

JUN 08 2007

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

By: *James N. Hatten* Clerk
Deputy Clerk

REGIONS BANK, an Alabama banking
corporation, d/b/a REGIONS FUNDING

Plaintiff,

v.

GROVES FUNDING CORPORATION,
an Ohio corporation, GROVES FUNDING
GROUP, INC., an Ohio corporation, HOME
LOAN FUNDING CORPORATION, REAL
ESTATE BENEFIT PLAN, BEST TITLE
SOLUTIONS, INC., a Florida corporation,
CLASSIC TITLE AGENCY, INC., an Ohio
corporation, CLASSIC TITLE AGENCY,
LLC, an Ohio limited liability company,
PYRAMID II JANITORIAL SUPPLIES
AND EQUIPMENT, INC., a Florida
corporation, PYRAMID AMERICA, LLC,
an Ohio limited liability company, TOBY L.
GROVES, individually, KEVIN MOORE,
individually, JANICE SAUR, individually,
MONIQUE L. McDOWELL, individually,
CAREY COLE, individually, JENNIFER
TULLES, individually, JAMES CERGOL,
individually, STEVEN C. GITTINGER,
individually, TERRANCE C. MONNIE,
individually, ERIN GILES, individually,
JACKIE TUCKER, individually, HARVEY
ROLLINGS, individually, TIMOTHY
LYNCH, individually, SUSAN LYNCH,
individually, SAMUEL D. BURNETTE,
individually, STORMY WILDER,
individually, RICK L. GOLDIE, individually
and as trustee of the GOLDENROD TRUST,

Defendants.

CIVIL ACTION

FILE NO. **07-CV-1333**
JUDGE

JURY TRIAL DEMANDED

BBM

COMPLAINT

COMES NOW Regions Bank, an Alabama banking corporation, d/b/a Regions Funding (hereinafter "Regions"), Plaintiff in the above-styled action and herewith files this its Complaint against Groves Funding Corporation, an Ohio corporation (hereinafter "Groves Funding"), Groves Funding Group, Inc., an Ohio corporation (hereinafter "Groves Funding Group"), Home Loan Funding Corporation (hereinafter "HLFC"), Real Estate Benefit Plan (hereinafter "REBP") (Groves Funding, Groves Funding Group, HLFC and RFBP collectively hereinafter "Groves"), Best Title Solutions, Inc., a Florida corporation (hereinafter "Best Title"), Classic Title Agency, Inc., an Ohio Corporation (hereinafter "Classic Inc."), Classic Title Agency, LLC, an Ohio limited liability company (hereinafter "Classic LLC") (collectively Classic Inc. and Classic LLC hereinafter "Classic Title"), Pyramid II Janitorial Supplies and Equipment, Inc. (hereinafter "Pyramid II"), Pyramid America, LLC (hereinafter "Pyramid America"), Toby L. Groves (hereinafter "Toby Groves" or "Guarantor"), Kevin Moore (hereinafter "Moore"), Janice Sauer (hereinafter "Sauer"), Monique L. McDowell (hereinafter "McDowell"), Carey Cole (hereinafter "Cole"), Jennifer Tulles (hereinafter "Tulles"), James Cergol (hereinafter "Cergol"), Steven C. Gittinger (hereinafter "Gittinger"), Terrance R. Monnie (hereinafter "Monnie"), Erin Giles (hereinafter "Giles"), Jackie Tucker (hereinafter "Tucker"), Harvey Rollings (hereinafter

“Rollings”), Timothy Lynch (hereinafter “T. Lynch”), Susan Lynch (hereinafter “S. Lynch”), Samuel D. Burnette (hereinafter “Burnette”), Stormy Wilder (hereinafter “Wilder”), and Rick L. Goldie (hereinafter “Goldie”) individually and as Trustee of the Goldenrod Trust dated February 27, 2006 (“Trust”), respectfully showing and alleging as follows:

NATURE OF ACTION

1.

This is an action for monetary damages and for other relief against the named Defendants herein for their participation in a conspiracy to fraudulently obtain funds from Plaintiff through false requests for funding of mortgage loans. Toby Groves, a Guarantor pursuant to an Unconditional Guaranty of Payment and Performance, is the organizer of said conspiracy scheme and the central figure therein. To execute and conceal the fraudulent scheme, Toby Groves, principal of Groves Funding Group, Inc. and the related entities thereto, involved employees of Groves and settlement agents of Classic Title and Best Title in fraudulent mortgage loan transactions. Toby Groves and his co-conspirators knowingly and intentionally supplied false documentation, including, but not necessarily limited to, requests for funding, to Regions to obtain the funds from Regions under and pursuant to the terms and conditions of a revolving warehouse line of credit

facility, to originate mortgage loans. Regions, in reliance on the requests from Groves for the advance of funds under the revolving warehouse line of credit facility, advanced the funds directly to the defendant settlement agents, to be held and disbursed solely in connection with the origination of a previously designated mortgage loan. Instead of closing the loans and disbursing funds in accordance with the underlying loan applications and master bailment agreements, settlement agents, Classic Title and Best Title, both failed to close the loans as required by the written instructions of Regions and did subsequently take control of the funds delivered to them by Regions and upon information and belief did forward all such funds to either Toby Groves, Groves or to the other entities for the benefit of Toby Groves.

2.

This controversy concerns a) Groves' non-compliance with provisions of applicable Georgia law regarding breach of contract, conversion, fraud, negligent misrepresentations and actions constituting RICO; b) Guarantor's non-compliance with provisions of applicable Georgia law regarding breach of a guaranty agreement, conversion, fraud, negligent misrepresentations and actions constituting RICO; c) Best Title and Classic Title's conversion, fraud, negligent misrepresentations, breach of bailment, breach of fiduciary duty and actions

constituting RICO; d) Rollings and Wilder's fraud, negligent misrepresentations, conversion, money had and received and actions constituting RICO; e) T. Lynch, S. Lynch, Burnette, Pyramid II and Pyramid America, and Goldie's receipt of converted funds, fraud and actions constituting RICO; and, f) the employees of Groves, Classic Title and Best Title, including Moore, Sauer, McDowell, Cole, Tulles, Cergol, Gittinger, Monnie, Giles and Tucker's, participation in fraud, negligent misrepresentations, conversion and actions constituting RICO.

THE PARTIES

3.

Regions is an Alabama banking corporation with its office located at 1000 Parkwood Circle, Suite 200, Atlanta, Georgia 30339.

The Grove Entities

4.

Groves Funding Corporation is a corporation duly organized and existing under the laws of the State of Ohio. Its registered agent is Toby Groves, who can be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242. Groves Funding Corporation is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of

employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

5.

Groves Funding Corporation is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Groves Funding a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; d) has committed a tortious act or omission within the State of Georgia; and/or e) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Groves Funding Corporation is further subject to the jurisdiction and venue of this Court pursuant to Section 11.7 of that certain Conforming And ALT-A Master Mortgage Warehouse Security Agreement, dated May 2, 2005, as amended by that certain Amendment to Conforming and Alt-A Master Mortgage Warehouse Security Agreement to add Affiliate dated as of April 21, 2006, by and between Regions and Groves (collectively with the Master Promissory Note dated May 2, 2005 and all other

documents executed in connection therewith, as amended from time to time, hereinafter the "Warehouse Line of Credit"), a contract upon which this suit is in part based.

6.

Groves Funding Group, Inc. is a corporation duly organized and existing under the laws of the State of Ohio. Its registered agent is Toby Groves, who can be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242. Groves Funding Group, Inc. is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

7.

Groves Funding Group, Inc. is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Groves Funding Group a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of

Georgia; e) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Groves Funding Group, Inc. is further subject to the jurisdiction and venue of this Court pursuant to Section 11.7 of that certain Warehouse Line of Credit, a contract upon which this suit is in part based.

8.

Home Loan Funding Corporation is a registered trade name with the Secretary of State of Ohio for Groves Funding Corporation. Its registered agent is Toby Groves, who can be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242.

9.

HFLC is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that HFLC a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or

omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

10.

Real Estate Benefit Plan is a registered trade name for Groves Funding Corporation with the Secretary of State of Ohio. Its registered agent is Toby Groves, who can be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242.

11.

REBP is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that REBP a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

Settlement Agents

12.

Best Title Solutions, Inc. is a corporation duly organized and existing under the laws of the State of Florida. Its registered agent is Harvey Rollings, who can be served with process at 1633 SE 47th Terrace, Cape Coral, Florida 33904. Best Title is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

13.

Best Title is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Best Title a) transacts business within the State of Georgia; b) continuously and systematically solicits business, or engages in some persistent course of conduct, within the State of Georgia, and/or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Best Title is further subject to the jurisdiction and venue of this

Court pursuant to that certain Master Bailment Agreement dated September 1, 2006 by and between Regions and Best Title (hereinafter "Best MBA"), a contract upon which this suit is in part based.

14.

Classic Title Agency, Inc. is a corporation duly organized and existing under the laws of the State of Ohio. Its registered agent is Thomas S. Sperber, who can be served with process at 7265 Kenwood Road, #150, Cincinnati, Ohio 45236. Classic Inc. is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

15.

Classic Inc. is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Classic Inc. a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or

omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Classic Inc. is further subject to the jurisdiction and venue of this Court pursuant to that certain Master Bailment Agreement by and between Regions and Classic Title, dated June 4, 2002 (hereinafter "Classic MBA"), a contract upon which this suit is in part based.

16.

Classic Title Agency, LLC is a limited liability company organized and existing under the laws of the State of Ohio. Its registered agent is Steven C. Gittinger, who can be served with process at 7265 Kenwood Road, #150, Cincinnati, Ohio 45236. Classic LLC is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

17.

Classic Title Agency, LLC is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Classic Title Agency, LLC a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some

persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Classic LLC is further subject to the jurisdiction and venue of this Court pursuant to The Classic MBA a contract upon which this suit is in part based.

18.

Classic LLC has at all times material to this action ignored the separate existence of Classic Inc., using it as an alter-ego, agent and instrumentality.

Guarantor

19.

Toby L. Groves is a resident of the state of Ohio and may be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242 or 1474 Greystone Lane, Milford, Ohio 45150. At all times referenced herein, Toby Groves was an agent, servant and/or employee of Groves acting within the scope of his employment. As a result, Groves is liable for torts of Toby Groves as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

20.

Toby Groves is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that he, as Guarantor pursuant to that certain Unconditional Guaranty of Payment and Performance executed by Guarantor, dated May 2, 2005 (hereinafter "Guaranty"), a) transacts business within the State of Georgia; b) continuously and systematically solicits business, and/or engages in some persistent course of conduct, within the State of Georgia, or derives substantial revenue from the sale of goods consumed or services rendered within the State of Georgia; c) has committed a tortious act or omission within the State of Georgia; and/or d) has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. Toby Groves is further subject to the jurisdiction and venue of this Court pursuant to Paragraph 16 of the Guaranty upon which this suit is in part based.

Employees of Groves

21.

Kevin R. Moore is a resident of the state of Ohio and may be served with process at 559 Sycamore Road, Midland, Ohio 45148. At all times referenced

herein, Moore was an agent, servant and/or employee of Groves acting within the scope of his employment. As a result, Groves is liable for torts of Moore as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

22.

Moore is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Moore has committed a tortious act or omission within the State of Georgia and/or Moore has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

23.

Janice Saur is a resident of the state of Ohio and may be served with process at 702 Glencrest Lane, Miami Township, Ohio 45140. At all times referenced herein, Saur was an agent, servant and/or employee of Groves acting within the scope of her employment. As a result, Groves is liable for torts of Sauer as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

24.

Sauer is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Sauer has committed a tortious act or omission within the State of Georgia and/or Sauer has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

25.

Monique L. McDowell is a resident of the state of Ohio and may be served with process at 1670 Newbrook Drive, Cincinnati, Ohio 45231. At all times referenced herein, McDowell was an agent, servant and/or employee of Groves acting within the scope of her employment. As a result, Groves is liable for torts of McDowell as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

26.

McDowell is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that McDowell has committed a tortious act or omission within the State of Georgia and/or McDowell

has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

27.

Carey Cole is a resident of the state of Ohio and may be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242. At all times referenced herein, Cole was an agent, servant and/or employee of Groves acting within the scope of his employment. As a result, Groves is liable for torts of Cole as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

28.

Cole is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Cole has committed a tortious act or omission within the State of Georgia and/or Cole has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

29.

Jennifer Tulles is a resident of the state of Ohio and may be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242. At all

times referenced herein, Tulles was an agent, servant and/or employee of Groves acting within the scope of her employment. As a result, Groves is liable for torts of Tulles as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

30.

Tulles is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Tulles has committed a tortious act or omission within the State of Georgia and/or Tulles has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

31.

James Cergol is a resident of the state of Ohio and may be served with process at 10700 Montgomery Road, Suite 229, Cincinnati, Ohio 45242. At all times referenced herein, Cergol was an agent, servant and/or employee of Groves acting within the scope of his employment. As a result, Groves is liable for torts of Cergol as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

32.

Cergol is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Cergol has committed a tortious act or omission within the State of Georgia and/or Cergol has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

Settlement Agents of Classic Title

33.

Steven C. Gittinger is a resident of the state of Ohio and may be served with process at 7265 Kenwood Road, Suite 175, Cincinnati, Ohio 45236. At all times referenced herein, Gittinger was an agent, servant and/or employee of Classic Title acting within the scope of his employment. As a result, Classic Title is liable for torts of Gittinger as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

34.

Gittinger is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Gittinger has committed

a tortious act or omission within the State of Georgia and/or Gittinger has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

35.

Terrance R. Monnie is a resident of the state of Ohio and may be served with process at 7265 Kenwood Road, Suite 150, Cincinnati, Ohio 45236. At all times referenced herein, Monnie was an agent, servant and/or employee of Classic Title acting within the scope of his employment. As a result, Classic Title is liable for torts of Monnie as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

36.

Monnie is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Monnie has committed a tortious act or omission within the State of Georgia and/or Monnie has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

37.

Erin Giles is a resident of the state of Ohio and may be served with process at 7265 Kenwood Road, Suite 150, Cincinnati, Ohio 45236. At all times referenced herein, Giles was an agent, servant and/or employee of Classic Title acting within the scope of her employment. As a result, Classic Title is liable for torts of Giles as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

38.

Giles is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Giles has committed a tortious act or omission within the State of Georgia and/or Giles has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

39.

Jackie Tucker is a resident of the state of Ohio and may be served with process at 7265 Kenwood Road, Suite 150, Cincinnati, Ohio 45236. At all times referenced herein, Tucker was an agent, servant and/or employee of Classic Title acting within the scope of her employment. As a result, Classic Title is liable for

torts of Tucker as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

40.

Tucker is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Tucker has committed a tortious act or omission within the State of Georgia and/or Tucker has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

Settlement Agents of Best Title

41.

Harvey Rollings is a resident of the state of Florida and may be served with process at 1633 SE 47th Terrace, Cape Coral, Florida 33904. At all times referenced herein, Rollings was an agent, servant and/or employee of Best Title acting within the scope of his employment. As a result, Best Title is liable for torts of Rollings as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

42.

Rollings is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Rollings has committed a tortious act or omission within the State of Georgia and/or Rollings has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

43.

Stormy Wilder is a resident of the state of Florida and may be served with process at 4705 Vincennes Boulevard, Cape Coral, Florida 33904. At all times referenced herein, Wilder was an agent, servant and/or employee of Best Title acting within the scope of his employment. As a result, Best Title is liable for torts of Wilder as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

44.

Wilder is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Wilder has committed a tortious act or omission within the State of Georgia and/or Wilder has committed a

tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

Pyramid Entities

45.

Pyramid II Janitorial Supplies and Equipment, INC. is a corporation organized and existing under the laws of the State of Florida. Its registered agent is Robert C. Adamski, who can be served with process at 1314 Cape Coral Parkway, Suite Four, Cape Coral, Florida 33904. Pyramid II is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

46.

Pyramid II is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Pyramid II has committed a tortious act or omission within the State of Georgia and/or Pyramid II has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

47.

Pyramid America, LLC is a limited liability company organized and existing under the laws of the State of Florida. Its registered agent is Samuel D. Burnett, who can be served with process at 12180 Metro Parkway, Fort Myers, Florida 33912. Pyramid America is liable for torts committed by its agents, servants and/or employees that are committed in the course and scope of employment pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

48.

Pyramid America is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Pyramid America has committed a tortious act or omission within the State of Georgia and/or Pyramid America has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

49.

Samuel D. Burnette is a resident of the state of Florida and may be served with process at 12180 Metro Parkway, Fort Myers, Florida 33912. At all times referenced herein, Burnette was an agent, servant and/or employee of Pyramid II

and/or Pyramid America acting within the scope of his employment. As a result, Pyramid II and/or Pyramid America are liable for torts of Burnette as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

50.

Burnette is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Burnette has committed a tortious act or omission within the State of Georgia and/or Burnette has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

51.

Timothy Lynch is a resident of the state of Florida and may be served with process at 2029 S.E. 44th Street, Cape Coral, Florida 33904. At all times referenced herein, T. Lynch was an agent, servant and/or employee of Pyramid II and/or Pyramid America acting within the scope of his employment. As a result, Pyramid II and/or Pyramid America are liable for torts of T. Lynch as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

52.

Timothy Lynch is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Timothy Lynch has committed a tortious act or omission within the State of Georgia and/or Timothy Lynch has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

53.

Susan Lynch is a resident of the state of Florida and may be served with process at 2029 S.E. 44th Street, Cape Coral, Florida 33904. At all times referenced herein, S. Lynch was an agent, servant and/or employee of Pyramid II and/or Pyramid America acting within the scope of her employment. As a result, Pyramid II and/or Pyramid America are liable for torts of S. Lynch as alleged herein pursuant to the doctrine of respondeat superior, ostensible agency and/or other general agency principles.

54.

Susan Lynch is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Susan Lynch has

committed a tortious act or omission within the State of Georgia and/or Susan Lynch has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia.

Other Involved Parties

55.

Rick L. Goldie, individually and as the Trustee of the Trust, is a resident of the state of Ohio and may be served with process at 156 Dudley Road, Blanchester, Ohio 45107.

56.

Goldie, individually and as the Trustee of the Goldenrod Trust dated February 27, 2006 is subject to the jurisdiction and venue of this Court pursuant to the Georgia Long Arm Statute, O.C.G.A. § 9-10-91 and the Due Process Clause of Amendment XIV of the United States Constitution, in that Goldie has committed a tortious act or omission within the State of Georgia and/or Goldie has committed a tortious act or omission outside of the State of Georgia causing injury to the Plaintiff within the State of Georgia. The Goldenrod Trust is liable to Regions by virtue of the actions of Goldie as Trustee as alleged herein.

JURISDICTION AND VENUE

57.

This Court has subject matter jurisdiction of this action pursuant to 28 U.S.C. § 1332 in that there is a complete diversity of citizenship between the parties and the matter in controversy exceeds, exclusive of costs and interest, the sum of \$75,000.00.

58.

Venue is proper in the Northern District of Georgia pursuant to 28 U.S.C. § 1391(a)(2) in that a substantial part of the events giving rise to the claim occurred in this judicial district pursuant to Section 11.7 of the Warehouse Line of Credit, executed by Regions and Groves, and pursuant to the Classic MBA and Best MBA, three contracts upon which this suit is in part based.

STATEMENT OF FACTS

Warehouse Line of Credit Transactions

59.

On May 2, 2005, Regions and Groves entered into the Warehouse Line of Credit whereby Groves, from time to time, would request the funding of advances (hereinafter "Advances") for certain mortgage loans (collectively "Loans," individually "Loan") Groves was originating. Such Advances would be borrowed

and repaid by Groves to Regions on a revolving line of credit basis. The mortgage loans originated by Groves would be evidenced by promissory notes and secured by security instruments conveying interests in real estate (collectively, "Mortgages", individually, "Mortgage"). True and accurate copies of said Conforming and ALT-A Master Mortgage Warehouse Security Agreement and Master Promissory Note are attached hereto and incorporated herein as Exhibit "A."

60.

On April 21, 2006, Regions and Groves entered an "Amendment To Conforming and ALT-A Master Mortgage Warehouse Security Agreement To Add Affiliate Borrower" (hereinafter "Amended Security Agreement") and an "Amendment to Master Promissory Note To Add Affiliate Borrower" (hereinafter "Amended Note") to add Groves Funding Group as a borrower under the Warehouse Line of Credit and Note. A true and accurate copy of said Amended Security Agreement is attached hereto and incorporated herein as Exhibit "B." A true and accurate copy of the Amended Note is attached hereto and incorporated herein as Exhibit "C."