Case: 4:12-cv-00080-CEJ Doc. #: 397-8 Filed: 06/19/15 Page: 1 of 40 Page D #: 10403

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,)		
Plaintiff,)		
v.) Case No. 4:12-cv-00080-CEJ		
BURTON DOUGLAS MORRISS, et al.,)		
Defendants.)		
AFFIDAVIT OF WILLIAM IN SUPPORT OF CLAIM			

BLINK MARKETING GROUP, LLC

WILLIAM LAWLOR, being duly sworn, deposes and says:

- 1. I am over the age of 18 years and understand and appreciate the nature of an oath.
- 2. The statements I make herein are based on personal knowledge unless otherwise noted.
- 3. I am the sole Member and Manager of Claimant Blink Marketing Group, LLC ("Blink" or "Claimant") and have been since the company was formed. I have full knowledge of Blink's customer interactions and operations because I oversaw them personally during all times relevant to this matter.
- 4. I know the Defendant in this action, Doug Morriss. I have met with him and communicated with him on many occasions in connection with Blink's services rendered to Acartha Group and its affiliated companies, Acartha Capital among them.
- 5. On or about April 23, 2013, I filed a claim with the receiver appointed by the Court in this action (the "Receiver") on behalf of Blink. That claim, after some delivery/receipt mix-ups, was accepted on or about October 15, 2014 and was assigned as Claim No. 227.
- 6. Despite the significant amount of materials Blink initially supplied to support its claim,

the receiver has made two additional requests for more information and documentation.

Through Blink's counsel, it supplied more information and documents on or about December 3, 2014 in response to the Receiver's Deficiency Letter dated October 15, 2014. 7. Accompanying this affidavit is Blink's further production of documents and information, delivered in response to the Receiver's December 29, 2014 request. This affidavit is made and delivered to explain why certain information and documents which the Receiver seeks either does not exist or cannot be supplied. I refer the reader of this affidavit to that certain letter of Lawrence W. Andrea, Esq., Blink's counsel, dated December 3, 2014 (a copy of which is attached hereto as Exhibit 1). Mr. Andrea's letter correctly explained a great deal of the perceived shortcomings in Blink's initial claim package. I will be repeating and elaborating on some of those explanations in this affidavit. The next few paragraphs will address the Receiver's December 29 letter. At the outset, I will say that I am offended that Blink has had to go to such lengths – including being asked to supply receipts for materials used in presentations! -- to collect money that it is owed. This process has left the impression that Blink is a defendant rather than a harmed party. Blink provided simple and honest services and it has had to expend a lot of time and money to prove it. It is dismaying that this process has become so burdensome and litigious.

8. Regarding the Marketing Materials Work, there was no formal written contract drawn up or executed for the work. Mr. Morriss and I spoke often by telephone and in person. I would sometimes go to New York City to meet with him. Over drinks, we would discuss what Blink could do for Acartha from a marketing standpoint. The discussions were informal and our agreements were very often oral. To the best of my recollection, it was by telephone that he asked me about the cost of producing the marketing materials. Creating marketing material

such as those Blink produced are time-sensitive projects. There frequently is not time to draw up contracts for this type of work. I quoted him a price, told him what Blink would do for that price, and, with his approval, Blink went ahead and created the materials. The invoices Blink has provided to the receiver are true and accurate representations of the work and their cost. The invoices (and the work product) were sent to Acartha and Blink never received any protest from anyone at Acartha about the quality or nature of the work or the amount of the invoices.

- 9. Following on from that, I note that the receiver seeks "contemporaneous documentation evidencing the services performed in creating the presentation materials." I have two responses to this: first, because Blink has changed computer systems, I cannot retrieve (or at least to date have been unable to retrieve) any email communications between Mr. Morriss and me for the pertinent timeframes. Second, the documents Blink provided the receiver contain metadata that show when each was created a time stamp, so to speak so that the Receiver can satisfy herself that the documents were not simply concocted by Blink for the purposes of scamming the claims process.
- 10. I cannot locate all receipts for materials Blink purchased in order to create the marketing materials. I do say under oath that the invoice Blink supplied to Acartha was true and correct when it was sent and was never questioned by Acartha. Blink's claim for its marketing material work in this claims process is true and accurate and deserving of compensation. I have invoices from one vendor that supplied some materials for the Acartha marketing work. They are attached as Exhibit 2.
- 11. Regarding the Website Redesign work, I note that Blink supplied the contract which the Receiver requests (again) with its initial claim. Producing it again is a waste of time. Blink

performed some initial work per the contract and the invoice it issued for 50% of the contract amount was authorized by section 5 of the contract. That money became due and owing to Blink as soon as the contract was accepted and Blink began preliminary work. Blink respectfully suggests that the Receiver has no right to alter the contract terms after the fact. Even so, I have been able to locate some evidence of that work. Some of the files are attached hereto as Exhibit 3; among them, a file entitled "Acartha Site Needs" and another file of various interface wire frames. This confirms that Blink is entitled to the payment it seeks.

12. Finally, regarding the "Under Construction" page – for which Blink seeks a mere \$400.00, a price agreed to by Mr. Morriss, I can tell the Receiver that to the best of my recollection there was no written contract for the work. Mr. Morriss and I discussed it as part of one of our many telephone conversations. It was a minor job, one that neither of us thought deserved the trouble of a contract. As of the date of this affidavit, I have been unable to locate the electronic file for the "Under Construction" Web page, again due to the fact that Blink has changed computer systems since the work was done. In the event I find it, I will supply it. I reiterate, however, that the invoice Blink sent to Acartha was true, correct and justified.

William Lawlor
Managing Member

Blink Marketing Group, LLC

Celina Romero

Sworn to before me this 22 day of January 2015.

Commissioner of the Superior Court

Notary Public

My Commission expires: 01/31/2020

EXHIBIT 1

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LAWRENCE W. ANDREA

ATTORNEY AT LAW

127 KENT HOLLOW ROAD
KENT, CONNECTICUT 06757

TELEPHONE (860) 927-3372 TELECOPIER (860) 927-3375 www.LawrenceWAndrea.com

E-MAIL: counsel@LawrenceWAndrea.com

ADMITTED IN CT AND NY



December 3, 2014

VIA EMAIL

Thompson Coburn LLP 1909 K Street, Ste 600 Washington, D.C. 20006 (acartha.receivership@thompsoncoburn.com)

Attn: Jayna Marie Rust (JRust@thompsoncoburn.com)

Re: Acartha Group, LLC Claims Process, Claim No. 227

Blink Marketing Group, LLC ("Blink"), Norwalk, CT

Dear Ms. Rust:

I write further to your letter of October 15, 2014 (the "Deficiency Letter"), a copy of which is attached for your reference and to which reference is made herein. I am sending this letter and its attachments also to acartha.receivership@thompsoncoburn.com as instructed in the Deficiency Letter. For good orders sake, I will list each category and supply Blink's response to each in **bold** underneath. Accompanying this letter are documents and information responsive to each of the categories set out in the Deficiency Letter. There are nine (9) files that accompany this letter; many of them will be sent in subsequent email messages because of their size and the constraints on emailing them all at once.

(i) copies of all agreements with Receivership Entities for all services/goods claimed to be provided to the Receivership Entities;

Response: The Arcartha Group 2011 Website Redesign Agreement as signed by Douglas Morriss on behalf of Acartha Group, LLC on August 29, 2011was included in Blink's claim dated April 23, 2013 and re-delivered on September 29, 2014.

(ii) a chronological accounting of all money or other property received by you from any Receivership Entity;

Response: None; Blink's claim stems from Web site design and construction services rendered to Acartha Group, LLC, and Blink received no payment for its work

(iii) documentation evidencing the source of the money or other property received by you from any Receivership Entity;

Response: None; Blink received no payment for its work

(iv) time records or other contemporaneous documentation evidencing the work you performed;

Response: Due to the passage of time, Blink does not have its time records readily available. They are in storage and if the Receiver in fact desires to see them, Blink can make arrangements to get them. Instead, attached are nine (9) files evidencing the work Blink performed.

(v) receipts or other contemporaneous documentation evidencing your purchase of the goods later sold to the Receivership Entities; and

<u>Response</u>: Receipts are in storage; attached are nine (9) files evidencing the work Blink performed.

(vi) copies (or examples, if copies would be voluminous) of work produced for any of the Receivership Entities.

Response: See the attached nine (9) files evidencing the work.

Please do not hesitate to contact me should you have any questions or continue to require additional information. Blink thanks you for your prompt and courteous attention to this matter.

Huw Arlen Lawrence W. Andrea

Attachments

cc: William Lawlor

Kevin M. Lynch

EXHIBIT 2

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The Total Printing Center

203-852-0070

Invoice

89 Taylor Ave. South Norwalk, CT 06854-2412

Date	Invoice #
5/25/2011	6818

Bill To	209/207
Blink Marketing 18 South Main Street 3rd Floor Norwalk, CT 06854	Oak

Ship To	

O. Number	Terms	Rep	Ship	Via	F.O	.B.	Project
	Net 30	RG	5/25/2011				
Quantity	Item Code		Descripti	on		Price Each	Amount
	Copy's	Embossed Debo Size 9.5x13.75 CT Sales Tax	ossed Acartha Group Blue supplied	Presentation Cov	ers Finish	2.60	975.00 58.50
Ph	none #		E-m	. 4 ii	7	Total	\$1,033.5

printingcenter@snet.net

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The Total **Printing Center** **Invoice**

A Division of Printers of Connecticut Inc. 89 Taylor Avenue Norwalk, CT 06854-2038 Tel: 203-852-0070

Date	Invoice #
6/13/2011	6834

printing center (disnet net	## Jb # n1	7
Bill To	2091201	Ship To
Blink Marketing 18 South Main Street 3rd Floor Norwalk, CT 06854	OX	Acartha Gro

	P.O. Number	Terms R	ep Via
Item Code	Description	Price Each	Amount
Copy's	6-8-11 Meeting Presentation Books Blue Covers Silver Spines 15 9.25x13.5 4 8.5x11 Delivery Rush To NYC ASAP	43.5781	3 1,394.50T

Quantity	Item Code	Description	Price Each	Amount
	Item Code Copy's	Description 6-8-11 Meeting Presentation Books Blue Covers Silver Spines 15 9.25x13.5 4 8.5x11 Delivery Rush To NYC ASAP CT Sales Tax	Price Each 43.57813 6.00%	Amount 1,394.50° 83.67
ank you for you	r business.		Total	\$1,478.17

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The Total Printing Center

Invoice

Date	Invoice #
6/15/2011	6836

Bill To 02109120'	10
Blink Marketing	
18 South Main Street	
3rd Floor	
Norwalk, CT 06854	

Ship To			
Acartha Grou	ıp		

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

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The 7otal Printing Center

Invoice

Date	Invoice #
6/16/2011	6845

Bill To	02/09/2017
Blink Marketing 18 South Main Street 3rd Floor Norwalk, CT 06854	· ·

Ship To			

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

Quantity	Item Code	Description	Price Each	Amount
	Item Code Copy's	ATP2 and Presentation Booklets Blue Covers with Labels Silver Spines CT Sales Tax	25.1875 6.00%	Amount 503.757 30.23
			Total	\$533.9

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The 7otal Printing Center

Invoice

Date	Invoice #
6/28/2011	6863

patiting critical distriction	** n01*
Bill To	021091207
Blink Marketing	
18 South Main Street	
3rd Floor	
Norwalk, CT 06854	

Ship T	Го	

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

Quantity	Item Code	Description	Price Each	Amount
	Copy's	Acartha Group Books 1 set to Bates and 10 Recaps to Morris CT Sales Tax	26.45385 6.00%	343.90° 20.63
			Total	\$364.53

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The 7otal Printing Center

Invoice

Date	Invoice #
7/7/2011	6880

Bill To	02/09/207
Blink Marketing	
18 South Main Street	
3rd Floor	
Norwalk, CT 06854	

Ship To	

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

Quantity	Item Code	Description	Price Each	Amount
	Item Code Copy's	Acartha Deck 3 of each ver courier to NYC ASAP Sales Tax new rate 6.35%	Price Each 138.06667 6.35%	Amount 414.20' 26.30
			Total	\$440.50

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The 7otal Printing Center

Invoice

Date	Invoice #
7/19/2011	6897

	事 207 207 2
Bill To	02 09 207
Blink Marketing	
18 South Main Street	
3rd Floor	
Norwalk, CT 06854	

Ship To			

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

Quantity	Item Code	Description	Price Each	Amount
Quantity 190	Item Code Copy's	Description 2 Sets of Embossed and Debossed Acartha Fronts and Backs Sales Tax new rate 6.35%	2.72632 6.35%	Amount 518.00 32.89
			Total	\$550.89

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The 7otal Printing Center

Invoice

A Division of Printers of Connecticut Inc. 89 Taylor Avenue Norwalk, CT 06854-2038 Tel: 203-852-0070 printingcenter@snet.net

Date	Invoice #	
7/20/2011	6899	

printingcentering	## mo1*
Bill To	021091201
Blink Marketing	0
18 South Main Street	
3rd Floor	
Norwalk, CT 06854	

Ship To	

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

Total

\$913.55

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The 7otal Printing Center

Invoice

Date	Invoice #
8/1/2011	6921

	## 100°
Bill To	02/09/201
Blink Marketing 18 South Main Street	9.
3rd Floor Norwalk, CT 06854	

Ship To		

P.O. Number	Terms	Rep	Via
	Net 30	RG	Federal Express

for Acartha Books for Stock	Quantity	Item Code	Description	Price Each	Amount
	Quantity 1		for Acartha Books for Stock		Amount 521,00° 33.08

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EXHIBIT 3

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2011 Website Redesign Acartha Group

08.14.2011

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Acartha Group 2011 Corporate Website Scope of Work

1.0

Project Scope

Acartha Group has requested a scope of work, deliverables and related costs for the strategic development, design and execution of its new corporate website.

The project scope consists of the following components:

- 2.1 Corporate Website
- 2.2 Mobile-Aware Functionality

Timeline: 8 - 12 Weeks in total.

Blink will provide Acartha Group with a detailed project timeline upon project engagement.

Acartha Group 2011 Corporate Website Scope of Work

2.1

Corporate Website

The Acartha Group online environment must interactively share information, integrate with new and existing technology systems, and align with overall corporate messaging and business strategy. From a creative perspective, the corporate website must evoke emotion and magnify the Acartha Group brand identity.

Blink uses leading web tools and languages, including: HTML 5, HTML, XML, Java, JSP, Cold Fusion, ASP, PHP, DB2, Oracle, MySQL, SQL Server, streaming media, and Flash.

The following is Blink's typical process for web development, structured to ensure that all design and development meet client expectations (some stages may not apply to this project).

EXECUTIVE BRIEFINGS

COMPETITIVE AND INDUSTRY REVIEW

MESSAGE DEVELOPMENT

 $\stackrel{>}{\sim}$

WIREFRAME / NAPKIN CREATION

GRAPHIC DESIGN

CONTENT GATHERING

CODING AND PROGRAMMING

APPLICATION INTEGRATION

CONTENT MANAGEMENT STRATEGY

SERVER CONFIGURATION

CONTENT LOADING

TESTING

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Acartha Group 2011 Corporate Website Scope of Work

Blink will engage with multiple Acartha Group executives at various levels to create and deliver a website that meets the project's requirements and objectives. Acartha Group's website will require strategy, architecture development, copy development, graphic design, and technical services surrounding site coding, and content loading, testing and privacy considerations.

The site will be based on the sitemap found in Appendix A (A.1)

Deliverables:

- → Briefings and communication strategy
- → Architecture and navigation development
- → Wireframe creation
- → Graphic design and preparation
- → 2 rounds of concept modifications
- → Coding based on site requirements
- → Content Management System integration
- → SEO Configuration
- → Site entrance programming
- → First draft copy to be provided by client
- → Copy editing and proofing
- → Content loading
- → Testing and refinement
- → Site launch
- → Project Management
- → CMS license as well as Hosting and maintenance recommendations will be provided (hosting services are available if necessary)
- → An additional SOW and costs will be provided for photography selection and usage based on recommendations, client selection and approval

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Acartha Group 2011 Corporate Website Scope of Work

2.2

Mobile-Aware Functionality

The delivery of Acartha Group's website based on device platform will present Acartha as a forward-thinking firm that utilizes the most current technologies to deliver a clean, clear and precise message.

The goal of mobile-aware development is the creation of a responsively designed website. Responsive web design means creating an adaptive design that's aware of the context it's viewed in and optimizes its display accordingly. Using a common set of content, and coderesponsive design provides the following benefits. (This is a short list, but the benefits are significant.)

- ightarrow When content needs to be updated, it's updated one time, in one location, and that change is reflected on every device and screen size
- → Web page designs adapt dynamically to any screen size to present a layout that is appropriate to the device, be it a phone, a tablet, or a large monitor, a TV, etc. Consideration for those different devices is built into the design from the start
- → URL structure (and therefore links, which might be shared, or crawled by search engines) work universally across all devices and screen sizes
- → We don't need to revise or create a new website to adapt to each new device or screen resolution that comes out, one website will serve them all now, and in the future
- → It also takes into account a few things like providing, phone links for phone numbers, and it responds to orientation changes on devices

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Acartha Group 2011 Corporate Website Scope of Work

4.0

Project Component Costs

This proposal contains estimated costs based on a fixed bid in accordance with existing project scope.

Design, Development and Execution

→ Corporate Website

→ Mobile-Aware Functionality

\$ 55,000.00 \$ 20,000.00

^{*}Estimated costs do not include costs associated with the research, collection or acquisition of photography, image license fees, printing, and/or paper, web hosting, licensing of third-party applications, or commerce components, such as secure certificates, payment gateways, or merchant accounts. Estimated costs do not include costs associated with trademark or copyright research and applications, postage or overnight delivery fees or international calls. Which if required, the client agrees to pay as an additional fee. All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client.

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Acartha Group 2011 Corporate Website Scope of Work

5.0

Approval

Budgetary Approvals:

All project costs are based on fixed cost basis determined by current needs described by the Acartha Group team. If the project extends past the project scope or the agency estimated project hours, due to specific requests made by the client during the development process, the agency will notify Acartha Group and provide the client with an adjusted scope of work including details pertaining to additional project hours and costs for which the client understands and agrees to pay additional related fees.

A deposit of 50% of the project costs will be required to initiate the project. Upon creative review and approval, Blink will deliver an invoice for a second payment of 25% for each project component. The balance of the project cost (25%) and any associated additional costs will be due upon delivery of each project component.

Pricing reflects agency fees and does not include costs associated with the collection, or acquisition, of photography, image license fees, printing, and/or paper, web hosting, licensing of third-party applications, or commerce components, such as secure certificates, payment gateways, or merchant accounts. Estimated costs do not include costs associated with trademark or copyright research and applications, postage or overnight delivery fees or international calls, which if required, the client agrees to pay as an additional fee.

All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client.

EXECUTED AND AGREED TO BY THE PARTIES HERETO:

Blink	Acartha Group
Bill Lawlor 2000 Post Road, Suite 205	Doug Morriss, Chairman & CEO
Fairfield CT 06824	Signature
	Date:

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Acartha Group 2011 Corporate Website Scope of Work

A.3

Agency Overview

Blink, a sales & marketing communications agency, combines strategic planning, award winning design, brand strategies and leading technologies to deliver complete sales and marketing communication solutions for our clients. Headquartered in Fairfield CT, the agency focuses on three primary areas; executive communications, brand and marketing communications, and the integration of marketing programs within our client's sales processes geared towards increasing top-line revenue growth and driving efficiencies throughout the sales cycle.

Blink performs these services for companies such as LogicSource, Acartha Group, Y&R, LG, RelaDyne, TransPerfect, Touch Commerce, Domus, Winderemere Island, VGS Creative, LifeCare, Iconoculture, DSA Encore, Kidd & Company, Wolf Means Business, Vumber, Coastal Construction Group, SCI Worldwide, Story (formally Byte Interactive), RK Marketing and Cava Capital.

Contact information:

Blink 20 Marshall Street Suite 105 South Norwalk, CT 06854 203.856.8353 www.blinkmkg.com

Bill Lawlor, CEO blawlor@blinkmkg.com

Blink Team:

Bill Lawlor: Account Director Sean Bates: Chief Creative Lead

Attila Kelemen: Chief Strategist, Account Director

Carson McComas: Technical Director, Technical Programming, SEO/SEM

Cynthia Miller: Graphic Designer

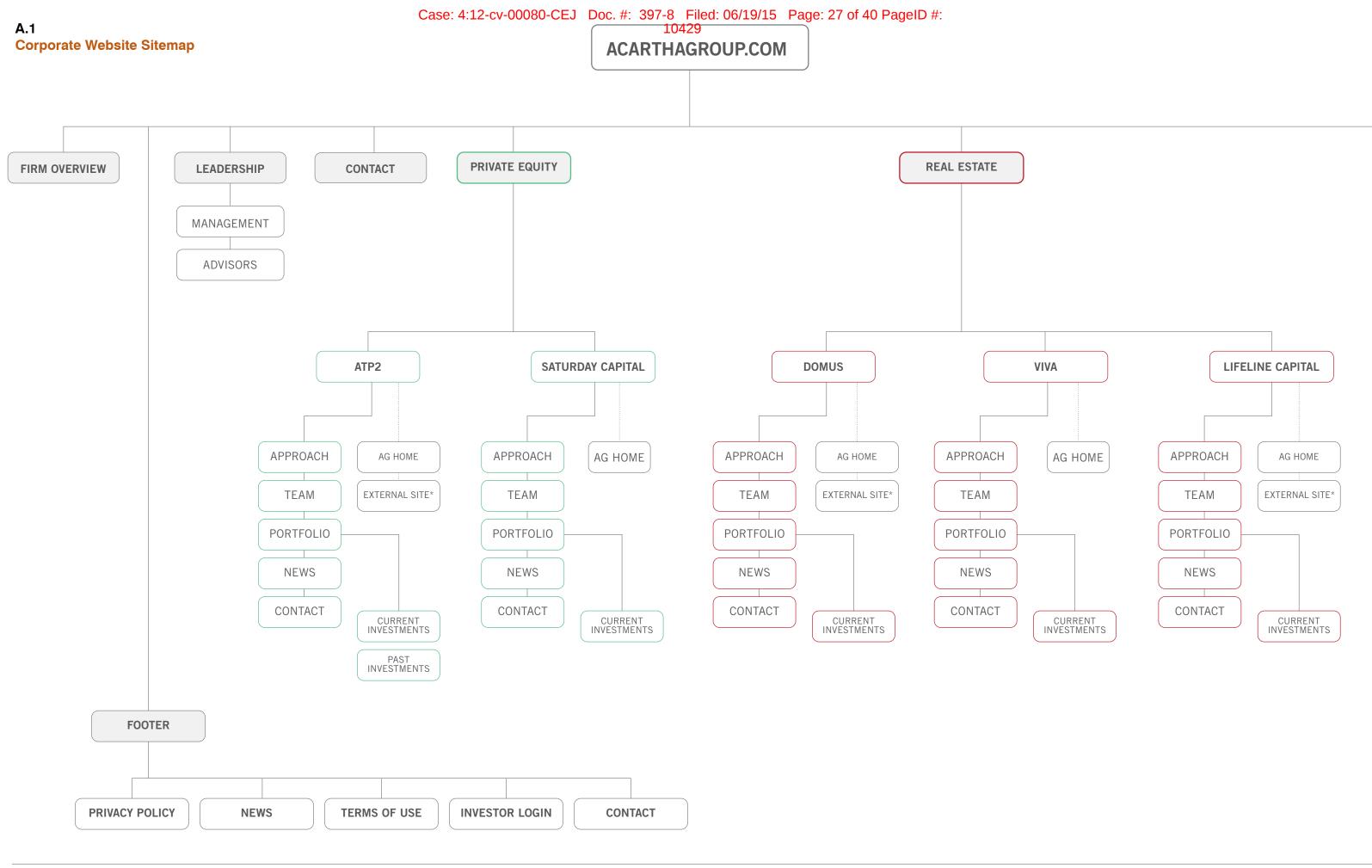
Lisa Schneider: Director, SEO/SEM and Social Media Strategies

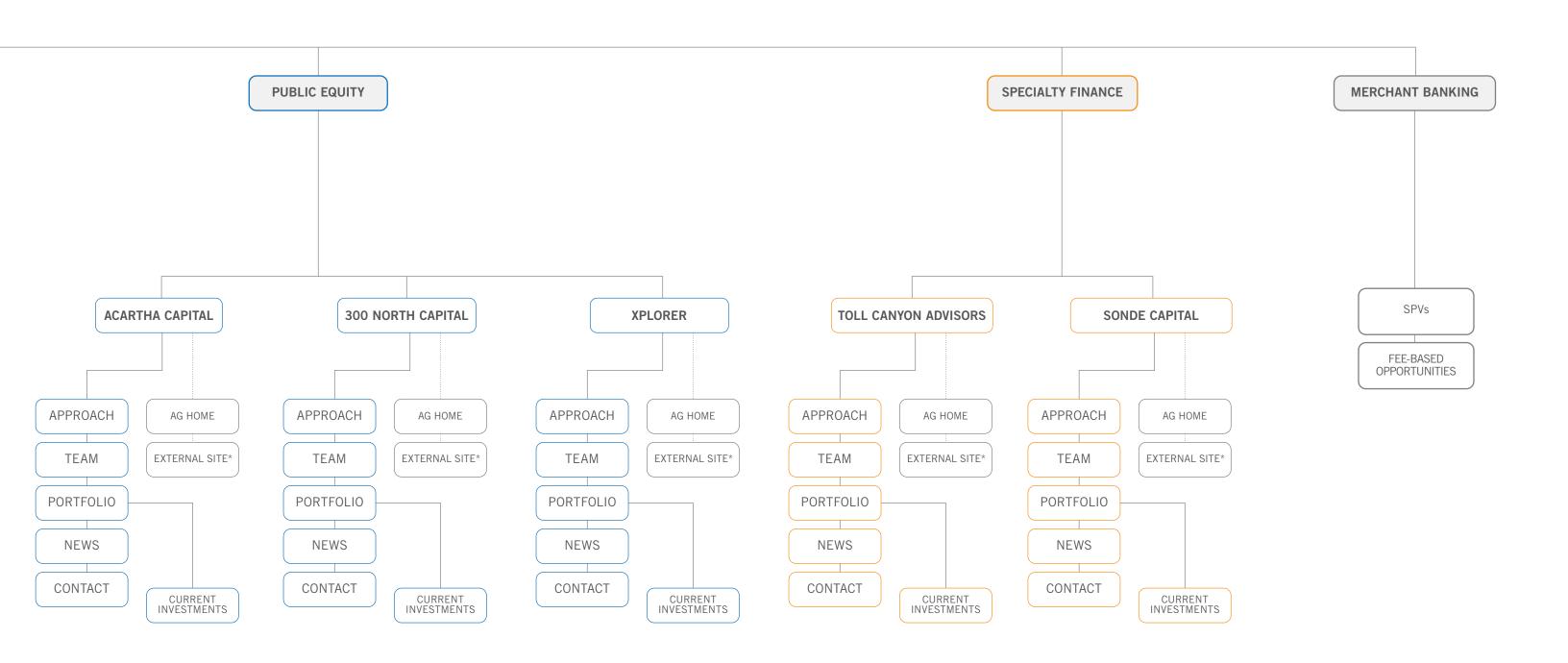
Steve Morenberg: Creative Director, Copy

Chris Jones: Animation Designer

Yrving Torrealba: Creative Director, Flash, Animation & Emerging online technologies

Dane Hansen: Creative Director, Flash & Emerging online technologies





^{*} Connectivity to external site if a site is available.

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Site Needs Overview

Acartha Group



What We Currently Have

- 1. Privacy Policy
- 2. Terms of Use
- 3. News
 - Archive 2007–2009?
 - Break up archived content at the group level?
- 4. Leadership, with Bios
 - Management for Acartha
 - Advisory for Acartha
 - Fund Managers for all



Content Needs By Category

ACARTHA GROUP

Firm Overview
Approach
Methodology

Overview for Private Equity, Real Estate, Public Equity, and Specialty Finance

ATP2

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

SATURDAY CAPITAL

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News

DOMUS

Contact

Contact

Overview
Fund Vitals
Approach
Executive Team
News

VIVA

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

LIFELINE CAPITAL

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

ACARTHA CAPITAL

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

300 NORTH CAPITAL

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

XPLORER

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

TOLL CANYON ADVISORS

Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

SONDE CAPITAL

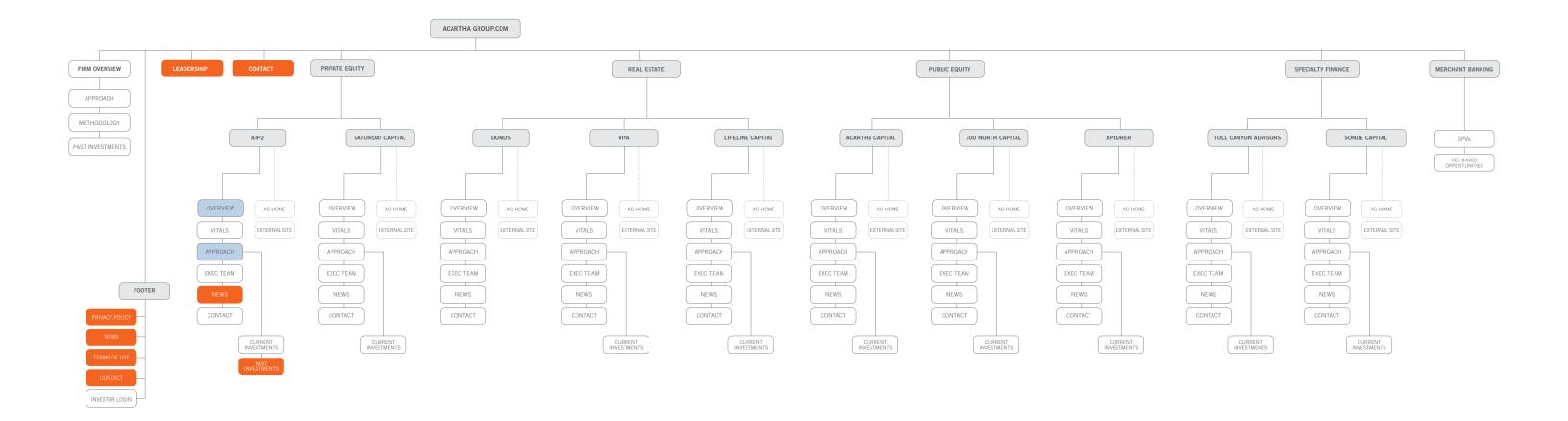
Overview
Fund Vitals
Approach
Executive Team
Portfolio
News
Contact

MERCHANT BANKING

Overview of SPVs
Overview of Fee-Based Opportunities



Planned Sitemap







Initial Questions

FOR DISCUSSION WITH DOUG MORRISS

- 1. Schedule photography session in St. Louis—should we plan on including all portfolio managers as well?
 - Is there a meeting that we may be able to tag onto?
- 2. Include email contact info and LinkedIn links in team bios?
- 3. Do all funds have a current portfolio?
- 4. How to handle past investments:
 - Should they be at Acartha Group level? (as a "Past Portfolio" section under Acartha Group "About Us"), or
 - Should they be categorized under ATP2 as "Past Portfolio"?
- 5. Are there any great case studies / success stories that we can include?



What We Need

FROM FUND MANAGERS FUND MANAGERS WILL RECEIVE A LINK TO AN ONLINE FORM TO FACILITATE SUBMISSION OF INFO TO BLINK FOR DISCUSSION / MORE INFO 1. Fund Overview a. Executive Summary What type of statistical info 2. Fund Vitals • should we include here? a. Area(s) of focus b. Typical investments c. Fund size d. Fund term 3. Approach / Methodology a. Review and analysis process b. Investment criteria c. Investment approach Include email contact info 4. Executive Team • for executive team? a. Bios / Photos b. Email, LinkedIn, URL? What if fund does not yet 5. Portfolio . have current investments? a. Logo **b.** Company Summary c. Link to external site, if applicable If nothing, begin with launch 6. News • announcement? a. Archive of news items from 2011 Contact a. Contacts by Function b. Corporate HQ c. Office Locations d. Address / Phone / Fax / Email / URL



Sample Questionnaire

For Fund Managers

FUND MANAGERS WILL RECEIVE A LINK TO AN ONLINE FORM TO FACILITATE SUBMISSION OF INFO TO BLINK. BELOW IS A SAMPLE FORM LAYOUT:

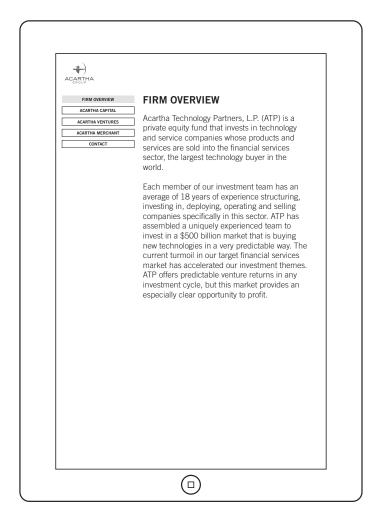
BELOW IS A SAMPLE FORM LAYOUT:
FUND OVERVIEW
Please enter an Executive Summary for the fund.
FUND VITALS
Area(s) of Focus
Please list the fund's area or areas of investment focus.
Typical Investments
Please list some of the fund's typical investments.
Fund Size
Please provide information on fund size.
Fund Term
Please provide information on fund term.
EXECUTIVE TEAM
Name and Bio #1
Please enter a the name of the Executive Team member, and a brief biographical statement.
Name and Bio #2
Please enter a the name of the Executive Team member, and a brief biographical statement.

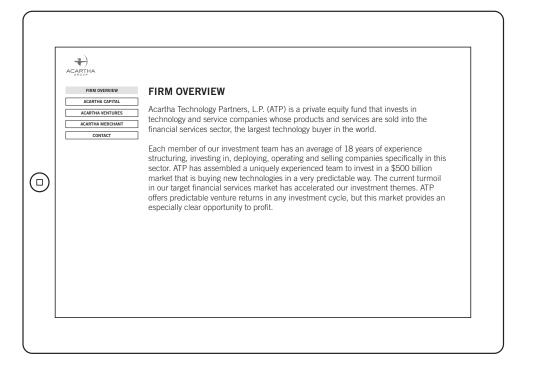


Case: 4:12-cv-00080-CEJ Doc. #: 397-8 Filed: 06/19/15 Page: 36 of 40 PageID #: 10438

ACARTHAGROUP.COM TABLET INTERFACE WIREFRAME

DRAFT

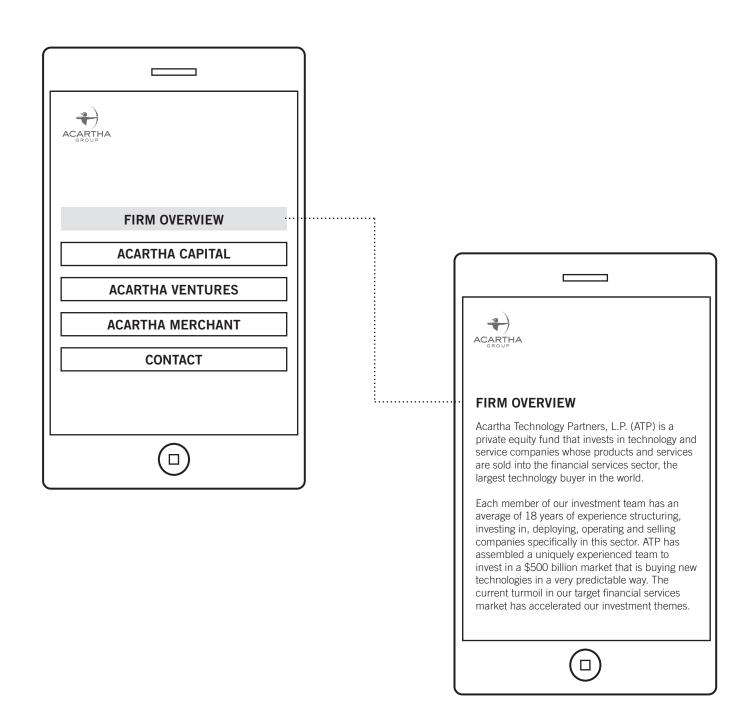


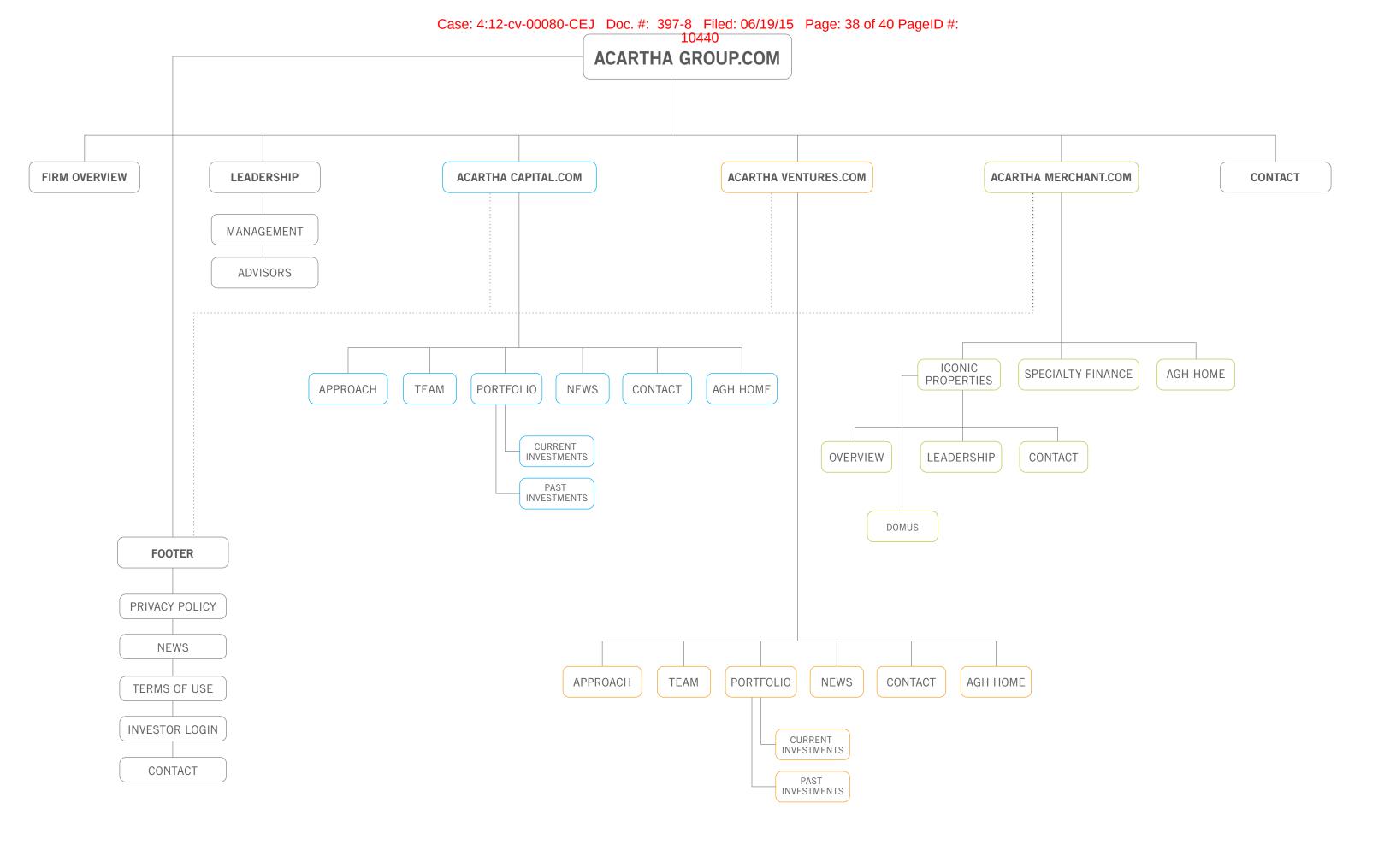


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ACARTHAGROUP.COM
MOBILE INTERFACE WIREFRAME

DRAFT

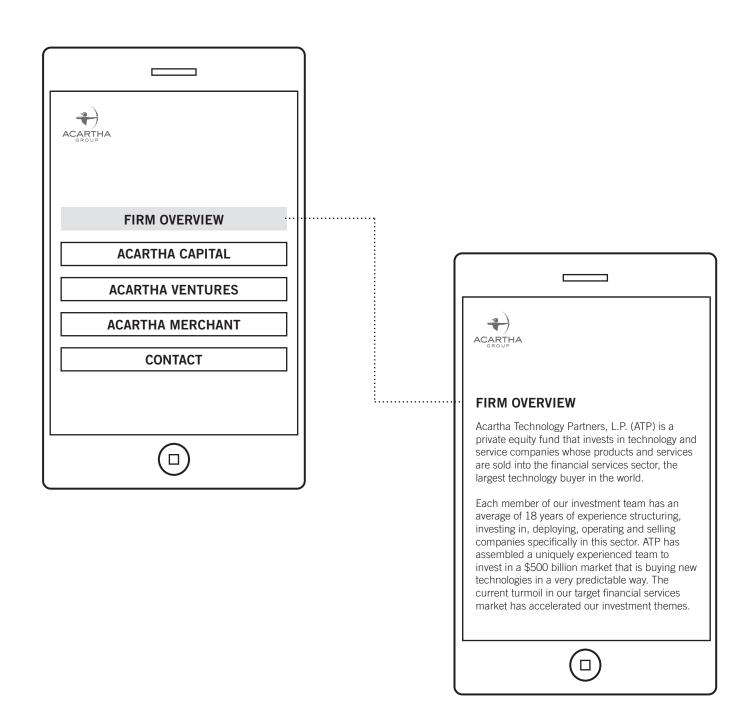




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ACARTHAGROUP.COM
MOBILE INTERFACE WIREFRAME

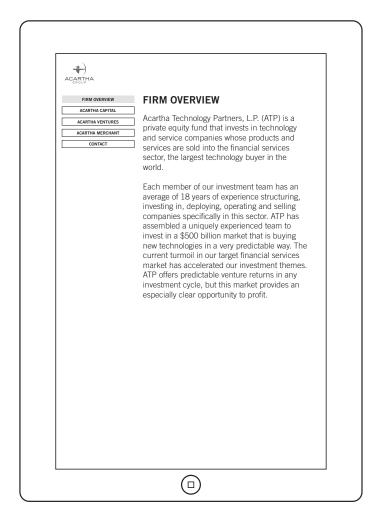
DRAFT

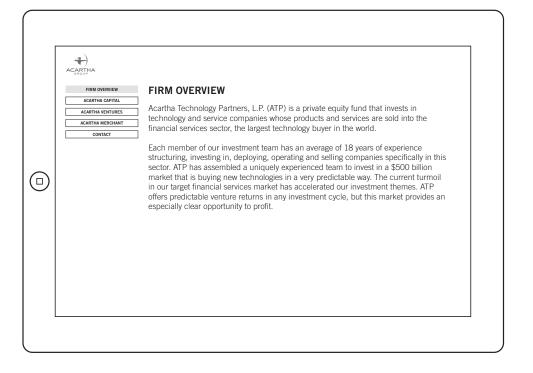


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ACARTHAGROUP.COM TABLET INTERFACE WIREFRAME

DRAFT





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Exhibit I

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,)	
Plaintiff,)
v.) Case No. 4:12-cv-00080-CEJ
BURTON DOUGLAS MORRISS, et al.,)
Defendants.)
AFFIDAVIT OF WILLIAM	LAWLOR

IN SUPPORT OF NOTICE OF DISAGREEMENT, CLAIM NO. 227, BLINK MARKETING GROUP, LLC

WILLIAM LAWLOR, being duly sworn, deposes and says:

- 1. I am over the age of 18 years and understand and appreciate the nature of an oath.
- 2. The statements I make herein are based on personal knowledge unless otherwise noted. 3. I am the sole Member and Manager of Claimant Blink Marketing Group, LLC ("Blink" or "Claimant") and have been since the company was formed. I have full knowledge of Blink's customer interactions and operations because I oversaw them personally during all times relevant to this matter. I have over twenty years' experience in the marketing business.
- 4. I know the Defendant in this action, Doug Morriss. I have met with him and communicated with him on many occasions in connection with Blink's services rendered to Acartha Group and its affiliated companies, Acartha Capital among them.
- 5. On or about April 23, 2013, I filed a claim with the receiver appointed by the Court in this action (the "Receiver") on behalf of Blink. That claim, after some delivery/receipt mix-ups, was accepted on or about October 15, 2014 and was assigned as Claim No. 227.
- 6. I have reviewed the Receiver's Notice of Determination and the Notice of Disagreement

submitted by Blink in response. I submit this affidavit in support of the latter.

- 7. Blink stands by its position that it should be paid the full deposit sum for the Web site Statement of Work (SOW). Scopes of work are used regularly in the marketing business to define what the client agrees to pay for and the terms of the work to be performed. While they are commonly used in conjunction with master services agreements (MSAs), it is not always the case because MSAs are normally used when a marketing company and a client have a long-term, regular working relationship.
- 8. As respects the Acartha Web site work, the SOW was the contract because Blink and Acartha never entered into an MSA because the work involved did not merit it. Mr. Morriss accepted the SOW terms by signing it and Blink commenced performance of the work in anticipation that the required payment would follow. I attach a signed copy of the SOW (Exhibit 1). I directed my team to commence work on the Acartha Web site because I believed Mr. Morriss would send payment as he promised and because the amount of work involved and the intended deadlines were such that getting a head start on the work was prudent.
- 9. While I believe that the SOW terms should be abided by the Receiver and Blink should receive the 50% deposit called for I can tell the Court that the value of Blink's work on the Acartha Web site, the documents supporting which Blink has already submitted, is \$34,750.00. To reach this conclusion, I directed Blink's financial officer to review the work as evidenced by the documents submitted to the Receiver, evaluate the amount of time required and apply the Blink billing rates in existence at the time the work was performed. I went through her results prior to executing this affidavit. I attach the resulting spreadsheet.

10. I can tell the Court that a good part of the time and work reflected in the attached spreadsheet involved conferences with Mr. Morriss and Acartha employees, so any argument that Acartha did not consent to Blink commencing work is baseless.

11. Finally, regarding the receiver's denial of Blink's claim for \$400 for its work creating the "Under Construction" page I refer the reader to paragraph 12 of my prior affidavit for a discussion of the circumstances surrounding the genesis of the work. One thing tho point out – the "Under Construction" Page Blink seeks payment for is the very one you pulled off the Internet when you took over as Receiver. To question payment to us is extremely dubious. The sum of \$400.00 is an extremely reasonable price – one which accurately reflected and reflects Blink's rate structure at the time – for the work. It is a matter of simple fairness that Blink be reimbursed for work it undertook in good faith and with the expectation that it would be paid.

William Lawlor Managing Member

Blink Marketing Group, LLC

Sworn to before me this 3 day of March 2015.

Commissioner of the Superior Court

Notary Public

My Commission expires:

01/31/2020

Celina Romero
NOTARY PUBLIC
State of Connecticut
My Commission Expires 1/31/2020

EXHIBIT 1

2011 Website Redesign Acartha Group

08.14.2011

blink

1.0 Project Scope

Acartha Group has requested a scope of work, deliverables and related costs for the strategic development, design and execution of its new corporate website.

The project scope consists of the following components:

- 2.1 Corporate Website
- 2.2 Mobile-Aware Functionality

Timeline: 8 - 12 Weeks in total.

Blink will provide Acartha Group with a detailed project timeline upon project engagement.

2.1 Corporate Website

The Acartha Group online environment must interactively share information, integrate with new and existing technology systems, and align with overall corporate messaging and business strategy. From a creative perspective, the corporate website must evoke emotion and magnify the Acartha Group brand identity.

Blink uses leading web tools and languages, including: HTML 5, HTML, XML, Java, JSP, Cold Fusion, ASP, PHP, DB2, Oracle, MySQL, SQL Server, streaming media, and Flash.

The following is Blink's typical process for web development, structured to ensure that all design and development meet client expectations (some stages may not apply to this project).

EXECUTIVE BRIEFINGS

COMPETITIVE AND INDUSTRY REVIEW

MESSAGE DEVELOPMENT

*

WIREFRAME / NAPKIN CREATION

GRAPHIC DESIGN

CONTENT GATHERING

CONTENT GATHERING

APPLICATION INTEGRATION

CONTENT MANAGEMENT STRATEGY

SERVER CONFIGURATION

CONTENT LOADING

TESTING

Blink will engage with multiple Acartha Group executives at various levels to create and deliver a website that meets the project's requirements and objectives. Acartha Group's website will require strategy, architecture development, copy development, graphic design, and technical services surrounding site coding, and content loading, testing and privacy considerations.

The site will be based on the sitemap found in Appendix A (A.1)

Deliverables:

- → Briefings and communication strategy
- Architecture and navigation development
- → Wireframe creation
- Graphic design and preparation
- → 2 rounds of concept modifications
- → Coding based on site requirements
- → Content Management System integration
- ⇒ SEO Configuration
- → Site entrance programming
- First draft copy to be provided by client
- > Copy editing and proofing
- Content loading
- Testing and refinement
- → Site launch
- Project Management
- CMS license as well as Hosting and maintenance recommendations will be provided (hosting services are available if necessary)
- An additional SOW and costs will be provided for photography selection and usage based on recommendations, client selection and approval

2.2

Mobile-Aware Functionality

The delivery of Acartha Group's website based on device platform will present Acartha as a forward-thinking firm that utilizes the most current technologies to deliver a clean, clear and precise message.

The goal of mobile-aware development is the creation of a responsively designed website. Responsive web design means creating an adaptive design that's aware of the context it's viewed in and optimizes its display accordingly. Using a common set of content, and code responsive design provides the following benefits. (This is a short list, but the benefits are significant.)

- When content needs to be updated, it's updated one time, in one location, and that change is reflected on every device and screen size
- Web page designs adapt dynamically to any screen size to present a layout that is appropriate to the device, be it a phone, a tablet, or a large monitor, a TV, etc. Consideration for those different devices is built into the design from the start
- URL structure (and therefore links, which might be shared, or crawled by search engines) work universally across all devices and screen sizes
- We don't need to revise or create a new website to adapt to each new device or screen resolution that comes out, one website will serve them all now, and in the future
- It also takes into account a few things like providing, phone links for phone numbers, and it responds to orientation changes on devices

4.0

Project Component Costs

This proposal contains estimated costs based on a fixed bid in accordance with existing project scope.

Design, Development and Execution

- → Corporate Website
- → Mobile-Aware Functionality

\$55,000.00

*Estimated costs do not include costs associated with the research, collection or acquisition of photography, image license fees, printing, and/or paper, web hosting, licensing of third-party applications, or commerce components, such as secure certificates, payment gateways, or merchant accounts. Estimated costs do not include costs associated with trademark or copyright research and applications, postage or overnight delivery fees or international calls. Which if required, the client agrees to pay as an additional fee. All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client.

5.0 Approval

Budgetary Approvals:

All project costs are based on fixed cost basis determined by current needs described by the Acartha Group team. If the project extends past the project scope or the agency estimated project hours, due to specific requests made by the client during the development process, the agency will notify Acartha Group and provide the client with an adjusted scope of work including details pertaining to additional project hours and costs for which the client understands and agrees to pay additional related fees.

A deposit of 50% of the project costs will be required to initiate the project. Upon creative review and approval, Blink will deliver an invoice for a second payment of 25% for each project component. The balance of the project cost (25%) and any associated additional costs will be due upon delivery of each project component.

Pricing reflects agency fees and does not include costs associated with the collection, or acquisition, of photography, image license fees, printing, and/or paper, web hosting, licensing of third-party applications, or commerce components, such as secure certificates, payment gateways, or merchant accounts. Estimated costs do not include costs associated with trademark or copyright research and applications, postage or overnight delivery fees or international calls, which if required, the client agrees to pay as an additional fee.

All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client.

EXECUTED AND AGREED TO BY THE PARTIES HERETO:

Blink Acartha Group

Bill Lawlor Do 2000 Post Road, Suite 205

Fairfield CT 06824

Doug Morriss, Chairman & CEO

Signature____

Date: 8/29/11

A.3

Agency Overview

Blink, a sales & marketing communications agency, combines strategic planning, award winning design, brand strategies and leading technologies to deliver complete sales and marketing communication solutions for our clients. Headquartered in Fairfield CT, the agency focuses on three primary areas; executive communications, brand and marketing communications, and the integration of marketing programs within our client's sales processes geared towards increasing top-line revenue growth and driving efficiencies throughout the sales cycle.

Blink performs these services for companies such as LogicSource, Acartha Group, Y&R, LG, RelaDyne, TransPerfect, Touch Commerce, Domus, Winderemere Island, VGS Creative, LifeCare, Iconoculture, DSA Encore, Kidd & Company, Wolf Means Business, Vumber, Coastal Construction Group, SCI Worldwide, Story (formally Byte Interactive), RK Marketing and Cava Capital.

Contact information:

Blink 20 Marshall Street Suite 105 South Norwalk, CT 06854 203.856.8353 www.blinkmkg.com

Bill Lawlor, CEO blawlor@blinkmkg.com

Blink Team:

Bill Lawlor: Account Director Sean Bates: Chief Creative Lead

Attila Kelemen: Chief Strategist, Account Director

Carson McComas: Technical Director, Technical Programming, SEO/SEM

Cynthia Miller: Graphic Designer

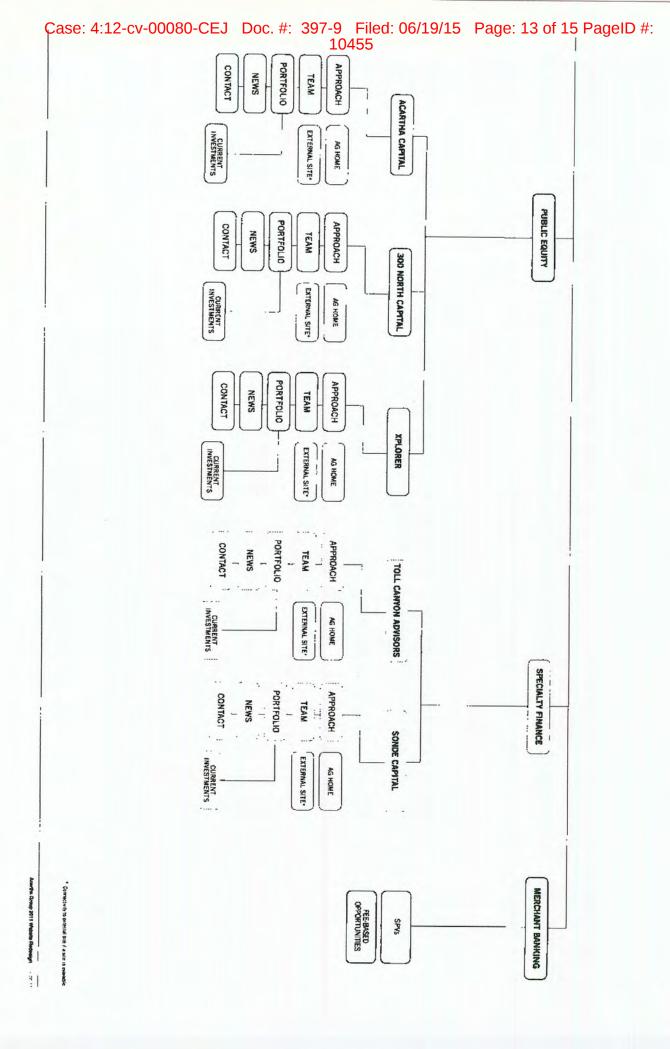
Lisa Schneider: Director, SEO/SEM and Social Media Strategies

Steve Morenberg: Creative Director, Copy

Chris Jones: Animation Designer

Yrving Torrealba: Creative Director, Flash, Animation & Emerging online technologies

Dane Hansen: Creative Director, Flash & Emerging online technologies



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EXHIBIT 2

Case: 4:12-cv-00080-CEJ Doc. #: 397-9 Filed: 06/19/15 Page: 15 of 15 PageID #: 10457



Client & Project Estimate Date

S Q5 \$	Cost
95 ¢	
Ψ	28,500.00
25 \$	6,250.00
0 \$	-
0 \$	-
0 \$	-
0 \$	-
0 \$	-
	-
	-
	-
120	
	0 \$

Case: 4:12-cv-00080-CEJ Doc. #: 397-10 Filed: 06/19/15 Pag

LAWRENCE W. ANDREA

ATTORNEY AT LAW

127 KENT HOLLOW ROAD KENT, CONNECTICUT 06757

TELEPHONE (860) 927-3372 TELECOPIER (860) 927-3375 www.LawrenceWAndrea.com

E-MAIL: counsel@LawrenceWAndrea.com

ADMITTED IN CT AND NY



March 3, 2015

VIA EMAIL ONLY

Receiver Claire M. Schenk Acartha Group Receivership 505 North 7th Street Saint Louis, Missouri 63101 (acartha.receivership@thompsoncoburn.com)

with a copy to:

Jayna Marie Rust, Esq. (JRust@thompsoncoburn.com)

Re:

SEC v. Morriss, et al., 4:12-cv-00080-CEJ

Notice of Disagreement, Claim No. 227

Blink Marketing Group, LLC ("Blink"), Norwalk, CT

Dear Ms. Schenk:

This notice of disagreement is delivered to you on behalf of Blink Marketing Group, LLC ("Blink") of Norwalk, Connecticut as respects your Notice of Determination dated February 3, 2015 concerning Claim Number 227. This notice of disagreement and the accompanying Affidavit of William Lawlor (its principal), are timely submitted. All responses to this notice should be directed to my attention.

Your Notice of Determination indicated that you would recommend allowance of Blink's claims as respects Invoice Nos. 105, 1017, AG 1019, 1025 and AG 1044. Blink obviously takes no issue with this portion of your determination. You do, however, indicate that you will recommend a disallowance of payment for (i) Blink's Website Redesign work (for which Blink claims \$37,500.00 per a contract with Acartha) and (ii) its Invoice 1043 ("Under Construction Web Page") for which Blink claims \$400.00. Blink addresses each denial in detail below.

Blink takes issue with your recommendation to deny it payment in toto for the Acartha Website redesign work. You base your decision on the erroneous argument that the "proposal" could be accepted by Acartha solely by the payment of the 50% deposit. This argument is a nonsequitur; the "proposal" as you call it (which was actually a full-blown scope of work (SOW) – a binding agreement)¹ was accepted by Acartha in writing. See Affidavit of William Lawlor dated March 3, 2015, and its Exhibit 1 at page 5. The 50% deposit language upon clearly provided that Blink was under no obligation to commence work unless the deposit was paid, a condition precedent that only Blink could amend or waive. You have misinterpreted it – unreasonably and in contravention of its plain meaning – as the method by which Acartha had to accept the SOW. Your interpretation of the deposit term is plainly wrong and is contradicted by your characterization of it in the second part of your explanation, which is addressed below.

Your reliance on equity as an alternative argument is likewise erroneous. Your argument that Blink "would *not* commence work until its receipt of a deposit" as support for a denial on "equitable" grounds, does not make a lot of sense, nor does it invoke a court's use of equity. Your argument is interesting, however, because you appear to interpret the deposit term very differently in your equity argument that you do in your first, contract-based, argument. (Compare, "The proposal (sic) was an offer that required Acartha to accept through partial performance, the payment of a deposit" (the contract argument) with "Blink Marketing would *not* commence work until its receipt of a deposit...." (the equity argument).) The contradiction, Blink respectfully suggests, reveals the flaw in both of your grounds for denial.

The second portion of your equity argument, that Blink had not earned a full 50% of the contract value, ignores the fact that the SOW did not condition the payment of the deposit on a prior performance of work, nor did it contain a "pay as earned" condition. While Blink objects to your attempt to re-write the contract based on equities, it points out that while emphasizing equity you have ignored Blink's *quantum meruit* claims for payment for the work it did perform. Based on equity, Blink is at the least entitled to payment for the work it performed, work for which it has already supplied documentation. Without waiving its right to seek the Court's review of your decision and to request payment of the full 50% of the contract price, Blink submits (by way of another affidavit of William Lawlor, attached hereto) that the value of the work it performed is \$34,750.00. Equity works both ways and, even if the Court accepts your tortured interpretation of the deposit provision, Blink is entitled to payment for its work.

As for your denial of \$400 in payment for the "under construction" Web page – the one you actually took down upon taking control of Acartha (thereby removing any question as to whether Acartha accepted the work), see Lawlor Aff't ¶ 11, Blink simply offers the following: (a) quantum meruit demands that Blink be paid something for its work performed at the request of Acartha and fair value for the work is \$400 (Lawlor Aff't ¶ 11). Blink supplied a document evidencing the work; its easily accessible metadata shows that the work was done at the time Blink claims it was. In other words, Blink has not submitted the work to seek money under false pretenses.

Finally, Blink respectfully objects to your reservation of rights ("The Receiver reserves the right to identify additional grounds for her recommendation of disallowance.") because it

Scopes of work are used regularly in the marketing business to define what the client agrees to pay for and the terms of the work to be performed. Lawlor Aff't at ¶ 7. While they are often used in conjunction with master services agreements (MSAs), it is not always the case. <u>Id</u>. In this instance, the SOW was the contract. Mr. Morriss accepted the contract terms and Blink commenced performance of the work in anticipation that the required payment would follow. Id. at ¶ 8.

appears to deprive Blink of an opportunity to respond to any such "additional grounds" and thereby deny Blink reasonable due process. Blink therefore requests an opportunity to meet any "additional grounds" you may raise in defense of your decision to deny in part Blink's claim, even if that means allowing Blink a reply brief. (I note from the docket report (doc 355) that the Court granted another claimant an opportunity to file a reply over your objection.)

Please do not hesitate to contact me should you have any questions or require additional information. Despite Blink's strong disagreement with your initial determination, it appreciates the difficult job you have and is willing to work with you to discuss and resolve any differences.

Singerely,

Auw. Andrea

Attachment

cc: William Lawlor

Kevin M. Lynch

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Javna Marie Rust P 202.585.6929 F 202.318.6496 jrust@thompsoncoburn.com

March 24, 2015

VIA ELECTRONIC MAIL

Blink Marketing c/o Lawrence W. Andrea, Esq. 18 South Main Street, 3FL Norwalk, CT 06854

Email: counsel@lawrencewandrea.com

Re: Claim No. 227: Acartha Receivership, Securities & Exchange Commission v. Burton Douglas Morriss, et al, No. 4:12-cv-00080

Dear Mr. Andrea:

The Receiver has received Blink Marketing's Notice of Objection regarding Claim No. 227. After review of the materials accompanying the Notice of Objection, the Receiver does not believe that they provide additional information that supports the portion of the claim that the Receiver has recommended for disallowance. As described below, however, the Receiver is willing to reconsider her initial determination if Blink Marketing provides additional supporting documentation.

In general, the Receiver's determination to disallow the website-related portions of the claim was due to a failure to provide sufficient information to support that portion of the claim. Blink Marketing did not provide sufficient information to show a contractual obligation to pay the stated amount, nor did Blink Marketing show that it provided the claimed work to the entities pursuant to an agreement.

The Receiver is willing to reconsider her determination, but for her to do so, Blink Marketing must provide documentation that further supports its claim regarding the website-related work. If you would like for the Receiver to reconsider her determination, please provide the Receiver with the following information:

- Any communication between Acartha, its representatives, or related entities and Blink Marketing supporting Blink Marketing's interpretation of the statement of work's provision regarding the 50% deposit;
- Any communication after August 29, 2011 (the date Mr. Morriss signed the statement of work) between Acartha, its representatives, or related entities and Blink Marketing

¹ The Receiver notes that the claims process "was put in place to assist the receiver in identifying all potential liabilities against the receivership entities and to aid in equitable distribution of limited proceeds to valid claimants." (Dkt. No. 311) (emphasis added). The Receiver further notes that "the ultimate goal of a receivership is to maximize the recovery of the investor class." Sec. & Exch. Comm'n v. Wealth Mgmt. LLC, 628 F.3d 323, 336 (7th Cir. 2010). Thus, the Receiver must have the information requested in order to properly meet her duty of protecting investors during the claims process—and maximizing their recovery in any potential equitable distribution plan—in a situation where there are limited assets to meet the entities' liabilities.

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March 24, 2015

Page 2

wherein Acartha, its representatives, or related entities encouraged Blink Marketing to commence work, and evidence of the subsequent work that Blink Marketing commenced;

- Any contemporaneous evidence that shows that the work Blink Marketing claims it completed per the "agreement" was completed after Burton Douglas Morriss signed the scope of work <u>and</u> was provided to Acartha, its representatives, or related entities; and/or
- Any evidence that Blink Marketing provided Acartha, its representatives, or related entities with the "under construction" website.

In re-requesting the above information, the Receiver notes that (1) it is the claimant's responsibility to provide the Receiver sufficient information to support its claims, and (2) the Court will look at the sufficiency of the provided information in its own review of a claimant's objection to the Receiver's determinations. *See Sec. Exch. Comm'n v. Merrill Scott & Assocs., Ltd.*, No. 02-CV-39-TC, 2008 WL 2787401, at *5 (D. Utah July 15, 2008).

Thus, the Receiver remains open to reviewing your claim, but she requests that you provide the above-requested information by April 17, 2015 in order for her to re-evaluate the website-related portion of the claim.

Very truly yours,

Thompson Coburn LLP

By

Jayna Marie Rust

cc: Claire Schenk, Receiver

S.M. Rust

Case: 4:12-cv-00080-CEJ Doc. #: 397-12 Filed: 06/19/15 Page: 1 of 14 PageID #:

From: Bill Lawlor 10463

To: Doug Morriss

Sent: 7/27/2011 2:04:01 PM
Subject: Acartha Group 2011 Website
Attachments: Acartha_2011Website_SOW.pdf

Exhibit L

Doug,

Attached is the SOW for the AcarthaGroup.com project. Included within it is a current sitemap which I would like to review with you to make certain that we (blink) start the design process with the right set of requirements. In addition, we've included a wireframe around the client login area functionality from both the administrative and end-user standpoint that I would like to review and discuss.

We're working on the content punch-list and will have that outlook over to you tomorrow.

Feel free to give me a call when you have a moment to discuss, or I'll call you later today to follow-up.

This site is going to be so freaking cool! Thanks Doug,

В

Bill Lawlor | 203.856.8353 Blink 2000 Post Road Suite 205 | Fairfield CT 06824 | www.blinkmkg.com Case: 4:12-cv-00080-CEJ Doc. #: 397-12 Filed: 06/19/15 Page: 2 of 14 PageID #: 10464

2011 Website Redesign Acartha Group

07.26.2011

Case: 4:12-cv-00080-CEJ Doc. #: 397-12 Filed: 06/19/15 Page: 3 of 14 PageID #: 10465

Acarlha Group 2011 Corporate Website Scope of Work

1.0

Project Scope

Acartha Group has requested a scope of work, deliverables and related costs for the strategic development, design and execution of its new corporate website.

The project scope consists of the following components:

- 2.1 Corporate Website
- 2.2 Mobile-Aware Functionality
- 2.3 Online Investor Communication Platform

Timeline: 8 - 12 Weeks in total

Blink will provide Acartha Group with a detailed project timeline upon project engagement.

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Acartha Group 2011 Corporate Website Scope of Work

2.1

Corporate Website

The Acartha Group online environment must interactively share information, integrate with new and existing technology systems, and align with overall corporate messaging and business strategy. From a creative perspective, the corporate website must evoke emotion and magnify the Acartha Group brand identity.

Blink uses leading web tools and languages, including: HTML 5, HTML, XML, Java, JSP, Cold Fusion, ASP, PHP, DB2, Oracle, MySQL, SQL Server, streaming media, and Flash.

The following is Blink's typical process for web development, structured to ensure that all design and development meet client expectations (some stages may not apply to this project).

EXECUTIVE BRIEFINGS

COMPETITIVE AND INDUSTRY REVIEW

MESSAGE DEVELOPMENT

WIREFRAME / NAPKIN CREATION

GRAPHIC DESIGN

CONTENT GATHERING

CODING AND PROGRAMMING

APPLICATION INTEGRATION

CONTENT MANAGEMENT STRATEGY

SERVER CONFIGURATION

CONTENT LOADING

TESTING

Case: 4:12-cv-00080-CEJ Doc. #: 397-12 Filed: 06/19/15 Page: 5 of 14 PageID #:

Acartha Group 2011 Corporate Website Scope of Work

Blink will engage with multiple Acartha Group executives at various levels to create and deliver a website that meets the project's requirements and objectives. Acartha Group's website will require strategy, architecture development, copy development, graphic design, and technical services surrounding site coding, and content loading, testing and privacy considerations.

The site will be based on the sitemap found in Appendix A (A.1)

Deliverables:

- ⇒ Briefings and communication strategy
- Architecture and navigation development
- → Wireframe creation
- ⇒ Graphic design and preparation
- → 2 rounds of concept modifications
- → Coding based on site requirements
- → Content Management System integration
- → SEO Configuration
- → Site entrance programming
- → First draft copy to be provided by client
- → Copy editing and proofing
- → Content loading
- → Testing and refinement
- → Site launch
- → Project Management
- CMS license as well as Hosting and maintenance recommendations will be provided (hosting services are available if necessary)
- → An additional SOW and costs will be provided for photography selection and usage based on recommendations, client selection and approval

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Acarlha Group 2011 Corporate Website Scope of Work

2.2

Mobile-Aware Functionality

The delivery of Acartha Group's website based on device platform will present Acartha as a forward-thinking firm that utilizes the most current technologies to deliver a clean, clear and precise message.

The goal of mobile-aware development is the creation of a responsively designed website. Responsive web design means creating an adaptive design that's aware of the context it's viewed in and optimizes its display accordingly. Using a common set of content, and coderesponsive design provides the following benefits. (This is a short list, but the benefits are significant.)

- → When content needs to be updated, it's updated one time, in one location, and that change is reflected on every device and screen size
- → Web page designs adapt dynamically to any screen size to present a layout that is appropriate to the device, be it a phone, a tablet, or a large monitor, a TV, etc. Consideration for those different devices is built into the design from the start
- → URL structure (and therefore links, which might be shared, or crawled by search engines) work universally across all devices and screen sizes
- → We don't need to revise or create a new website to adapt to each new device or screen resolution that comes out, one website will serve them all now, and in the future
- It also takes into account a few things like providing, phone links for phone numbers, and it responds to orientation changes on devices

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Acartha Group 2011 Corporate Website Scope of Work

2.3

Online Investor Communication Platform

Acartha Group has the need to communicate and provide documents, as a private experience, to its client community in a secure environment. Blink will work with Acartha Group executives to define specific requirements to customize the environment based on the following parameters outlined below.

Online investor login area:

- → Username and password entrance
- → Permission based content delivery
- → Custom reporting functionality
- → Complete brand integration
- Hosting, security and maintenance recommendations will be provided (hosting services are available if necessary)

The online investor login area will be based on the sitemap and functionality found in Appendix A.2.

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Acarlha Group 2011 Corporate Website Scope of Work

4.0

Project Component Costs

This proposal contains estimated costs based on a fixed bid in accordance with existing project scope.

Design, Development and Execution

→ Corporate Website

\$ 55,000.00

Mobile-Aware Functionality

\$20,000.00

Online Investor Communication Platform

\$ 15,000.00

*Estimated costs do not include costs associated with the research, collection or acquisition of photography, image license fees, printing, and/or paper, web hosting, licensing of third-party applications, or commerce components, such as secure certificates, payment gateways, or merchant accounts. Estimated costs do not include costs associated with trademark or copyright research and applications, postage or overnight delivery fees or international calls. Which if required, the client agrees to pay as an additional fee. All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client,

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Acartha Group 2011 Corporate Website Scope of Work

5.0 Approval

Budgetary Approvals:

All project costs are based on fixed cost basis determined by current needs described by the Acartha Group team. If the project extends past the project scope or the agency estimated project hours, due to specific requests made by the client during the development process, the agency will notify Acartha Group and provide the client with an adjusted scope of work including details pertaining to additional project hours and costs for which the client understands and agrees to pay additional related fees.

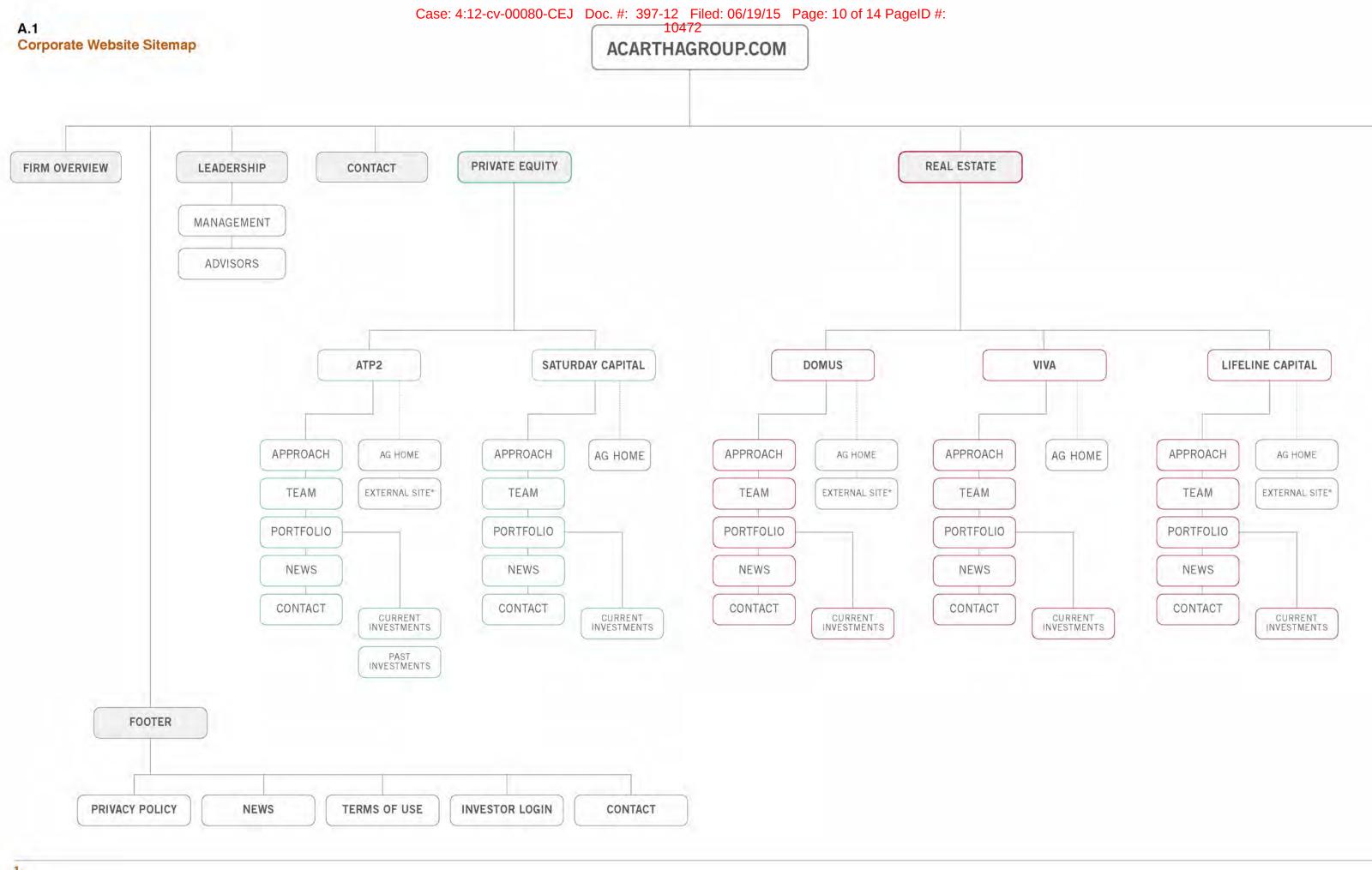
A deposit of 50% of the project costs will be required to initiate the project. Upon creative review and approval, Blink will deliver an invoice for a second payment of 25% for each project component. The balance of the project cost (25%) and any associated additional costs will be due upon delivery of each project component.

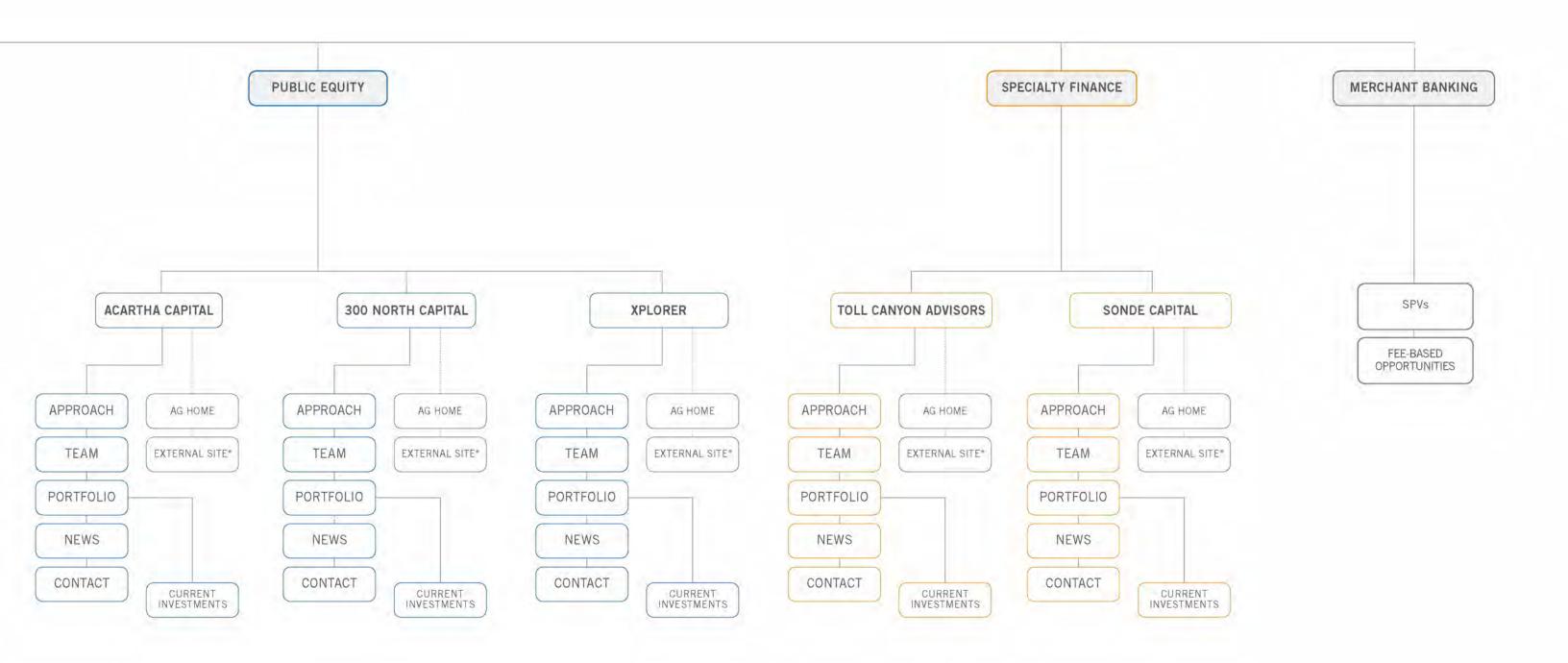
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All line items do not include any travel costs that may be associated with the project, which, if incurred, shall be paid for by the client.

Blink Acartha Group Bill Lawlor Doug Morriss, Chairman & CEO 2000 Post Road, Suite 205 Fairfield CT 06824 Signature Date:

EXECUTED AND AGREED TO BY THE PARTIES HERETO:



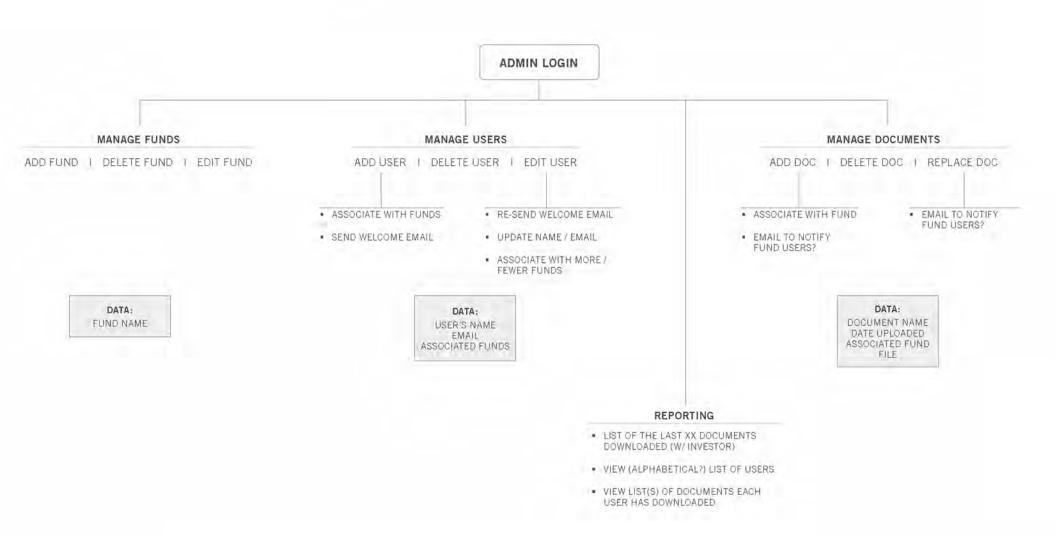


^{*} Connectivity to external site if a site is available.

A.2

Online Investor Communication Platform

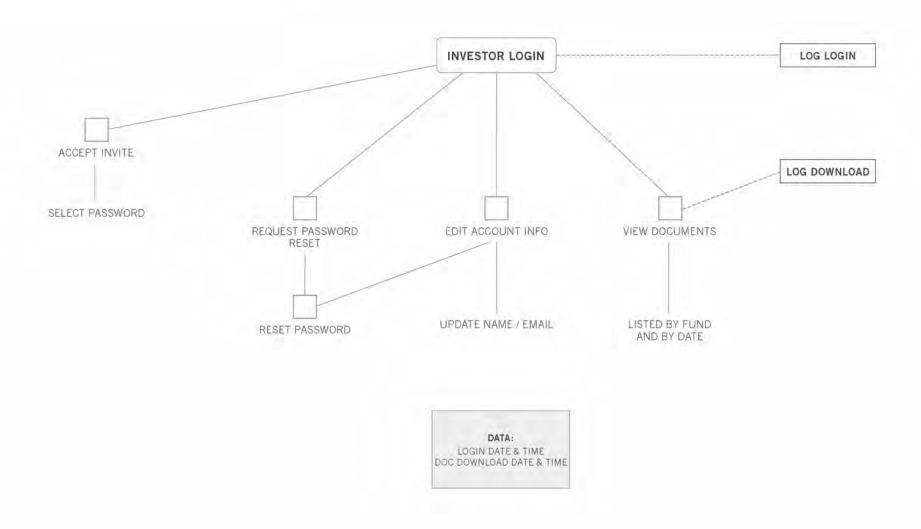
Administrative Workflow



A.2

Online Investor Communication Platform

User Experience Workflow



Acartha Group 2011 Corporate Website Scope of Work

A.3

Agency Overview

Blink, a sales & marketing communications agency, combines strategic planning, award winning design, brand strategies and leading technologies to deliver complete sales and marketing communication solutions for our clients. Headquartered in Fairfield CT, the agency focuses on three primary areas; executive communications, brand and marketing communications, and the integration of marketing programs within our client's sales processes geared towards increasing top-line revenue growth and driving efficiencies throughout the sales cycle.

Blink performs these services for companies such as LogicSource, Acartha Group, Y&R, LG, RelaDyne, TransPerfect, Touch Commerce, Domus, Winderemere Island, VGS Creative, LifeCare, Iconoculture, DSA Encore, Kidd & Company, Wolf Means Business, Vumber, Coastal Construction Group, SCI Worldwide, Story (formally Byte Interactive), RK Marketing and Cava Capital.

Contact information:

Blink 20 Marshall Street Suite 105 South Norwalk, CT 06854 203 856 8353 www.blinkmkg.com

Bill Lawlor, CEO blawlor@blinkmkg.com

Blink Team:

Bill Lawlor: Account Director Sean Bates; Chief Creative Lead

Attila Kelemen: Chief Strategist, Account Director

Carson McComas: Technical Director, Technical Programming, SEO/SEM

Cynthia Miller: Graphic Designer

Lisa Schneider: Director, SEO/SEM and Social Media Strategies

Steve Morenberg: Creative Director, Copy

Chris Jones: Animation Designer

Yrving Torrealba: Creative Director, Flash, Animation & Emerging online technologies

Dane Hansen: Creative Director, Flash & Emerging online technologies

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From: Bill Lawlor 10477

To: Doug Morriss

Sent: 8/14/2011 4:25:05 PM

Subject:Updated SOW for 2011 AcarthaGroup.comAttachments:Acartha_2011Website_SOW_08142011.pdf

Exhibit M

Hey there. Hope all is well.

I updated the Scope of work for the site project. Will have an invoice over to you tomorrow for initial payment. I'm setting up team meetings on my end this week and am working with Kevin to get as much existing content collected this week.

Please let me know if you have any comments or questions.

Thanks Doug

Bill

Bill Lawlor | 203.856.8353

Blink 2000 Post Road Suite 205 | Fairfield CT 06824 | www.blinkmkg.com

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2011 Website Redesign Acartha Group

08.14.2011

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Acartha Group 2011 Corporate Website Scope of Work

1.0

Project Scope

Acartha Group has requested a scope of work, deliverables and related costs for the strategic development, design and execution of its new corporate website:

The project scope consists of the following components:

- 2.1 Corporate Website
- 2.2 Mobile-Aware Functionality

Timeline: 8 - 12 Weeks in total.

Blink will provide Acartha Group with a detailed project timeline upon project engagement.

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Acartha Group 2011 Corporate Website Scope of Work

2.1

Corporate Website

The Acartha Group online environment must interactively share information, integrate with new and existing technology systems, and align with overall corporate messaging and business strategy. From a creative perspective, the corporate website must evoke emotion and magnify the Acartha Group brand identity.

Blink uses leading web tools and languages, including: HTML 5, HTML, XML, Java, JSP, Cold Fusion, ASP, PHP, DB2, Oracle, MySQL, SQL Server, streaming media, and Flash.

The following is Blink's typical process for web development, structured to ensure that all design and development meet client expectations (some stages may not apply to this project).

EXECUTIVE BRIEFINGS

COMPETITIVE AND INDUSTRY REVIEW

MESSAGE DEVELOPMENT

*

WIREFRAME / NAPKIN CREATION

GRAPHIC DESIGN

CONTENT GATHERING

CODING AND PROGRAMMING

APPLICATION INTEGRATION

CONTENT MANAGEMENT STRATEGY

SERVER CONFIGURATION

CONTENT LOADING

TESTING

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Acartha Group 2011 Corporate Website Scope of Work

Blink will engage with multiple Acartha Group executives at various levels to create and deliver a website that meets the project's requirements and objectives. Acartha Group's website will require strategy, architecture development, copy development, graphic design, and technical services surrounding site coding, and content loading, testing and privacy considerations.

The site will be based on the sitemap found in Appendix A (A.1)

Deliverables:

- ⇒ Briefings and communication strategy
- Architecture and navigation development
- → Wireframe creation
- → Graphic design and preparation
- → 2 rounds of concept modifications
- → Coding based on site requirements
- → Content Management System integration
- → SEO Configuration
- → Site entrance programming
- → First draft copy to be provided by client
- Copy editing and proofing
- → Content loading
- → Testing and refinement
- → Site launch
- → Project Management
- CMS license as well as Hosting and maintenance recommendations will be provided (hosting services are available if necessary)
- An additional SOW and costs will be provided for photography selection and usage based on recommendations, client selection and approval

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Acarlha Group 2011 Corporate Website Scope of Work

2.2

Mobile-Aware Functionality

The delivery of Acartha Group's website based on device platform will present Acartha as a forward-thinking firm that utilizes the most current technologies to deliver a clean, clear and precise message.

The goal of mobile-aware development is the creation of a responsively designed website. Responsive web design means creating an adaptive design that's aware of the context it's viewed in and optimizes its display accordingly. Using a common set of content, and code-responsive design provides the following benefits. (This is a short list, but the benefits are significant.)

- → When content needs to be updated, it's updated one time, in one location, and that change is reflected on every device and screen size
- → Web page designs adapt dynamically to any screen size to present a layout that is appropriate to the device, be it a phone, a tablet, or a large monitor, a TV, etc. Consideration for those different devices is built into the design from the start
- → URL structure (and therefore links, which might be shared, or crawled by search engines) work universally across all devices and screen sizes
- → We don't need to revise or create a new website to adapt to each new device or screen resolution that comes out, one website will serve them all now, and in the future
- It also takes into account a few things like providing, phone links for phone numbers, and it responds to orientation changes on devices

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Acarlha Group 2011 Corporate Website Scope of Work

4.0

Project Component Costs

This proposal contains estimated costs based on a fixed bid in accordance with existing project scope.

Design, Development and Execution

- → Corporate Website
- → Mobile-Aware Functionality

\$ 55,000.00

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Acartha Group 2011 Corporate Website Scope of Work

5.0

Approval

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EXECUTED AND AGREED TO BY THE PARTIES HERETO:

Blink	Acartha Group
Bill Lawlor 2000 Post Road, Suite 205	Doug Morriss, Chairman & CEO
Fairfield CT 06824	Signature
	Date

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Acartha Group 2011 Corporate Website Scope of Work

A.3

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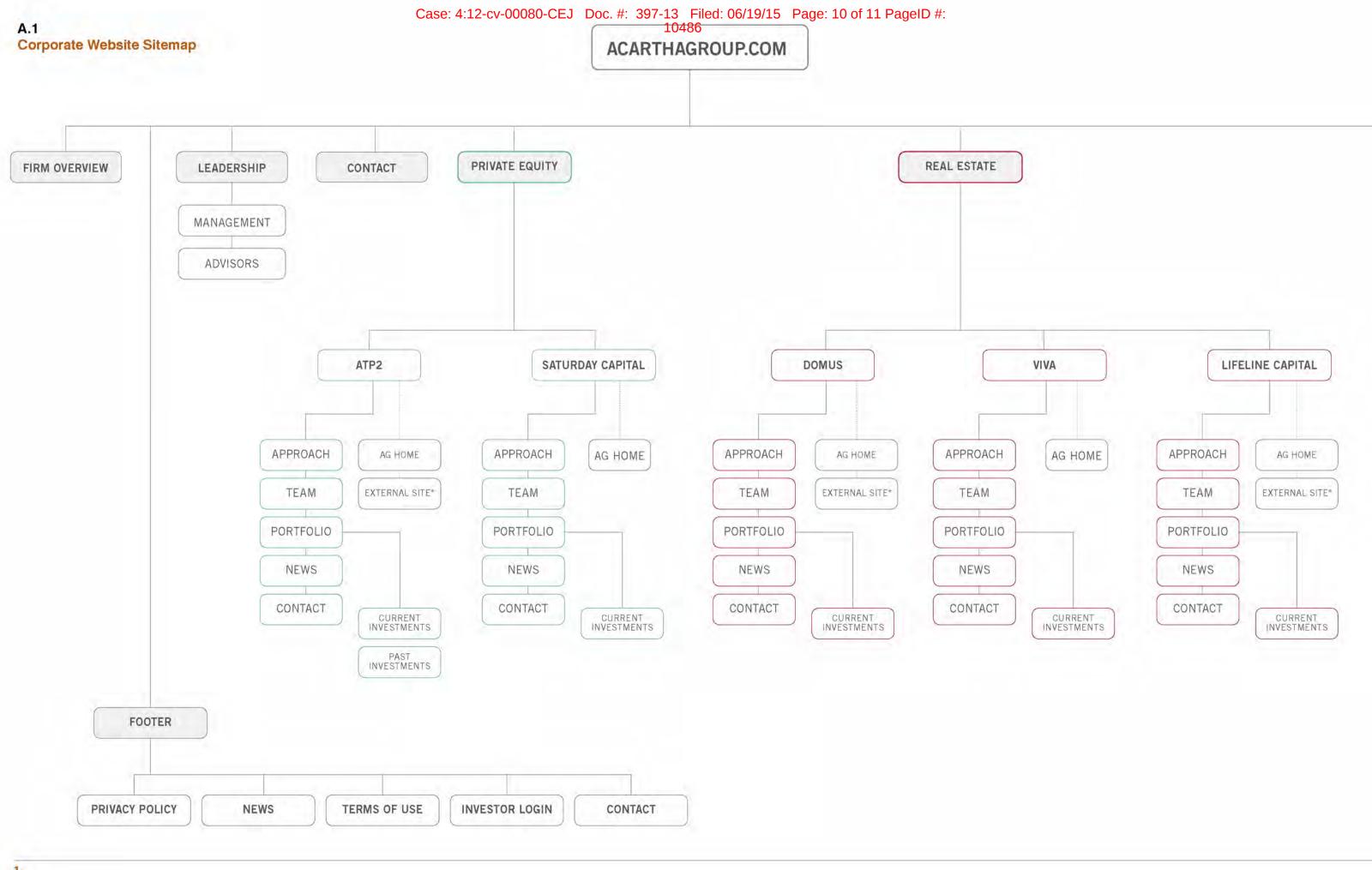
Lisa Schneider: Director, SEO/SEM and Social Media Strategies

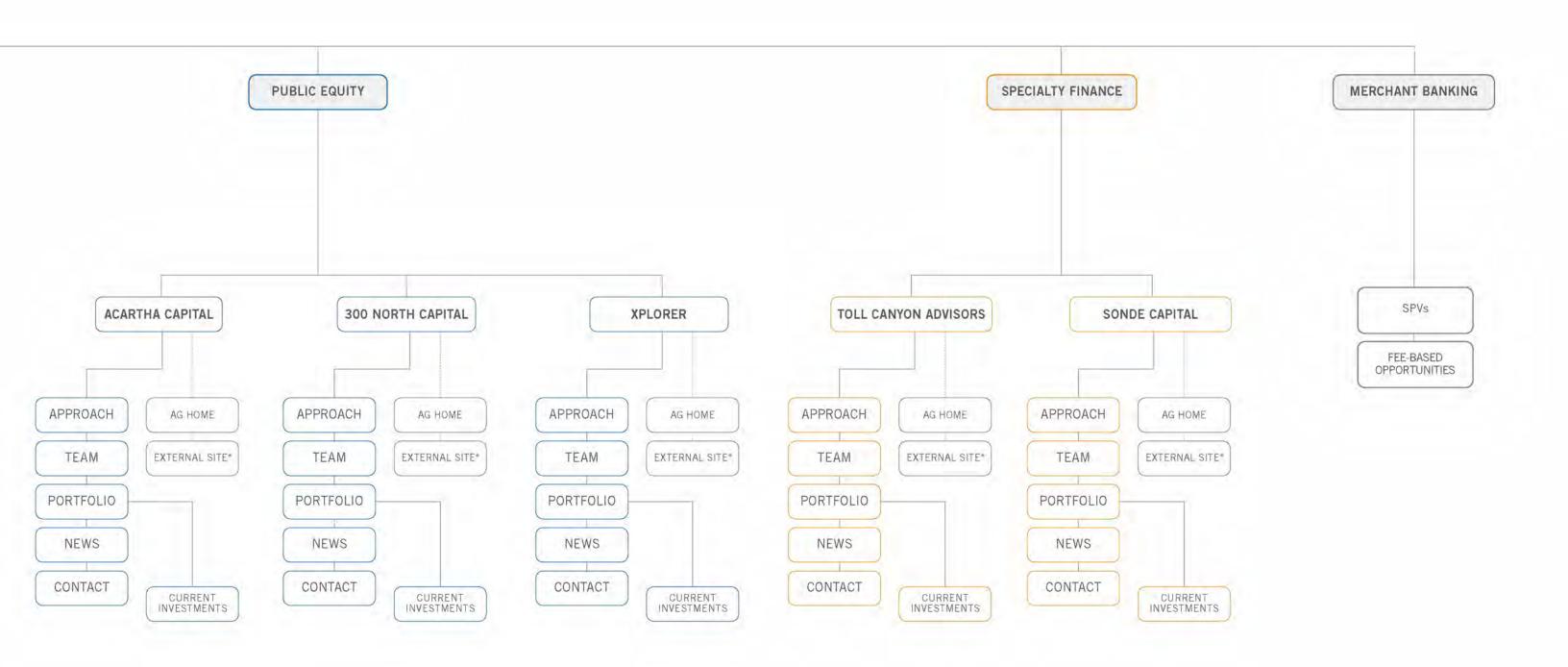
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Dane Hansen: Creative Director, Flash & Emerging online technologies





^{*} Connectivity to external site if a site is available.