



GRANTED

EFiled: Apr 24 2017 10:24AM EDT
Transaction ID 60507572
Case No. 12843-VCL



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

B.E. CAPITAL MANAGEMENT)	
FUND LP,)	
)	
Petitioner,)	
)	C.A. No. 12843-VCL
- against -)	
)	
FUND.COM INC.,)	
)	
Respondent.)	

**[PROPOSED] ORDER EQUITABLY SUBORDINATING
LOANS AND PREFERRED AND CLASS B SHARES TO CLASS
A SHARES AND GRANTING ALTERNATIVE RELIEF**

WHEREAS, Thomas Braziel, as receiver (the “Receiver”) of Fund.com Inc. (the “Company”) has moved for an order equitably subordinating in right to payment from the receivership estate:

- (a) any and all claims in respect of Loans¹ extended to the Company by Jason Galanis, Equities Media Acquisition Corp. Inc., or IP Global Investors, Ltd.;
- (b) all of the Company’s issued and outstanding Class B Shares; and

¹ The term “Loans” refers to indebtedness incurred by the Company pursuant to or governed by: (a) the Revolving Credit Loan Agreement and Revolving Credit Convertible Note, each dated August 28, 2009 and included in the Form 8-K, filed September 3, 2009; (b) the Debt Restructuring Letter Agreement, dated December 28, 2009 and included in the Form 8-K, filed January 26, 2010; (c) the Secured Promissory Note, dated July 27, 2010 and included in the Form 8-K, filed July 30, 2010; and (d) the Forbearance Agreement, dated April 8, 2014 and attached as Exhibit 7 to the Affidavit of Jeffrey Chubak, filed with the Receiver’s motion.

(c) all of the Company's issued and outstanding Preferred Shares, to the Company's publicly traded Class A Shares, and for alternative relief determining the Loans usurious and void; and

WHEREAS, this Court set April 14, 2017 as the deadline to file and serve an opposition to the motion, and no opposition to the motion was timely filed or served.

NOW THEREFORE, IT IS HEREBY ORDERED:

1. The following claims against and interests in the Company are hereby subordinated in right to payment from the receivership estate to the Company's Class A Shares:

(a) any and all claims in respect of Loans extended to the Company by Jason Galanis, Equities Media Acquisition Corp. Inc., or IP Global Investors, Ltd.;

(b) all of the Company's issued and outstanding Class B Shares; and

(c) all of the Company's issued and outstanding Preferred Shares.

2. The Loans are usurious under N.Y. Gen. Oblig. Law § 5-501 and N.Y. Penal Law § 190.40, and accordingly, the Loans are void under N.Y. Gen. Oblig. Law § 5-511.

SO ORDERED THIS ____ day of April, 2017.

Hon. J. Travis Laster

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: J Travis Laster

File & Serve

Transaction ID: 60493640

Current Date: Apr 24, 2017

Case Number: 12843-VCL

Case Name: BE Capital Management Fund LP vs Fund.com Inc

Court Authorizer: Laster, J Travis

/s/ Judge Laster, J Travis