to postpone or cancel the Auction, to withdraw the Portfolio from the Auction and to change any terms of the Auction or particular conditions of sale upon announcement prior to or during the course of the Auction.
15. Bidders must take care in entering bids, and each bidder will be responsible for all bids placed under the bidder's approved registration. Once entered and recorded online, a bid is deemed to be final on behalf of the registered bidder and may not be modified, retracted or rescinded in whole or in part.
16. Auctioneer has made reasonable efforts to provide for online bidding for this auction. Bidder recognizes and acknowledges, however, that technical problems with hardware, software, or internet connectivity, as well as human errors, may arise and may affect, without limitation, the Tranzon website, our online bidding program and process, bidder's internet service and access, and bidder's connection to this auction's bidding program and process. Bidder further acknowledges that these and other technical problems may develop at any time and with or without notice. Bidder acknowledges and agrees that neither Auctioneer nor the Seller is in any way responsible for any such technical problems, and that bidder has no absolute or other right to be able to bid on this auction in the event of any such technical problems. Notwithstanding the foregoing, bidder further acknowledges and agrees that, in the event of any such technical problems, Auctioneer reserves the right to postpone or cancel the auction and/or extend the bidding time for this auction and/or relist the property for auction at another time, in our sole discretion, and that our decision with regard to any such actions is and will be final.
17. The information contained in the information package is subject to inspection by all appropriate parties. No liability for its accuracy, errors, or omissions is assumed by the Auctioneer or its agents, the Brokers, Seller or its agents. Prospective bidders should independently verify any information being materially relied upon in making a purchasing decision.
18. Only the Purchase Agreement shall set forth Seller's obligations to the Successful Bidder.
19. The auction is being conducted pursuant to all local and state laws.
20. The sole and exclusive venue for any disputes involving Seller regarding or relating to any auction or sale made by auction shall be the United States District Court for the Central District of California (the "Court"). All Qualified Bidders irrevocably submit to the jurisdiction of the Court.