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NATIONAL FUNDING, INC.
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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN DIEGO – CENTRAL DIVISION

10
11 NATIONAL FUNDING, INC., a California
corporation,

12 Plaintiff,

13 vs.

14 AMERICAN SHOOTING CENTER, INC., a
15 California corporation; MARC HALCON, an
individual; and DOES 1 through 10, inclusive,

16 Defendants.
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Case No. 37-2017-00042654-CU-BC-CTL

[Assigned to the Hon. _____, Dept. __]

COMPLAINT FOR:

- 1. **BREACH OF WRITTEN LOAN AGREEMENT; AND**
- 2. **BREACH OF WRITTEN GUARANTY.**

[AMOUNT DEMANDED: \$126,056.88]

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Plaintiff National Funding, Inc. hereby alleges as follows:

GENERAL ALLEGATIONS

1. Plaintiff National Funding, Inc. (“National Funding”) is and at all times herein mentioned was, a California corporation authorized to do business in the state of California.

2. Upon information and belief, defendant American Shooting Center, Inc. (“American”) is, and at all times herein mentioned was, a California corporation with its principal place of business in the state of California, and doing business in the state of California.

3. Upon information and belief, defendant Marc Halcon (“Halcon”) is, and at all times herein mentioned was, an adult individual residing in the state of California.

4. The true names and capacities, whether individual, corporate, associate, or otherwise of those defendants named herein as Does 1 through 10, inclusive, are unknown to National Funding at this time, who therefore sues these defendants by such fictitious names. National Funding will amend this Complaint to reflect the true names and capacities of these Doe defendants once this information has been ascertained. Each Doe defendant is in some manner responsible, liable and/or obligated to National Funding in connection with the occurrences, transactions, and obligations alleged herein.

5. Each named defendant is, and at all times mentioned herein was, the undisclosed employee and/or agent of each and every other defendant and Doe defendant, and was acting within the purpose and scope of that employment and/or agency in performing the acts and omissions alleged herein. National Funding is also informed and believes, and on that basis alleges, that each defendant ratified, approved, and adopted as its own the acts of each of the other defendants.

6. Venue is proper in this Court based, in part, on Code of Civil Procedure section 395(a).

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1 **FIRST CAUSE OF ACTION**

2 **(Breach of Written Loan Agreement)**

3 **(Against American and Doe Defendants)**

4 7. National Funding re-alleges and incorporates by reference each and every
5 allegation contained herein above, inclusive, as though each were fully set forth at this point.

6 8. On or about August 23, 2017, American entered into a written business Loan
7 Agreement with National Funding (the "Loan Agreement"), whereby American received an
8 original loan amount of \$98,500.00. The Loan Agreement provided for a total loan repayment
9 obligation of \$137,900.40. A copy of the Loan Agreement is attached to this Complaint as
10 "Exhibit A" and is incorporated herein by reference.

11 9. On or about October 17, 2017, American defaulted on the Loan Agreement by
12 failing to make payments when due, and has remained continuously in default. Pursuant to
13 Section 16 of the Loan Agreement, National Funding has elected to declare a breach, and the
14 entire loan balance of \$125,781.88 is due and payable. In addition, non-sufficient fund charges
15 accrued in the amount of \$275.00, for a total of **\$126,056.88**, together with interest thereon,
16 which is due, owing and unpaid from American to National Funding.

17 10. National Funding has performed all conditions and promises required to be
18 performed on its part under the terms of the Loan Agreement.

19 11. As a proximate result of the breach of Loan Agreement by American, National
20 Funding has been damaged in the principal sum of not less than \$126,056.88, plus interest
21 thereon and late charges, or according to proof at trial.

22 12. The Loan Agreement provides for the payment of attorneys' fees and costs
23 incurred to enforce it. Accordingly, National Funding has retained the law offices of Salisian |
24 Lee LLP to represent it in this matter and requests the Court to award National Funding its
25 reasonable attorneys' fees and costs according to proof at trial.

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SECOND CAUSE OF ACTION

(Breach of Written Guaranty)

(Against Halcon and Doe Defendants)

13. National Funding re-alleges and incorporates by reference each and every allegation contained herein above, inclusive, as though each were fully set forth at this point.

14. On or about August 23, 2017, Halcon unconditionally agreed to guarantee in writing all the obligations and duties of American under the Loan Agreement (the “Halcon Guaranty”). A copy of the Halcon Guaranty is attached to this Complaint as Section 32 of “Exhibit A” and is incorporated herein by reference.

15. American has defaulted on the Loan Agreement, and Halcon has defaulted on the Halcon Guaranty, by failing to pay the outstanding balance of the loan, which is the sum of \$126,056.88. Pursuant to Section 16 of the Loan Agreement, National Funding has elected to declare the entire principal balance of \$126,056.88 due and owing, from American and Halcon to National Funding.

16. National Funding has performed all conditions and promises required on its part to be performed under the Halcon Guaranty.

17. National Funding relied on Halcon’s credit and assets in order for it to agree to the Loan Agreement, and National Funding would not have extended such credit without the support of the Halcon Guaranty.

18. The Halcon Guaranty provides for the payment of attorneys’ fees and costs incurred to enforce it. Accordingly, National Funding has retained the law offices of Salisian | Lee LLP to represent it in this matter and requests the Court to award National Funding its reasonable attorneys’ fees and costs according to proof at trial.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiff National Funding, Inc. prays for judgment against Defendants, and each of them, for:

For the First and Second Causes of Action:

1. The principal sum of \$126,056.88;
2. Prejudgment interest on the principal sum, at the legal rate of ten percent (10%) per annum, from October 17, 2017, to the date of entry of judgment;
3. Reasonable attorneys' fees;
4. Costs of suit as provided by law; and
5. Such other and further relief that the Court considers proper.

DATED: November 7, 2017

SALISIAN | LEE LLP

By: 
Stephanie G. Chau

Attorneys for Plaintiff
NATIONAL FUNDING, INC.

EXHIBIT "A"



National Funding, Inc.
 9820 Towne Centre Drive
 San Diego, CA 92121
 P: F:
 www.nationalfunding.com

Business Loan Agreement

Agreement # FWC157265	Date 8/23/2017
Borrower (Legal and DBA): American Shooting Center, Inc. dba American Shooting Center	
Address: 5590 Ruffin Road	City/State/Zip: San Diego, CA 92123
Business Phone: (858) 279-7233	Business Fax:
Email Address: mh1911@aol.com	Web Site (URL): www.gotammo.com/
Federal Tax ID Number: [REDACTED]	
Name of Primary Authorized Signor: Marc Halcon	
Name of Signor #2:	
Name of Signor #3:	

Lender: Bofl Federal Bank	Servicer: National Funding, Inc.
Loan Amount: \$98,500.00	
*Origination Fee: \$1,970.00	
Total Repayment Amount: \$137,900.40	

*Borrower agrees that Lender or Servicer may debit or otherwise withdraw such fee from Borrower's account on the first business day following the funding date.

Payment Schedule	
\$417.88 Daily Payment Amount (Weekday)	330 Daily Payments
Please initial this document here: DS MH	

Authorization Agreement for Direct Deposits (ACH or Wire Transfer Credit) and Direct Payments (ACH Debit)

This Authorization Agreement for Direct Deposit (ACH or Wire Transfer Credit) and Direct Payments (ACH Debits) is part of (and incorporated by reference into) the Business Loan Agreement to National Funding, Inc. Borrower should keep this important legal document for Borrower's records.

DISBURSMENT OF LOAN PROCEEDS. By signing below, Borrower authorizes Lender to disburse the Loan proceeds less the amount of any applicable fees upon Loan approval by initiating an ACH or Wire Transfer credit to the checking account indicated below (or a substitute checking account Borrower later identifies and is acceptable to Lender) (hereinafter referred to as the "Designated Checking Account") in the disbursement amount set forth in the accompanying Business Loan Agreement. This authorization is to remain in full force and effect until Lender has received written notification from Borrower of its termination in such time and in such manner as to afford Lender and Borrower's depository bank a reasonable opportunity to act on it

AUTOMATIC PAYMENT PLAN. Enrollment in Lender's Automatic Payment Plan is required for Loan approval. By signing below, Borrower agrees to enroll in the Automatic Payment Plan and authorizes Lender to collect payments required under the terms of Borrower's Business Loan Agreement by initiating ACH debit entries to the Designated Checking Account in the amounts and on the dates provided in the payment schedule set forth in the accompanying Business Loan Agreement. Borrower authorizes Lender to increase the amount of any scheduled ACH debit entry or assess multiple ACH debits for the amount of any previously scheduled payment(s) that was not paid as provided in the payment schedule and any unpaid Fees. This authorization is to remain in full force and effect until Lender has received written notification from Borrower of its termination in such time and in such manner as to afford Lender and Borrower's depository bank a reasonable opportunity to act on it. Lender may suspend or terminate Borrower's enrollment in the Automatic Payment Plan immediately if Borrower fails to keep Borrower's Designated Checking Account in good standing or if there are insufficient funds in Borrower's Designated Checking Account to process any payment. If Borrower revokes the authorization or Lender suspends or terminates Borrower's enrollment in the Automatic Payment Plan, Borrower still will be responsible for making timely payments pursuant to the alternative payment methods described in the Business Loan Agreement.

PROVISIONAL PAYMENT: Credit given by us to you with respect to an Automated Clearing House ("ACH") credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

NOTICE OF RECEIPT OF ENTRY: Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Designated Checking Account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide to you.

CHOICE OF LAW: We may accept on your behalf payments to your Designated Checking Account which have been transmitted through one or more "ACH's" and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of California, unless it has otherwise specified in a separate agreement that the law of some other state shall govern.

BUSINESS PURPOSE ACCOUNT. By signing below, Borrower attests that the Designated Checking Account was established for business purposes and not primarily for personal, family or household purposes.

ACCOUNT CHANGES. Borrower agrees to notify Lender, and its Loan Servicing Agent, promptly, in writing, if there are any changes to the account and routing numbers of the Designated Checking Account. In the event that this account is deemed closed, insufficient or frozen, and Lender obtains information that Borrower maintains a different Checking Account, then Borrower hereby authorizes Lender, without notice or further permission, to replace that new account information on this form and begin immediate withdrawals based on the newly obtained account information.

MISCELLANEOUS. Lender is not responsible for any fees charged by Borrower's bank as the result of credits or debits initiated under this agreement. The origination of ACH transactions to Borrower's Designated Checking Account must comply with the provisions of U.S. law.

Depository Name: Chase Bank

Branch: _____ City: _____ State: _____ Zip: _____

Routing: 322271627 Account Number: [REDACTED]

Print Business: Donaghy Shooting Center, Inc. Tax ID Number: [REDACTED]

Signature: Marc Holton Title: President Date: 8/23/2017

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1. INTRODUCTION. This Business Loan Agreement ("Agreement") governs your business loan ("Loan") made by BofI Federal Bank, a federal savings bank, headquartered in San Diego, California. Please read it and keep it for your reference. In this Agreement, the words "you," "your" and "Borrower" means each individual or entity that signs this Agreement or on whose behalf this Agreement is signed. The word "Lender," "we," "us" and "our" mean BofI Federal Bank or its successor(s), assign(s), or designee(s).

2. EFFECTIVE DATE. This Agreement begins on the date we accept this Agreement. Lender's acceptance of this Agreement and all distributions under this Agreement shall occur in California. Borrower understands and agrees that Lender may postpone, without penalty, the disbursement of amounts to Borrower until all required security interests have been perfected and Lender has received all required personal guarantees or other documentation.

3. AUTHORIZATION. Borrower agrees that the Loan made by Lender to Borrower shall be conclusively deemed to have been authorized by Borrower and to have been made pursuant to a duly authorized request therefore on its behalf.

4. LOAN FOR BUSINESS/COMMERCIAL PURPOSES ONLY. The proceeds of the requested Loan may be used for the specific purposes as set forth in the Use of Proceeds Certification below, and is expressly to be used for general business purposes or working capital needs. The Loan will not be used for personal, family or household purposes. Borrower understands that Borrower's agreement not to use the Loan proceeds for personal, family or household purposes means that certain important duties imposed upon entities making loans for consumer/personal purposes, and certain important rights conferred upon consumers, pursuant to federal or state law will not apply to the Loan or the Agreement. Borrower also understands that Lender will be unable to confirm whether the use of the Loan proceeds conforms to this section. Borrower agrees that a breach by Borrower of the provisions of this section will not affect Lender's right to (i) enforce Borrower's promise to pay for all amounts owed under this Agreement, regardless of the purpose for which the Loan is in fact obtained or (ii) use any remedy legally available to Lender, even if that remedy would not have been available had the Loan been made for consumer purposes.

5. PROMISE TO PAY. Borrower agrees to pay Lender the Total Repayment Amount shown in accordance with the Payment Schedule shown in the Business Loan Agreement. Borrower agrees to enroll in Lender's Automatic Payment Plan and authorizes Lender to collect required payments as provided in the accompanying Authorization Agreement for Direct Deposit (ACH or Wire Transfer Credit) and Direct Payments (ACH Debits).

5.1 BANK HOLIDAYS AND OTHER EXCEPTIONS. Lender and/or Operator will debit the Designated Account for Weekday Payment Amounts only on Weekdays on which the Bank is open and able to process ACH transactions. On the Weekday immediately following any Weekday or Weekdays on which the Bank was not open or was not able to process ACH transactions for reasons other than an insufficient Designated Account balance, Lender or Operator will debit the Designated Account for an amount equal to the sum of: (i) the Weekday Payment Amount due on that Weekday, plus (ii) the Weekday Payment Amount(s) due on the preceding Weekday(s) when the Bank was not open or could not process ACH transactions.

6. APPLICATION OF PAYMENTS. Lender reserves the right to apply payments to Borrower's Loan in any manner Lender chooses in Lender's sole discretion, which may not include use of a traditional amortization schedule.

7. SECURITY INTEREST. Borrower hereby grants to Lender, the secured party hereunder, a continuing security interest in and to any and all "Collateral" as described below to secure payment and performance of all debts, liabilities and obligations of Borrower to Lender hereunder and also any and all other debts, liabilities and obligations of Borrower to Lender of every kind and description, direct or indirect, absolute or contingent, primary or secondary, due or to become due, now existing or hereafter arising, whether or not such obligations are related to the Loan described in this Agreement, by class, or kind, or whether or not contemplated by the parties at the time of the granting of this security interest, regardless of how they arise or by what agreement or instrument they may be evidenced or whether evidenced by any agreement or instrument, and includes obligations to perform acts and refrain from taking action as well as obligations to pay money including, without limitation, all interest, other fees and expenses (all hereinafter called "Obligations"). The Collateral includes the following property that Borrower now owns or shall acquire or create immediately upon the acquisition or creation thereof: (i) any and all amounts owing to Borrower now or in the future from any merchant processor(s) processing charges made by customers of Borrower via credit card or debit card transactions; and (ii) all other tangible and intangible personal property, including, but not limited to (a) inventory, (b) equipment, (c)

BORROWER'S INITIALS:

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investment property, including certificated and un-certificated securities, securities accounts, security entitlements, commodity contracts and commodity accounts, (d) instruments, including promissory notes (e) chattel paper, including tangible chattel paper and electronic chattel paper, (f) documents, (g) letter of credit rights, (h) accounts, including health-care insurance receivables, (i) deposit accounts, (j) commercial tort claims, (k) general intangibles, including payment intangibles and software and (l) as-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The security interest Borrower grants includes all accessions, attachments, accessories, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and data relating thereto. Borrower represents and warrants that such collateral has not already been pledged to secure any debt or obligation to a third party.

8. PROTECTING THE SECURITY INTEREST. Borrower agrees that Lender and/or Lender's Representative may file any financing statement, lien entry form or other document Lender and/or Lender's Representative requires in order to perfect, amend or continue Lender's security interest in the Collateral and Borrower agrees to cooperate with Lender and Lender's Representative as may be necessary to accomplish said filing and to do whatever Lender and Lender's Representative deems necessary to protect Lender's security interest in the Collateral. In this Agreement "Lender's Representative" means any entity or individual affiliated with Lender that is designated by Lender to serve in such capacity.

9. INSPECTION OF BORROWER'S PLACE OF BUSINESS; USE OF PHOTOGRAPHS AND TESTIMONIALS. Lender and Lender's designated representatives and agents shall have the right during Borrower's normal business hours and at any other reasonable time to examine the interior and exterior of any Borrower's place of business. During an examination of any Borrower place of business, Lender may examine, among other things, whether Borrower (i) has a place of business that is separate from any personal residence, (ii) is open for business, (iii) has sufficient inventory to conduct Borrower's business and (iv) has one or more credit card terminals if Borrower processes credit card transactions. When performing an examination, Lender may photograph the interior and exterior of any Borrower place of business, including any signage, and may photograph any individual who has signed the Agreement ("Signatory") unless the Signatory previously has notified Lender that he or she does not authorize Lender to photograph the Signatory. Lender may obtain testimonials from any Signatory, including testimonials on why Borrower needed the Loan and how the Loan has helped Borrower. Any photograph and testimonial will become and remain the sole property of Lender. Borrower and each Signatory grant Lender the irrevocable and permanent right to display and share any photograph and testimonial in all forms and media, including composite and modified representations, for all purposes, including but not limited to any trade or commercial purpose, with any Lender employees and agents and with the general public. Lender may, but is not required to, use the name of any Borrower and Signatory as a credit in connection with any photograph and testimonial. Borrower and each Signatory release Lender from any claims that may arise regarding the use of any photograph or testimonial, including any claims of defamation, invasion of privacy or infringement of moral rights, rights of publicity or copyright.

10. LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any related documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any related documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. To the extent permitted by applicable law, all such expenses will become a part of the Obligations and, at Lender's option, will: (i) be payable on demand; (ii) be added to the balance of the Loan and be apportioned among and be payable with any installment payments to become due during the remaining term of the Loan; or (iii) be treated as a balloon payment that will be due and payable at the Loan's maturity. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon an Event of Default.

11. BORROWER'S REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants that: (i) Borrower will comply with all laws, statutes, regulations and ordinances pertaining to the conduct of Borrower's business and promises to hold Lender harmless from any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof; (ii) Borrower's principal executive office and the office where Borrower keeps its records concerning its accounts, contract rights and other property, is that shown in the application; (iii) Borrower is duly organized, licensed, validly existing and in good standing under the laws of its jurisdiction of formation and shall hereafter remain in good standing in that jurisdiction, and is duly qualified, licensed and in good standing in every other state in which it is doing business, and shall hereafter remain duly qualified, licensed and in good standing in every other

BORROWER'S INITIALS:

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jurisdiction on which the failure to qualify or become licensed could have a material adverse effect on the financial condition, business or operations of Borrower; (iv) the exact legal name of the Borrower is set forth in the application; (v) the execution, delivery and performance of this Agreement, and any other document executed in connection herewith, are within Borrower's powers, have been duly authorized, are not in contravention of law or the terms of Borrower's charter, by-laws or other organization papers, or of any indenture, agreement or undertaking to which Borrower is a party; (vi) all organization papers and all amendments thereto of Borrower have been duly filed and are in proper order and any capital stock issued by Borrower and outstanding was and is properly issued and all books and records of Borrower are accurate and up to date and will be so maintained; (vii) Borrower (a) is subject to no charter, corporate or other legal restriction, or any judgment, award, decree, order, governmental rule or regulation or contractual restriction that could have a material adverse effect on its financial condition, business or prospects, and (b) is in compliance with its organization documents and by-laws, all contractual requirements by which it may be bound and all applicable laws, rules and regulations other than laws, rules or regulations the validity or applicability of which it is contesting in good faith or provisions of any of the foregoing the failure to comply with which cannot reasonably be expected to materially adversely affect its financial condition, business or prospects or the value of the Collateral; and (viii) there is no action, suit, proceeding or investigation pending or, to Borrower's knowledge, threatened against or affecting it or any of its assets before or by any court or other governmental authority which, if determined adversely to it, would have a material adverse effect on its financial condition, business or prospects or the value of the Collateral.

12. INTEREST AND FEES. Borrower agrees to pay the Interest Charge in full as set forth in the accompanying Business Loan Agreement. In addition to any other fees described in the Agreement, Borrower agrees to pay the following fees:

A. Origination Fee: A one-time Non-Refundable Origination Fee in the amount set forth in the accompanying Business Loan Agreement. Borrower agrees that this fee will be deducted along with the first day's payment.

B. Returned Payment Fee: A Returned Payment Fee in the amount of \$25.00.

C. Stop Payment Fee: A Stop Payment Fee in the amount of \$25.00.

D. Modification Fee: A Modification Fee up to \$250.00.

E. Late Fee: A Late Fee in the amount of \$10.00 will be charged in the event a payment due and owing is received by the Lender on an untimely basis.

Payments made by Borrower will be applied towards Loan interest and principal after all of the above fees have been assessed in accordance with the foregoing description.

13. FINANCIAL INFORMATION AND REEVALUATION OF CREDIT. Borrower and each guarantor (if any) authorize Lender to obtain business and personal credit bureau reports in Borrower's and any guarantor's name, respectively, at any time and from time to time for purposes of deciding whether to approve the requested Loan or for any update, renewal, extension of credit or other lawful purpose. Borrower and each guarantor (if any) agree to submit current financial information, a new credit application, or both, in Borrower's name and in the name of each guarantor, respectively, at any time promptly upon Lender's request. Borrower authorizes Lender to act as Borrower's agent for purposes of accessing and retrieving transaction history information regarding Borrower from Borrower's designated merchant processor(s). Lender may report Lender's credit experiences with Borrower and any guarantor of Borrower's Loan to third parties as permitted by law. Borrower also agrees that Lender may release information to comply with governmental reporting or legal process that Lender believes or determines in its sole discretion may be required, whether or not such is in fact required, or when necessary or helpful in completing a transaction, or when investigating a loss or potential loss. A negative credit report reflecting on Borrower's credit record may be submitted to a credit reporting agency if Borrower fails to fulfill the terms of Borrower's credit obligations hereunder.

14. ATTORNEYS' FEES AND COLLECTION COSTS. To the extent not prohibited by applicable law, Borrower shall pay to Lender on demand any and all expenses, including, but not limited to, collection costs, all attorneys' fees and expenses, and all other expenses of like or unlike nature which may be expended by Lender to obtain or enforce payment of Obligations either as against Borrower or any guarantor or surety of Borrower or in the prosecution or defense of any action or concerning any matter growing out of or connected with the subject matter of this Agreement, the Obligations or the Collateral or any of Lender's rights or interests therein or thereto, including, without limiting the generality of the foregoing, any counsel fees or expenses incurred in any bankruptcy or insolvency proceedings and all costs and expenses (including search fees) incurred or paid by Lender in connection with the administration, supervision, protection or realization on any security held by Lender for the debt secured hereby, whether such security was granted by Borrower or by any other person primarily or secondarily liable (with or without recourse) with respect to such debt, and all costs and expenses incurred by Lender in connection with the defense, settlement or satisfaction of any action, claim or demand asserted against Lender in connection therewith, which amounts shall be considered advances to protect

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Lender's security, and shall be secured.

15. DEFAULT. The occurrence of any one or more of the following events (herein, "Events of Default") shall constitute, without notice or demand, a default under this Agreement and all other agreements between Lender and Borrower and instruments and papers given Lender by Borrower, whether such agreements, instruments, or papers now exist or hereafter arise: (i) Lender is unable to collect any Automatic Payment Plan payment on three consecutive dates due and/or, Borrower fails to pay any Obligations on three consecutive dates due through the designated alternative payment method; (ii) Borrower fails to comply with, promptly, punctually and faithfully perform or observe any term, condition or promise within this Agreement; (iii) the determination by Lender that any representation or warranty heretofore, now or hereafter made by Borrower to Lender, in any documents, instrument, agreement, or paper was not true or accurate when given; (iv) the occurrence of any event such that any indebtedness of Borrower from any lender other than Lender could be accelerated, notwithstanding that such acceleration has not taken place; (v) the occurrence of any event that would cause a lien creditor, as that term is defined in Section 9-102 of the Uniform Commercial Code, to take priority over the Loan made by Lender; (vi) a filing against or relating to Borrower of (a) a federal tax lien in favor of the United States of America or any political subdivision of the United States of America, or (b) a state tax lien in favor of any state of the United States of America or any political subdivision of any such state; (vii) the occurrence of any event of default under any other agreement between Lender and Borrower or instrument or paper given Lender by Borrower, whether such agreement, instrument, or paper now exists or hereafter arises (notwithstanding that Lender may not have exercised its rights upon default under any such other agreement, instrument or paper); (viii) any act by, against, or relating to Borrower, or its property or assets, which act constitutes the application for, consent to, or sufferance of the appointment of a receiver, trustee or other person, pursuant to court action or otherwise, over all, or any part of Borrower's property; (ix) the granting of any trust mortgage or execution of an assignment for the benefit of the creditors of Borrower, or the occurrence of any other voluntary or involuntary liquidation or extension of debt agreement for Borrower; (x) the failure by Borrower to generally pay the debts of Borrower as they mature; (xi) adjudication of bankruptcy or insolvency relative to Borrower; (xii) the entry of an order for relief or similar order with respect to Borrower in any proceeding pursuant to Title 11 of the United States Code entitled "Bankruptcy" (the "Bankruptcy Code") or any other federal bankruptcy law; (xiii) the filing of any complaint, application or petition by or against Borrower initiating any matter in which Borrower is or may be granted any relief from the debts of Borrower pursuant to the Bankruptcy Code or any other insolvency statute or procedure; (xiv) the calling or sufferance of a meeting of creditors of Borrower; (xv) the meeting by Borrower with a formal or informal creditor's committee; (xvi) the offering by or entering into by Borrower of any composition, extension or any other arrangement seeking relief or extension for the debts of Borrower, or the initiation of any other judicial or non-judicial proceeding or agreement by, against or including Borrower that seeks or intends to accomplish a reorganization or arrangement with creditors; (xvii) the entry of any judgment against Borrower, which judgment is not satisfied or appealed from (with execution or similar process stayed) within 15 days of its entry; (xviii) the occurrence of any event or circumstance with respect to Borrower such that Lender shall believe in good faith that the prospect of payment of all or any part of the Obligations or the performance by Borrower under this Agreement or any other agreement between Lender and Borrower is impaired or there shall occur any material adverse change in the business or financial condition of Borrower; (xix) the entry of any court order that enjoins, restrains or in any way prevents Borrower from conducting all or any part of its business affairs in the ordinary course of business; (xx) the occurrence of any uninsured loss, theft, damage or destruction to any material asset(s) of Borrower; (xxi) any act by or against, or relating to Borrower or its assets pursuant to which any creditor of Borrower seeks to reclaim or repossess or reclaims or repossesses all or a portion of Borrower's assets; (xxii) the termination of existence, dissolution or liquidation of Borrower or the ceasing to carry on actively any substantial part of Borrower's current business; (xxiii) this Agreement shall, at any time after its execution and delivery and for any reason, cease to be in full force and effect or shall be declared null and void, or the validity or enforceability hereof shall be contested by Borrower or any guarantor of Borrower denies it has any further liability or obligation hereunder; (xxiv) any guarantor or person signing a support agreement in favor of Lender shall repudiate, purport to revoke or fail to perform his or her obligations under his guaranty or support agreement in favor of Lender or any corporate guarantor shall cease to exist; (xxv) any material change occurs in Borrower's ownership or organizational structure (acknowledging that any change in ownership will be deemed material when ownership is closely held); (xxvi) a guarantor dies; if Borrower is a sole proprietorship, the owner dies; if Borrower is a trust, a trustor dies; if Borrower is a partnership, any general or managing partner dies; if Borrower is a corporation, any principal officer or 10% or greater shareholder dies; if Borrower is a limited liability company, any managing member dies; if Borrower is any other form of business entity, any person(s) directly or indirectly controlling 10% or more of the ownership interests of such entity dies.

16. RIGHTS AND REMEDIES UPON DEFAULT. Subject to applicable law, if an Event of Default occurs under this Agreement, at any time thereafter, Lender may exercise any one or more of the following rights and remedies:

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- A. Refrain from Disbursing Loan Proceeds: Lender may refrain from disbursing Borrower's Loan proceeds to Borrower's Designated Checking Account.
- B. Debit Amounts Due From Borrower's Accounts: Lender may debit from Borrower's Designated Checking Account all Automatic Payment Plan payments that Lender was unable to collect and/or the amount of any other Obligations that Borrower failed to pay.
- C. Accelerate Indebtedness: Lender may declare the entire Obligations immediately due and payable, without written notice of any kind to Borrower.
- D. Other Rights and Remedies: Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity or otherwise.
- E. Election of Remedies: Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, any related documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower under the Agreement, after Borrower's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

17. PREPAYMENT. You may prepay in full all of your obligations under this Agreement by paying us an amount equal to the following (the "Early Repayment Amount"): (a) any accrued and unpaid payments, fees and charges due as of the date of calculations; plus (b) the sum of all future Scheduled Payments and other fees and charges due after the date of calculation discounted at the rate of: 7% if the Early Repayment Amount is received by us within 100 days of Effective Date; (c) all payments must be current and in good standing at the time of payoff to be eligible for discount.

18. CONSENT TO JURISDICTION AND VENUE. Borrower and Lender agree that any action or proceeding to enforce or arising out of this Agreement may be commenced in any court of the State of California or in the United States District Court for the Southern District of California, and Borrower waives personal service of process and agrees that a summons and complaint commencing an action or proceeding in any such court shall be properly served and confer personal jurisdiction if served by registered or certified mail to Borrower, or as otherwise provided by the laws of the State of California or the United States of America. Borrower and Lender agree that venue is proper in such courts.

19. NO WAIVER BY LENDER. No delay or omission on the part of Lender in exercising any rights under this Agreement, any related guaranty or applicable law shall operate as a waiver of such right or any other right. Waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. All Lender's rights and remedies, whether evidenced hereby or by any other agreement, instrument or paper, shall be cumulative and may be exercised singularly or concurrently.

20. ASSIGNMENT. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties hereto; provided, however, that Borrower may not assign this Agreement or any rights or duties hereunder without Lender's prior written consent and any prohibited assignment shall be absolutely void. No consent to an assignment by Lender shall release Borrower from its Obligations. Lender may assign this Agreement and its rights and duties hereunder and no consent or approval by Borrower is required in connection with any such assignment. Lender reserves the right to sell, assign, transfer, negotiate or grant participations in all or any part of, or any interest in Lender's rights and benefits hereunder. In connection with any assignment or participation, Lender may disclose all documents and information that Lender now or hereafter may have relating to Borrower or Borrower's business. To the extent that Lender assigns its rights and obligations hereunder to another party, Lender thereafter shall be released from such assigned obligations to Borrower and such assignment shall affect a notation between Borrower and such other party.

21. SEVERABILITY. If one or more provisions of this Agreement (or the application thereof) is determined invalid, illegal or unenforceable in any respect in any jurisdiction, the same shall not invalidate or render illegal or unenforceable such provision (or its application) in any other jurisdiction or any other provision of this Agreement (or its application).

22. NOTICES. Except as otherwise provided in this Agreement, notice under this Agreement must be in writing. Notices will be deemed given when deposited in the U.S. mail, postage prepaid, first class mail; when delivered in person; or when sent by registered mail; by certified mail; or by nationally recognized overnight courier. Notice to Borrower will be sent to Borrower's last known address in Lender's records for this Loan. Notice to Lender may be sent to National Funding, Inc., 9820 Towne Centre Drive, Suite 200, San Diego, CA 92121.

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23. RECORDKEEPING REQUIREMENTS. Lender shall have no obligation to maintain any electronic records or any documents, schedules, invoices or any other paper delivered to Lender by Borrower in connection with this Agreement or any other agreement other than as required by law. Borrower will at all time keep accurate and complete records of Borrower's accounts. At Lender's request, Borrower shall deliver to Lender schedules of accounts and general intangibles. Lender, or any of its agents, shall have the right to call at Borrower's place or places of business at intervals to be determined by Lender, and without hindrance or delay, to inspect, audit, check, and make extracts from any copies of the books, records, journals, orders, receipts, correspondence that relate to Borrower's accounts or other transactions between the parties thereto and the general financial condition of Borrower and Lender may remove any of such records temporarily for the purpose of having copies made thereof.

24. GOVERNING LAW. Our relationship [including this Agreement and any claim, dispute or controversy (whether in contract, tort, or otherwise) at any time arising from or relating to this Agreement] is governed by, and this Agreement will be construed in accordance with, applicable federal law and (to the extent not preempted by federal law) California law without regard to internal principles of conflict of laws. The legality, enforceability and interpretation of this Agreement and the amounts contracted for, charged and reserved under this Agreement will be governed by such laws. **Borrower understands and agrees that (i) Lender is located in California, (ii) Lender makes all credit decisions from Lender's office in California, (iii) the Loan is made in California (that is, no binding contract will be formed until Lender receives and accepts Borrower's signed Agreement in California) (iv) Loan proceeds are distributed from California (v) Borrower's payments are not accepted until received by Lender in California; and, therefore, (vi) the Loan has a sufficient and tangible nexis to California.**

25. WAIVER OF NOTICES AND OTHER TERMS. Except for any notices provided for in this Agreement, Borrower and any person who has obligations pursuant to this Agreement (e.g., a guarantor), to the extent not prohibited by applicable law hereby, waives demand, notice of nonpayment, notice of intention to accelerate, notice of acceleration, presentment, protest, notice of dishonor and notice of protest. To the extent permitted by applicable law, Borrower and any person who has obligations pursuant to this Agreement also agree: Lender is not required to file suit, show diligence in collection against Borrower or any person who has obligations pursuant to this Agreement, or proceed against any Collateral; Lender may, but will not be obligated to, substitute, exchange or release any Collateral; Lender may release any Collateral, or fail to realize upon or perfect Lender's security interest in any Collateral; Lender may, but will not be obligated to, sue one or more persons without joining or suing others; and Lender may modify, renew, or extend this Agreement (repeatedly and for any length of time) without notice to or approval by any person who has obligations pursuant to this Agreement (other than the party with whom the modification, renewal or extension is made).

26. MONITORING, RECORDING AND ELECTRONIC COMMUNICATIONS. In order to ensure a high quality of service for Lender's customers, Lender may monitor and/or record telephone calls between Borrower and Lender's employees or agents. Borrower acknowledges that Lender may do so and agrees in advance to any such monitoring or recording of telephone calls. Borrower also agrees that Lender may communicate with Borrower electronically by e-mail.

27. JURY TRIAL WAIVER. To the extent not prohibited by applicable law, Borrower waives their right to a trial by jury of any claim or cause of action based upon, arising out of or related to the Agreement and all other documentation evidencing the Obligations, in any legal action or proceeding. Any such claim or cause of action shall be tried by court sitting without a jury.

28. ENTIRE AGREEMENT. Any application Borrower signed or otherwise submitted in connection with the Loan, the accompanying Business Loan and Security Agreement Supplement and the Authorization Agreement for Direct Deposit (ACH or Wire Transfer Credit) and Direct Payments (ACH Debits) and any other documents required by Lender now or in the future in connection with this Agreement and Borrower's Loan are hereby incorporated into and made a part of this Agreement. This Agreement is the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior written or verbal communications or instruments relating thereto.

29. COUNTERPARTS; FAX SIGNATURES. This Agreement may be executed in one or more counterparts, each of which counterparts shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. For purposes of the execution of this Agreement, electronic signatures and fax signatures shall be treated in all respects as original signatures.

30. CUSTOMER SERVICE CONTACT INFORMATION. If you have questions or comments about your Loan, you may

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contact our servicer, National Funding, Inc., c/o Loan Servicing, 9820 Towne Centre Drive, Suite 200, San Diego, CA 92121.

31. CLASS ACTION WAIVER. The parties waive any right to assert any claims against the other party as a representative or member in any class or representative action, except where such waiver is prohibited by law against public policy. Subject to Section 14 above, to the extent either party is permitted by law or court of law to proceed with a class or representative action against the other, the parties agree that: (1) the prevailing party shall not be entitled to recover attorneys' fees or costs associated with pursuing the class or representative action (notwithstanding any other provision in this agreement); and (2) the party who initiates or participates as a member of the class will not submit a claim or otherwise participate in any recovery secured through the class or representative action. For purposes of clarity, the limitations in this Section 31, shall not apply to the costs associated with defending the class or representative action.

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32. **PERSONAL GUARANTY.** The undersigned (each a "Guarantor"), jointly and severally (if more than one), absolutely and unconditionally guarantee the prompt payment to Lender, including its successors and assignees, of any and all Obligations incurred by the Borrower pursuant to the Agreement. Each Guarantor further agrees to repay the Obligations on demand, without requiring Lender first to enforce payment against Borrower. This is a guarantee of payment and not of collection. This is an absolute, unconditional, primary, and continuing obligation and will remain in full force and effect until the first to occur of the following: (i) all of the Obligations have been indefeasibly paid in full, and Lender has terminated this Personal Guaranty, or (ii) 30 days after the date on which written notice of revocation is actually received and accepted by Lender. No revocation will affect: (i) the then existing liabilities of the revoking Guarantor under this Personal Guaranty; (ii) Obligations created, contracted, assumed, acquired or incurred prior to the effective date of such revocation; (iii) Obligations created, contracted, assumed, acquired or incurred after the effective date of such revocation pursuant to any agreement entered into or commitment obtained prior to the effective date of such revocation; or (iv) any Obligations then or thereafter arising under the agreements or instruments then in effect and then evidencing the Obligations. Each Guarantor waives all notices to which the Guarantor might otherwise be entitled by law, and also waives all defenses, legal or equitable, otherwise available to the Guarantor, including but not limited to exoneration. This Personal Guaranty will be exclusively construed in accordance with the laws of the State of California, and will inure to the benefit of Lender, its successors and assigns. **THIS GUARANTEE AND EACH GUARANTOR HEREBY AGREE TO CONSENT TO THE EXCLUSIVE VENUE AND JURISDICTION OF ANY COURT OF THE STATE OF CALIFORNIA FOR ALL MATTERS OR IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF CALIFORNIA**

DocuSigned by:

Guarantor #1: Marc Halcon

FB30678058714FE...

Name: Marc Halcon

Date: 8/23/2017

Guarantor #2: _____

Name: _____

Date: _____

Guarantor #3: _____

Name: _____

Date: _____

33. CERTIFICATION AND SIGNATURES. By signing below or authorizing the person signing below to sign on its behalf, Borrower certifies that Borrower has received a copy of this Agreement and that Borrower has read, understood and agreed to be bound by its terms. Each person signing below certifies that each person is signing on behalf of the Borrower in the capacity indicated below the signer's name and that such signer is authorized to execute this Agreement on behalf of or the in stated relation to Borrower.

Use of Proceeds Certification

As referred to in Section 4, by signing below, the Borrower also certifies, acknowledges and understands that the proceeds from the requested Loan will **not be used for personal household or family purposes**, and will be used solely for purchasing or acquiring specific products or services, for the following purposes only:

- Insurance (but not self-insurance programs)
- Services or equipment merchandise, inventory or specified goods
- Improvements / construction of facilities (but not purchase of real estate)
- Loans to finance specified sales transactions
- Public works projects or educational services (e.g., training)

Borrower: American Shooting Center, Inc.

DocuSigned by:
Signor #1: X Marc Halcon
FB30676056714FE...
Name: Marc Halcon
Title: President
Date: 8/23/2017

Signor #2: X
Name: _____
Title: _____
Date: _____

Signor #3: X
Name: _____
Title: _____
Date: _____

DocuSigned by:
X Daniel Hefner
C0CF7C937EFE4F5...
Daniel Hefner – BofI Federal Bank
FVP, Head of Operations

DocuSigned by:
X Nikki Maldonado
51D74DD7EC9846C
Nikki Maldonado – National Funding
Executive VP of Credit & Operations