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**THE COURT OF COMMON PLEAS OF LANCASTER COUNTY, PA
CIVIL ACTION-LAW**

Daniel McAuley Jr., H. Edward Carr, James
Oestreich, and Tigran Kalaydzhyan,
individually and on behalf of all others
similarly situated;
Prestige Fund A, LLC;
Prestige Fund A II, LLC;
Prestige Fund A IV, LLC;
Prestige Fund A V, LLC;
Prestige Fund A VI, LLC;
Prestige Fund A VII, LLC;
Prestige Fund A IX, LLC;
Prestige Fund B, LLC;
Prestige Fund B II, LLC;
Prestige Fund B IV, LLC;
Prestige Fund B V, LLC;
Prestige Fund B VI, LLC;
Prestige Fund B VII, LLC;
Prestige Fund B BTM I, LLC;
Prestige Fund D, LLC;
Prestige Fund D III, LLC;
Prestige Fund D IV, LLC;
Prestige Fund D V, LLC;
Prestige Fund D VI, LLC;
Prestige Fund D BTM I, LLC;
WF Velocity I, LLC;
WF Velocity Fund IV, LLC;
WF Velocity Fund V, LLC;
WF Velocity Fund VI, LLC;
WF Velocity Fund VII, LLC

Plaintiffs,

v.

First National Bank of Pennsylvania,

Defendant.

Case No.

Jury Trial Demanded

CLASS ACTION COMPLAINT

Plaintiffs, Daniel McAuley Jr., H. Edward Carr, James Oestreich, and Tigran Kalaydzhyan, individually and on behalf of all others similarly situated, along with Prestige Fund A, LLC; Prestige Fund A II, LLC; Prestige Fund A IV, LLC; Prestige Fund A V, LLC; Prestige Fund A VI, LLC; Prestige Fund A VII, LLC; Prestige Fund A IX, LLC; Prestige Fund B, LLC; Prestige Fund B II, LLC; Prestige Fund B IV, LLC; Prestige Fund B V, LLC; Prestige Fund B VI, LLC; Prestige Fund B VII, LLC; Prestige Fund B BTM I, LLC; Prestige Fund D, LLC; Prestige Fund D III, LLC; Prestige Fund D IV, LLC; Prestige Fund D V, LLC; Prestige Fund D VI, LLC; Prestige Fund D BTM I, LLC; WF Velocity I, LLC; WF Velocity Fund IV, LLC; WF Velocity Fund V, LLC; WF Velocity Fund VI, LLC; WF Velocity Fund VII, LLC, by and through their attorneys, bring this class action complaint against First National Bank of Pennsylvania. Plaintiffs allege as follows:

INTRODUCTORY STATEMENT

1. This case concerns a \$700,000,000 Ponzi scheme spearheaded by Paramount Management Group, LLC (“Paramount”) and its leader, Daryl Heller.
2. Paramount represented that it raised money from retail investors to procure and operate a network of automated teller machines (“ATMs”) and that ATM revenues would fund fixed monthly returns to investors.
3. The ATMs Heller and Paramount claimed were purchased either (1) never existed, (2) were purchased but stayed in a warehouse, (3) were sold to more than one entity, and/or (4) were not purchased outright.
4. Lacking meaningful cash flow from operations, Paramount relied on a constant influx of new investor money to make payments to existing investors.

5. Ultimately, the Ponzi scheme collapsed. Paramount ceased making monthly payments to investors in mid-2024, Heller's home was raided by FBI agents in December 2024, and Heller filed for Chapter 11 bankruptcy in February 2025 estimating his liabilities were between \$100,000,001 and \$500,000,000.

6. The victims of Paramount's Ponzi scheme were individuals and entities who invested in Paramount via private investment vehicles called the "Prestige Funds." The investors have lost their principal investments and have not received their promised monthly distributions since mid-2024.

7. Paramount and Heller could not have carried out this massive Ponzi scheme without substantial assistance from Defendant First National Bank of Pennsylvania, commonly known as First National Bank or FNB ("FNB").

8. Paramount maintained its primary banking relationship and principal operating accounts at FNB. As a result, FNB had direct visibility into the key accounts through which investor money entered Paramount and investor-return payments were made during the relevant period.

9. FNB paid close attention to Paramount's cash flows, in part because FNB closely monitored transactional activities in Paramount's account, and in part because FNB had loaned Paramount millions of dollars and wanted to ensure that it would be re-paid. As Heller remarked in a text to his co-conspirator Randall Leaman, FNB was "hawking [Paramount's] account."

10. During at least 2021 through 2024, FNB's own account records showed that Paramount's outgoing payments to investors far exceeded Paramount's operating receipts and other non-investor sources of cash. Those records showed that Paramount was relying on new investor-related inflows to make payments to existing investors.

11. Paramount's FNB account activity further showed that investor capital was being used to make payments to existing investors rather than being used only to purchase and operate ATMs. For example, Paramount received investor capital from the Prestige Funds into the Restricted Account, transferred substantially similar amounts into the Operating Account with descriptions such as "FOR INVESTOR WIRES," and then wired those funds back out to Prestige Funds and related entities as investor payments. These transactions reflected a circular flow of funds consistent with the use of new investor money to satisfy existing investor obligations.

12. Despite knowing that Paramount was routing new investor funds to make payments to existing investors, FNB continued maintaining the accounts and processing the incoming and outgoing transfers through which that routing occurred.

13. In Daryl Heller's bankruptcy proceedings, a court-appointed examiner reviewed Paramount's FNB bank account statements and concluded based on those bank statements that "[w]ith no other available funds to pay returns to earlier Investors, [Paramount] necessarily used funds from subsequent Investors to pay returns owed to earlier Investors." The Examiner's conclusion was based on the same FNB account statements and transaction records that FNB maintained and processed in real time.

PARTIES AND RELEVANT NON-PARTIES

14. Plaintiff Daniel McAuley Jr. is an individual and resident of Massachusetts. Plaintiff McAuley invested in Prestige Funds' series A offering, promoted and operated by Paramount.

15. Plaintiff H. Edward Carr is an individual and resident of Lancaster County, Pennsylvania. Plaintiff Carr invested in Prestige Funds' series B offering, promoted and operated by Paramount.

16. Plaintiff James Oestreich is an individual and resident of Texas. Plaintiff Oestreich invested in Prestige Funds' series D offering, promoted and operated by Paramount.

17. Plaintiff Tigran Kalaydzhyan is an individual and United States citizen currently residing in Mexico. Plaintiff Kalaydzhyan invested in Prestige Funds' series WF Velocity offering, promoted and operated by Paramount.

18. The "Prestige Funds" plaintiffs (also referred to herein as the "Funds") are the following funds:

- Prestige Fund A, LLC;
- Prestige Fund A II, LLC;
- Prestige Fund A IV, LLC;
- Prestige Fund A V, LLC;
- Prestige Fund A VI, LLC;
- Prestige Fund A VII, LLC;
- Prestige Fund A IX, LLC;
- Prestige Fund B, LLC;
- Prestige Fund B II, LLC;
- Prestige Fund B IV, LLC;
- Prestige Fund B V, LLC;
- Prestige Fund B VI, LLC;
- Prestige Fund B VII, LLC;
- Prestige Fund B BTM I, LLC;
- Prestige Fund D, LLC;
- Prestige Fund D III, LLC;
- Prestige Fund D IV, LLC;
- Prestige Fund D V, LLC;
- Prestige Fund D VI, LLC;
- Prestige Fund D BTM I, LLC;
- WF Velocity I, LLC;
- WF Velocity Fund IV, LLC;
- WF Velocity Fund V, LLC;
- WF Velocity Fund VI, LLC;
- WF Velocity Fund VII, LLC.

19. Each of the Prestige Funds was organized under the laws of Delaware and headquartered at 415 North Prince Street, Suite 200, Lancaster, Pennsylvania 17603.

20. Defendant First National Bank of Pennsylvania is headquartered at FNB Financial Center, 626 Washington Pl., Pittsburgh, PA 15219. It is a federally chartered national bank offering commercial banking, consumer banking, and wealth management services. The Bank currently maintains approximately 350 branches throughout the District of Columbia, Maryland, North Carolina, Ohio, Pennsylvania, South Carolina, Virginia, and West Virginia.

21. Non-party Paramount Management Group, LLC (“Paramount”) was organized under the laws of Pennsylvania and headquartered at 415 North Prince Street, Suite 202, Lancaster, Pennsylvania 17603.

22. Non-party Daryl Heller, through Heller Capital Group LLC, was the majority owner and control person of Paramount. Heller also controlled the Prestige Funds until November 2024.

JURISDICTION AND VENUE

23. This Court has original jurisdiction to hear this action under 42 Pa.C.S. § 931.

24. Under Pennsylvania Rule of Civil Procedure 2179, venue is proper in this Court because (1) the causes of action arose in Lancaster County, (2) a transaction or occurrence took place in Lancaster County out of which the causes of action arose, and (3) FNB regularly conducted its transactions at issue in Pennsylvania.

FACTUAL ALLEGATIONS

I. Paramount's Fraud on the Prestige Funds and the Class

A. Paramount's business model as represented to investors

25. Paramount misled its investors into believing that they were purchasing interests in an entity that would procure and manage ATMs. In reality, these investors were purchasing interests in a Ponzi scheme that operated under the guise of an investment in the ATM industry.

26. Paramount frequently shared financial reports with the Prestige Funds representing how many ATMs Paramount owned and operated. Those reports represented, among other things, the number of ATMs Paramount owned, managed, or operated and the revenues those ATMs supposedly generated.

27. Believing that Paramount was accurately representing its business operations and profitability, the Prestige Funds invested in Paramount.

28. The Prestige Funds invested in Paramount by entering into ATM Management Services Agreements ("MSA(s)") with Paramount whereby the Prestige Funds purchased ATMs from Paramount using investor capital and, in turn, Paramount agreed to install, maintain, and manage the ATMs.

29. The MSAs provided that Paramount would collect revenue generated by the ATMs—from, for example, use fees—and return to the Prestige Funds a fixed monthly amount. The Prestige Funds, in turn, would distribute that money to their investors.

30. The Prestige Funds provided its owners – who were retail investors – with Private Placement Memorandums ("PPMs") that compiled information that Paramount had shared with the Prestige Funds about Paramount's business.

31. While separate PPMs were used for different Prestige Funds, the PPMs were substantively identical in all or nearly all material respects.

32. The PPMs stated that payments from Paramount to the Prestige Funds – which would then be distributed to investors – constituted profits derived through the ownership and operation of ATMs. More specifically, the PPMs stated that distributions “derived from the operations of the Funds’ ATMs” would be paid at approximately \$1,081 per month for every \$52,000 invested, omitting that at all times the Funds had insufficient ATM-derived revenue to support the promised distributions.

33. The investors did not realize that, in reality, the payments from Paramount were not truly profits generated by the ownership of ATMs. Instead, distributions to investors were funded via money raised from subsequent investors.

34. For all of these reasons, even Paramount’s core statement about its “intended business—the purchase, operation, and maintenance of ATMs,” was misleading. In short, Paramount failed to disclose that investor distributions were being funded, at least in substantial part, by later investor money rather than ATM-derived revenue.

B. Very few ATMs were actually purchased with investor capital

35. Very little investor capital was ultimately used to purchase ATMs.

36. Since the Ponzi scheme collapsed, Paramount has revealed in court filings that it actually owned fewer than 10,000 ATMs, of which less than 1,000 were in operation, with thousands of ATMs sitting uninstalled in warehouses.

37. Because Paramount did not procure nearly enough ATMs to generate meaningful revenue, it lacked sufficient operational cash flow to fund investor distributions.

38. Instead, Paramount relied on new investor capital to fund distributions to existing investors and misappropriated investor capital to its principals, in particular, but without limitation, Heller and Leaman.

39. By August 2024, after Paramount stopped making payments and investors began investigating the underlying transactions, the Prestige Funds commenced litigation against Paramount.

40. In connection with the litigation between the Prestige Funds and Paramount, the parties submitted stipulations about what certain of their employees, officers, and other witnesses would say if called to testify as live witnesses. These stipulations revealed that Paramount was not receiving cash flows from the vast majority of the ATMs it purported to own.

41. For example, Matt Eby, the Chief Financial Officer at Prestige Investment Group, testified that the Prestige Funds' bills of sale indicated that, pursuant to the parties' MSAs, the Prestige Funds had purchased 38,561 ATMs from Paramount, and Paramount should have been managing and operating those ATMs for the Funds' benefit.

42. Yet Leigh Danca ("Danca"), the Vice President of Information Systems at Paramount until at least December 2024, stated in stipulated testimony that she "was familiar with the ATM assets that Paramount managed, including the number of ATMs managed," and that "[d]uring [her] tenure at Paramount, she never saw 38,000 ATMs owned, managed, or otherwise on the Paramount network" and that "[a]t most, Paramount had 8,000 Paramount-owned ATMs that were on the network." Danca clarified that "Paramount-owned ATMs" included any ATMs owned by the Prestige Funds pursuant to the "MSAs" described above.

II. FNB's Involvement in Heller and Paramount's ATM Scheme

A. FNB's Fraud Detection Programs

43. Federal law requires banks to know their customers and understand their customers' banking behavior. *See* 31 C.F.R. §§ 1020.220(a)(1), (2). Thus, FNB is required to collect information about the holder of each account. When an entity opens an account, FNB obtains information concerning the individuals who control the account.

44. Federal regulations, including 12 C.F.R. § 21.21, require FNB to develop, administer and maintain a program to ensure compliance with federal Anti-Money-Laundering (AML) laws. The program is approved by the bank's board of directors and: (1) provides a system of internal controls to ensure compliance at all times, (2) provides for independent testing of the bank's ongoing compliance, (3) designates an individual to coordinate and monitor compliance, and (4) provides training for appropriate personnel.

45. FNB also maintains a customer due diligence program to assist in predicting the types of transactions, dollar volume, and transaction volume each customer is likely to conduct, thereby providing the bank with a means of identifying unusual or suspicious transactions for each customer. The customer due diligence program allows the bank to maintain awareness of the financial activity of its customers and the ability to predict the type and frequency of transactions in which its customers are likely to engage.

46. FNB designates a senior bank official to be the compliance officer responsible for coordinating and monitoring compliance with federal AML laws. The compliance officer, in turn, designates an individual at each office or branch to monitor the bank's day-to-day compliance.

47. The federal government established the Federal Financial Institutions Examination Council ("FFIEC") in 1979. FNB receives guidance from the FFIEC, which is tasked with ensuring

consistency in AML compliance efforts across the banking sector. FFIEC publications describe certain “red flags” that indicate possible money laundering schemes and other misconduct mandating further inquiry. For example, Appendix F of the FFIEC’s BSA/AML Manual lists “examples of potentially suspicious activities, or ‘red flags’ for both money laundering and terrorist financing.” Examples of these suspicious indicia relevant to Paramount’s banking activities at FNB include:

- Funds transfer activity is unexplained, repetitive, or shows unusual patterns.
- Payments or receipts with no apparent links to legitimate contracts, goods, or services are received.
- Funds transfers are sent or received from the same person to or from different accounts.
- Unusual transfers of funds occur among related accounts or among accounts that involve the same or related principals.
- Borrower defaults on a cash-secured loan or any loan that is secured by assets which are readily convertible into currency.
- Loans are made for, or are paid on behalf of, a third party with no reasonable explanation.
- Transaction structure appears unnecessarily complex and designed to obscure the true nature of the transaction.
- Shipment locations or description of goods not consistent with letter of credit.
- Multiple high-value payments or transfers between shell companies with no apparent legitimate business purpose.
- A large number of incoming or outgoing funds transfers take place through a business account, and there appears to be no logical business or other economic purpose for the transfers, particularly when this activity involves higher-risk locations.

48. Consistent with FFIEC guidance, FNB maintains a system of controls sufficient to identify broad patterns of account activity, sometimes spanning several accounts. The substantive nature of the transactions, the relationships between the transacting parties, and the parties' identities, are all subject to this examination. FNB contextualizes its scrutiny, analyzing suspicious activity against the backdrop of industry norms and each customer's background. FNB uses external sources of information like the internet, commercial database searches, and direct inquiries to ascertain the identity of originators and beneficiaries, and/or the nature of suspicious account transactions.

49. FNB collects and maintains information about its customers and their banking behavior in order to, among other things, detect and prevent money laundering and fraud and to protect itself from third party liability and reputational injury. FNB maintains procedures to know the identity of each customer, 31 C.F.R. §§ 1020.220(a)(1), (2), and to collect information about the holder of each account, 31 C.F.R. § 1020.220(a)(2).

50. When an entity rather than an individual opens an account, the bank obtains information about the individual who will control the account. 31 C.F.R. § 1020.220(a)(2)(ii)(C). The information that FNB collects about new business account clients includes the purpose and nature of the business, anticipated activity in the account (e.g., volume, value, and type of transaction), where the customer expects to transact business, and the products and services commonly used by the customer.

51. FNB and other banks also maintain internal controls to ensure ongoing compliance with federal AML law. These include independent testing of the bank's compliance, regular monitoring of compliance, and training of personnel. These controls also include customer due diligence programs to prevent and detect money laundering.

52. Through these programs, FNB obtains information that gives it an understanding of the unique financial activity of its customers. Likewise, FNB can predict the type and frequency of transactions in which its customers are likely to engage, including the dollar volume and transaction volume typical of each account. This knowledge is used to identify unusual and suspicious transactions.

53. FNB gives AML training to all personnel whose duties may require such knowledge, including tellers and wire room personnel, enabling them to detect money laundering and fraud.

54. In addition, supervising personnel, specially designated by FNB's chief compliance officer, oversee the day-to-day implementation of the bank's risk management framework at the individual branches.

55. On information and belief, FNB's wire-transfer procedures required bank personnel to review and approve large wire transfers, with heightened review for larger-value wires and wires involving unusual counterparties, related accounts, or activity inconsistent with the customer's expected account profile.

B. Paramount's Bank Accounts At FNB

56. Paramount's primary bank accounts were at FNB. FNB therefore had direct visibility into the key accounts through which investor money entered Paramount and investor-return payments were made.

57. Paramount maintained five bank accounts with FNB. Four of those accounts—with account numbers ending in -3440, -6556, -0823, and -6390—were termed “operating accounts.”

58. The fifth account, with an account number ending in -8413, was called the “Restricted Account.” The Restricted Account was the only account into which the Funds deposited money that the Funds raised from retail investors.

59. The Restricted Account and the -3440 Operating Account were the only two accounts from which returns were paid to the Funds on account of investors’ returns from 2021 through 2024. Those were the two most active accounts.

60. In 2021 and 2022, all payments to the Funds on account of investors’ returns came from the Restricted Account.

61. In 2023 and 2024, all payments to the Funds on account of investors’ returns came from the -3440 Operating Account.

62. FNB also maintained accounts for many Funds and other entities affiliated with, or regularly transacting with, Paramount. FNB also loaned money to the Funds, and accordingly, FNB had conducted ample “know your customer” due diligence regarding the Funds. As a result, FNB knew that the Prestige Funds were private investment funds. More specifically, FNB’s employee Justin Wissler served as a primary banker for both the Funds and Paramount and was familiar with the nature of the Funds and their relationship with Paramount. That familiarity was important because when Wissler processed transactions between Paramount and the Funds, he understood that the Funds were Paramount’s vehicle for raising capital from retail investors. Thus, transfers from the Funds to Paramount were effectively transfers to Paramount of new retail-investor money, and transfers from Paramount to the Funds were distributions to retail investors.

63. FNB also possessed customer and account information concerning the stated nature and expected use of Paramount’s accounts and the accounts of the Funds and related fund entities it maintained.

64. That information gave FNB a basis to understand what kinds of transactions those accounts were expected to generate, the expected sources of incoming funds, the expected destinations of outgoing funds, and whether the activity matched ordinary ATM-operating activity.

65. FNB also maintained depository accounts for Heller-related family and business entities. As a result, FNB's visibility was not limited to the Paramount side of the transactions or to the Prestige Fund side of the transactions. FNB also had account-level visibility into transfers from Paramount-controlled accounts to accounts associated with Heller, his family, and his related businesses.

66. FNB's records show that funds entering Paramount through the Restricted Account were transferred, directly or indirectly, to accounts maintained at FNB for Heller's personal use or for the benefit of Heller-related family and business entities. Those downstream transfers further support the inference that FNB knew the Paramount accounts were not being used solely for the stated purpose of purchasing, operating, and maintaining ATMs, but were also being used to divert investor-related funds for the benefit of Heller and related parties.

67. As set forth below, the activity FNB processed through the accounts reflected patterns consistent with misuse of investor funds and the use of new investor money to satisfy existing investor obligations.

C. FNB Account Statements Reflected That Paramount Lacked Operating Cash Flow to Fund Investor Returns

68. In Daryl Heller's bankruptcy proceedings, a court-appointed examiner reviewed Paramount's FNB account statements for the January 2021 through March 2025 time period and drew the following conclusions from those account statements:

- a. Between 2021 and 2024, Paramount paid its investors, the Funds, a total of \$407,324,116.08.

- b. The FNB account statements reflect that Paramount received a total of \$161,663,196 in payments from ATM operations from 2021 through 2024. Paramount's primary source of cash inflows (excluding investor funds received from the Funds) from 2021 to 2024 was fees generated by ATM operations.
- c. After accounting for documented operating expenses of \$123,501,130 reflected in the FNB account statements – including payroll, ATM maintenance, rent, logistics and other business expenditures – Paramount was left with \$38,162,066 in net operating cash for the entirety of 2021 through 2024.
- d. Even ignoring Paramount's documented operating expenses, its \$161,663,196 in gross receipts from ATM operations was insufficient to pay the \$407,324,116 in returns to investors.
- e. Even adding all other sources of capital (except investor funds) deposited into all of Paramount's FNB accounts, which total \$171.9 million and include gross receipts from (i) other funds, (ii) other debtor-related entities, (iii) third-party lenders, and (iv) all other receipts, Paramount lacked sufficient funds to pay the \$407.3 million in payments to investors.
- f. The examiner summarized his findings as follows: "PMG [i.e., Paramount] collapsed because (at least during the Review Period [of January 2021 through March 2025]) PMG lacked sufficient revenue (let alone profit) to pay returns to the Investors. As PMG was using subsequent Investors' funds to

pay earlier Investors, one would expect that PMG would fail when new Investor funds dried up. That is what happened to PMG . . .”

69. FNB account statements showed that Paramount paid more than \$407 million in investor returns while generating only approximately \$161.7 million in gross ATM receipts and approximately \$38.2 million in net operating cash after documented operating expenses. The same account activity therefore showed that Paramount lacked sufficient operating cash flow to fund the investor payments being made through FNB accounts. In context, those records showed that investor-related inflows were being used to fund payments to existing investors.

D. Paramount’s Wire Memoranda and Transfer Patterns Reflected Circular Investor-Fund Routing

70. Paramount’s FNB wire memoranda and transfer patterns made the investor-fund routing visible to FNB. As described below, the Funds transferred investor-related capital to Paramount, and Paramount then transferred substantially similar amounts back to the Funds or related entities as investor payments. In some instances, Paramount’s own transfer descriptions identified the purpose of the movement, including “FOR INVESTOR WIRES.” By no later than March 2022, the transfer pattern visible to FNB had become unmistakable.

71. For example, on March 22, 2022, Paramount’s Restricted Account received a concentrated batch of large transfers of investor capital from the Funds, including multi-million-dollar transfers from Prestige Fund D V, WF Velocity Fund V, Prestige Fund B V, and Prestige Fund A IV. Given FNB’s banking relationships with Paramount and multiple Funds, and its customer information concerning those entities, FNB knew the wires from the Funds were investor-related fund transfers.

72. Those incoming transfers formed part of a coordinated payment cycle. A contemporaneous payment summary directed Paramount to pay exact amounts to named Funds, including payments to the Funds' A, B, D and WF Velocity series.

73. On March 23, 2022, FNB processed the matching outgoing wire batch from Paramount to those same Funds through FNB's own system.

74. Those outgoing wires included fund-specific designations such as PFA, PFA II, PFA IV, PFA V, PFB, PFC, PFD, PFD III, PFD IV, PFD IV Roll, PFD V, PFD V Roll, PFB II, PFB IV, and PFB V, along with corresponding WF Velocity payments.

75. These were not isolated or routine transactions. They were coordinated, fund-specific transactions moving through FNB accounts on both the incoming and outgoing sides of the same payment cycle.

76. By no later than March 23, 2022, FNB knew that Paramount was routing funds through its FNB accounts to receive money from named Funds and to send money back out to those same Funds and related entities in coordinated, fund-specific payment batches.

77. As another example, between November 27, 2023 and November 29, 2023, a series of incoming wire transfers from four of the Prestige Funds totaling \$3,952,000 was credited to Paramount's Restricted Account.

78. On November 29, 2023, Paramount transferred \$3,037,764 from Restricted Account #8413 to its operating account #3440, explicitly labeling the transfer as "FOR INVESTOR WIRES."

79. On the same day, Paramount initiated 23 outgoing wires totaling \$3,039,964 from the #3440 operating account into various Funds' accounts.

80. The transfer description “FOR INVESTOR WIRES” reflected that money moved from the Restricted Account into the Operating Account for the purpose of making investor-related wire payments. Together with the same-day outgoing wires, that transaction showed investor-related inflows being used to fund investor-related outflows.

81. As another example, Paramount used the Prestige Funds’ monies in the Restricted Account to make distributions to investment vehicles/ventures that were *not* the Prestige Funds.

82. On December 29, 2023, \$5,096,000 in wires from the Funds were deposited in the Restricted Account.

83. That same day, Paramount transferred \$5,047,054.20 from Restricted Account #8413 to operating account #3440, a figure that is roughly equivalent to the incoming investor wires. That transfer was labeled “For Blackford and CV Payments.”

84. The same day, the #3440 account made ten wire transfers to the following funds: Blackford ATM Ventures, Cash Ventures, Symbiosis ATM Ventures, and Raw Ventures. Those ten wire transfers totaled \$5,047,054.20, which exactly matched the amount that the Restricted Account had just transferred to the #3440 operating account.

85. In summary, the December 29, 2023 transfers showed that Paramount was receiving more than \$5 million in investor-related funds into the Restricted Account and transferring a substantially equivalent amount out through the Operating Account to other investment funds and related entities.

86. These examples reflected the same intake-and-redistribution mechanics already visible earlier: the Restricted Account and Operating Account were being used to receive investor-related fund inflows and then route those funds out to other funds, related entities, and payment obligations.

E. FNB's own AML and compliance inquiries confirmed its recognition of suspicious activity

87. Written correspondence from FNB employees shows that FNB's AML personnel were examining Paramount's banking activity and seeking explanations for account and wire activity.

88. Justin Wissler, FNB's relationship manager for Paramount and FNB's principal contact on the relationship, was actively relaying requests from the bank's AML team and seeking explanations for activity the bank had identified in Paramount's accounts and wire traffic.

89. In March 2023, Wissler told Paramount that he was copying directly from a communication he had received from FNB's AML team and identified items the bank needed as soon as possible regarding AML regulatory issues.

90. Those items included a request for an updated list of Paramount's ATMs, including the name, address, zip code, and business type for each location, and requests for explanations concerning companies identified in the wire activity, including ATM Ops Inc., Powercoin LLC, Symbiosis ATM Venture LLC, and Horizon ATM Fund.

91. Those AML inquiries did not arise in a vacuum. By that point, FNB had already spent years processing repeated transfers among Paramount, the Funds, and related entities.

92. Those inquiries confirmed that FNB had identified Paramount-related activity requiring AML explanation, including related-party wires, movement through affiliated entities, and activity involving entities identified in Paramount's wire traffic. These inquiries confirmed FNB's recognition of suspicious activity; they did not create FNB's knowledge for the first time.

93. These AML and compliance events confirmed, rather than originated, FNB's knowledge of the suspicious character of activity already visible through Paramount's accounts maintained at FNB.

F. To Collect On Its Loans To Paramount, FNB Swept Paramount's FNB Bank Accounts

94. In 2023, Paramount contacted FNB to request a line of credit. To provide Paramount with a loan, FNB had to receive detailed financial documentation from Paramount, including Paramount's recent tax returns and its balance sheet. FNB required Paramount to provide, and Paramount subsequently provided, FNB with that information and documentation for a line of credit.

95. In particular, on December 15, 2023, FNB loaned \$3 million to Paramount. Pursuant to the terms of an Assignment of Deposit Account, Paramount granted FNB a security interest in the Restricted Account at FNB with an account number ending in -8413. The promissory note was payable immediately on demand.

96. As of April 29, 2024, FNB was very concerned about the status of its loans to Paramount. According to text messages between Paramount's Randall Leaman and Daryl Heller, FNB was calling Paramount's Dennis Ream "every day" about those loans.

97. On August 29, 2024, FNB sent Paramount a "Notice of Demand for Payment." The Notice demanded that Paramount pay FNB all outstanding indebtedness on or by September 4, 2024. At that time, Paramount owed FNB \$2,554,762.43.

98. According to text messages between Leaman and Heller dated September 27, 2024, Heller anticipated that FNB would "sweep" funds if Paramount deposited them into an FNB account. Heller also texted Leaman that FNB was "hawking our account."

99. On September 30, 2024, Heller texted Leaman that "FNB collected 900 K from Heller Capital Group accounts this morning. Applying it towards line of credits they say [Heller Capital] is cross guarantor. I'm in the process of getting it back."

100. On November 14, 2024 Leaman texted Heller that “FNB notified us that they are going to start bouncing checks.” Heller texted Leaman that Heller was “shutting down the FNB accounts.”

101. Later that same day, Heller texted Leaman that he was going to call “Steve [Staman] at FNB.” After that call occurred, Heller texted Leaman “they are going to resolve this and remove all the personal and Company garnishes.”

102. Moreover, rather than shutting down the Paramount accounts (as Heller thought FNB would do), Paramount continued operating the account for several more months.

103. On November 26, 2024, Heller texted Leaman “I’m working with Steve [Staman] at FNB to return the money he took.”

104. On November 29, 2024, Leaman texted Heller “FNB grabbing our cash to satisfy their LOC.”

105. In summary, rather than shutting down Paramount’s accounts after Paramount’s Ponzi scheme was widely publicized, FNB continued operating Paramount’s accounts and “sweeping” them so that FNB could collect Paramount’s cash to pay off FNB’s loan to Paramount. In doing so, FNB took what little remained of the investor capital that had always financed Paramount’s Ponzi scheme.

G. FNB substantially assisted the scheme after acquiring actual knowledge

106. After FNB knew the essential facts concerning the investor-fund routing through Paramount’s FNB accounts, FNB continued to provide the banking structure through which Paramount routed funds to and from named Funds and related entities.

107. FNB maintained Paramount's accounts, accepted incoming deposits and wires necessary to perpetuate the Ponzi scheme, and continued processing large incoming and outgoing transfers among Paramount, the Funds, and related entities.

108. FNB also continued to provide treasury-management and ACH functionality across those same accounts.

109. In February 2023, FNB Treasury personnel expedited Paramount's request to add ACH functionality so Paramount could use both the Operating Account and the Restricted Account through FNB's online system.

110. In September 2023, after Paramount requested official payment instructions for the Operating Account and Restricted Account, Wissler prepared or arranged those materials and sent the completed instructions.

111. FNB's support also extended to its broader relationship and lending services.

112. By 2023, FNB identified Wissler as Paramount's relationship manager and the person handling Paramount's business with the bank.

113. Paramount then sought a working-capital line of credit from FNB, expressly relying on its history and volume with the bank.

114. On information and belief, FNB preserved the relationship and continued providing these services despite knowing the essential nature of the routing pattern moving through Paramount's accounts.

115. In summary, FNB's assistance included maintaining the accounts, accepting incoming wires and deposits on which the cycle depended, processing outgoing transfers through which money was redistributed, providing treasury-management and ACH functionality,

furnishing payment-instructions support, and continuing relationship and lending support after the routing pattern through Paramount's FNB accounts had become apparent.

III. Plaintiffs' Investments

A. Plaintiff Daniel McAuley Jr.

116. In or around November 2020, Plaintiff McAuley invested \$104,000 in Prestige Funds' series A offering.

117. The representations this specific Prestige Fund made to Plaintiff McAuley were largely no different than those made by the other Prestige Funds including, but not limited to: that (1) Prestige Funds would use investor capital to purchase ATMs from Paramount; (2) Paramount would manage those ATMs to generate revenue; (3) Paramount would collect revenue from the ATMs and pay a fixed monthly sum to Prestige Funds; (4) Prestige Funds would distribute the money earned to their investors.¹

118. Plaintiff McAuley invested a total of \$104,000 in Prestige Funds' series A offering.

B. Plaintiff H. Edward Carr

119. In or around February 2024, Plaintiff Carr invested \$208,000 in Prestige Funds' series B offering.

120. The representations this specific Prestige Fund made to Plaintiff Carr were largely no different than those made by the other Prestige Funds including, but not limited to: that (1) Prestige Funds would use investor capital to purchase ATMs from Paramount; (2) Paramount would manage those ATMs to generate revenue; (3) Paramount would collect revenue from the

¹ To be sure, there is a technical difference between, on the one hand, the "Prestige Fund A" series of investments, and on the other hand, most (if not all) of the other Prestige Funds: the Prestige Fund A series' offering documents purported to offer investors direct ownership in the ATMs, rather than simply ownership in the Prestige Funds. In practice, however, this technical difference has little consequence because the parties' rights and obligations to one another remained the same.

ATMs and pay a fixed monthly sum to Prestige Funds; (4) Prestige Funds would distribute the money earned to their investors.

121. Plaintiff Carr invested a total of \$208,000 in Prestige Funds' series B offering.

C. Plaintiff James Oestreich

122. From August 2021 through October 2023, Plaintiff Oestreich invested a total of \$312,000 in Prestige Funds' series D offering.

123. The representations this specific Prestige Fund made to Plaintiff Oestreich were largely no different than those made by the other Prestige Funds including, but not limited to: that (1) Prestige Funds would use investor capital to purchase ATMs from Paramount; (2) Paramount would manage those ATMs to generate revenue; (3) Paramount would collect revenue from the ATMs and pay a fixed monthly sum to Prestige Funds; (4) Prestige Funds would distribute the money earned to their investors.

124. Plaintiff Oestreich invested a total of \$312,000 in Prestige Funds' series D offering.

D. Plaintiff Tigran Kalaydzhyan

125. In July 2023, Plaintiff Kalaydzhyan invested a total of \$52,000 in Prestige Funds' WF Velocity series offering.

126. The representations this specific Prestige Fund made to Plaintiff Kalaydzhyan were largely no different than those made by the other Prestige Funds including, but not limited to: that (1) Prestige Funds would use investor capital to purchase ATMs from Paramount; (2) Paramount would manage those ATMs to generate revenue; (3) Paramount would collect revenue from the ATMs and pay a fixed monthly sum to Prestige Funds; (4) Prestige Funds would distribute the money earned to its investors.

E. Allegations common to all Plaintiffs

127. In or around mid-2024, the Ponzi scheme collapsed because the Prestige Funds ran out of money to continue operating and funding investor payments.

128. In the months that followed, Heller stalled and delayed payment to investors. The Prestige Funds blamed Paramount and Heller for the businesses' collapse, and vice versa.

129. Unfortunately, Plaintiffs and the Class have not received monthly payments since mid-2024 and Plaintiffs and the Class have suffered losses including the loss of principal and the cessation of promised monthly distributions.

CLASS ACTION ALLEGATIONS

130. Plaintiffs Daniel McAuley Jr., H. Edward Carr, James Oestreich, and Tigran Kalaydzhyan (collectively, the “Putative Class Representatives”) bring this action against Defendant pursuant to Rules 1702 et seq. of the Pennsylvania Rules of Civil Procedure on behalf of themselves and all other persons similarly situated. The Class which the Putative Class Representatives seek to represent is comprised of all persons who:

- a. Purchased interests in the Prestige Funds;
- b. Did not make a net profit on their investments; and
- c. Have never been owners, employees, legal representatives, or successors of Paramount.

(the “Class Definition”).

131. Putative Class Representatives reserve the right to amend this Complaint to assert claims on behalf of additional classes or subclasses of investors in any of the Prestige Funds as may later become necessary, insofar as the misrepresentations and omissions identified in this complaint were common to all Prestige Fund offerings.

132. **Numerosity**: Approximately 2,700 individuals or entities fall within the proposed Class Definition. As a result, a class action is superior to other methods of adjudicating the claims of the putative class members; litigating their claims individually would be impractical. Additionally, the disposition of the claims in a class action will provide substantial benefit to the parties and the Court in avoiding a multiplicity of identical suits and inconsistent or varying adjudications with respect to individual Class members that would establish incompatible standards of conduct for the party defending the claims.

133. The claims of Putative Class Representatives are typical of the claims of the Class they seek to represent. Putative Class Representatives and other Class members invested in one or more of the Prestige Funds during the relevant time period. All of their purchases were based on the same set of offering documents and other information made available by the Prestige Funds and their affiliates. A material misrepresentation or omission to one investor is thus the same for all investors.

134. **Commonality**: There are well-defined, nearly identical issues common to the Class—which predominate over issues not common to the class—including:

- a. Whether Paramount operated a Ponzi scheme;
- b. Whether certain representations common across the Prestige Funds offerings including but not limited to the list below were false and misleading;
 1. the Prestige Funds could generate double-digit annualized returns;
 2. the Prestige Funds would use investors' capital to purchase as many ATMs as possible;
 3. investors would receive returns comprised of revenue from ATMs; and

4. Paramount would only realize income for its services as described in the PPMs.
 - c. Whether the misleading statements made by the Prestige Funds as controlled by Paramount and/or Heller were material;
 - d. Whether the Prestige Funds' misrepresentations and omissions—such as that the Prestige Fund investments were profitable—were necessarily relied upon by any individual who purchased those investments;
 - e. Whether FNB knew that Paramount was operating a fraudulent scheme;
 - f. Whether FNB had knowledge of the Ponzi scheme operated by Paramount and/or Heller; and
 - g. Whether FNB aided or assisted Paramount and/or Heller, via the Prestige Funds, in operating a Ponzi scheme.

135. These and other common issues predominate over any individual issues. The focus of these claims is on the conduct of FNB and the contents of its knowledge of and aid to Paramount and/or Heller, which did not vary as between class members.

136. Resolution of these common questions will drive the claims of all Class members toward judgment or resolution; they involve a “fatal similarity” for purposes of the claims of all class members.

137. For all of these reasons, a class action is the superior method for the fair and efficient adjudication of this controversy.

138. **Typicality:** Like all of the proposed Class members, Putative Class Representatives seek to recover the financial losses suffered because of FNB's aid to the Paramount Ponzi scheme regarding their investments.

139. **Adequacy of representation:** Putative Class Representatives are members of the Class and will fairly and adequately represent and protect its interests. Putative Class

Representatives have no interests contrary to or in conflict with the interests of other class members.

140. Counsel for Putative Class Representatives are competent and experienced attorneys who have particular experience in litigating class action claims.

141. **Fair and efficient method:** Prosecuting separate actions by individual Class members would create a risk of inconsistent or varying adjudications and would be an inefficient method to prosecute this claim with the potential for thousands of individual claims. Additionally, a consistent adjudication for all members of the class would provide a basis for fair and equitable adjudication for all members of the class.

142. Class-wide relief is essential to resolve the claims regarding all potential investors relating to all responsible parties in an equitable, even-handed fashion.

143. Putative Class Representatives therefore seek certification of the Class(es) pursuant to Rule 1702 of the Pennsylvania Rules of Civil Procedure.

CAUSES OF ACTION

Count I

Aiding and Abetting Fraud (On behalf of all Plaintiffs)

144. Plaintiffs reallege and incorporate by reference the preceding paragraphs as if fully set forth herein.

145. To establish a claim for aiding and abetting fraud under Pennsylvania law, a plaintiff must demonstrate: (1) fraud committed by a third party, (2) actual knowledge of the fraud, and (3) substantial assistance or encouragement. Plaintiffs' Complaint satisfies each element.

A. The existence of an underlying fraud

146. Paramount Management Group, LLC (“Paramount”) and its principal, Daryl Heller, perpetrated a massive Ponzi scheme through the Prestige Funds. From 2012 through 2024, Paramount and Heller raised over \$700,000,000 from approximately 2,700 investors under the false pretense that investor capital would be used to acquire and operate portfolios of automated teller machines (“ATMs”), with monthly distributions funded by ATM revenue.

147. In reality, Paramount operated far fewer ATMs than represented. Paramount purported to manage a portfolio of approximately 38,000 ATMs, but actually owned fewer than 10,000, many of which were sitting idle in warehouses and not generating revenue. The court-appointed Examiner in Heller’s bankruptcy found that Paramount’s gross receipts from ATM operations during the Review Period were just \$161,663,196—grossly insufficient to support the \$407,324,116 in distributions Paramount paid to investors during the same period. Paramount’s net operating cash was a mere \$38,162,066.

148. Lacking sufficient revenue from operations, Paramount relied on new investor capital to fund distributions to existing investors in classic Ponzi fashion, and misappropriated investor capital to its principals, including Heller. The Examiner concluded that “[w]ith no other available funds to pay returns to earlier Investors, [Paramount] necessarily used funds from subsequent Investors to pay returns owed to earlier Investors.”

149. The information provided to Plaintiffs and the Class contained material misrepresentations and omissions, including that investor capital would be used to purchase ATMs, that monthly distributions would be derived from ATM revenue, and that Paramount would use the entirety of investor proceeds to identify, acquire, manage, operate, and maintain ATMs. None of these representations were true. The underlying fraud is clear.

B. FNB's knowledge of the underlying fraud

150. As Paramount's primary depository bank and the bank maintaining the Restricted Account and Operating Account, FNB had real-time visibility into the account activity through which investor-related funds entered Paramount and investor-return payments were made.

151. Through its maintenance and processing of Paramount's account activity, FNB saw that Paramount's payments to investors far exceeded its operating receipts. Specifically, FNB processed account activity reflecting that Paramount paid more than \$407 million to investors while generating approximately \$161.7 million in gross ATM receipts and only approximately \$38.2 million in net operating cash after documented operating expenses.

152. Furthermore, FNB processed coordinated, fund-specific transactions reflecting circular investor-fund routing. In March 2022, FNB saw large batches of investor capital arrive in the Restricted Account from specific Prestige funds, only to immediately process matching outgoing wires back to those same funds in a circular payment cycle.

153. FNB also processed internal transfers reflecting the use of investor-related funds to make investor payments. In November 2023, Paramount transferred over \$3 million from the Restricted Account (intended for ATM purchases) to its Operating Account with the explicit memo "FOR INVESTOR WIRES," putting FNB on direct notice that new investor capital was being diverted to pay returns to existing investors.

154. FNB observed Paramount using Prestige Fund investor capital to pay entirely different investment groups. For example, in December 2023, FNB processed a \$5 million transfer from the Restricted Account to pay entities such as Blackford ATM Ventures and Cash Ventures, confirming that investor funds were not being used for their stated investment purpose.

155. FNB's own AML personnel recognized that Paramount's account activity required explanation. In March 2023, FNB's relationship manager relayed AML inquiries concerning Paramount's ATM lists and wire activity involving ATM Ops Inc., Powercoin LLC, Symbiosis ATM Venture LLC, and Horizon ATM Fund.

C. FNB's substantial assistance in perpetrating the fraud

156. FNB provided substantial assistance to Paramount and Heller by providing the essential financial infrastructure and specialized services required to operate the Ponzi scheme and misappropriate investor capital.

157. FNB provided the primary mechanism through which Paramount routed hundreds of millions of dollars to and from the Prestige Funds. By maintaining those accounts and processing those transfers, FNB enabled Paramount to continue receiving investor-related funds and making investor-return payments through FNB accounts.

158. In February 2023, FNB Treasury personnel expedited a request to add ACH functionality to both the Operating Account and the Restricted Account. This specialized functionality allowed Paramount to use FNB's online system to move money with the speed and volume required to keep the Ponzi cycle from collapsing.

159. FNB's relationship manager, Justin Wissler, personally prepared and sent official bank payment instructions for the Paramount accounts. These instructions were used to facilitate the transfer of capital from unwitting investors into the accounts FNB was "hawking," directly assisting Paramount's solicitation efforts.

160. FNB continued to process large, coordinated batches of incoming and outgoing wires between Paramount and the Prestige Funds even after the bank recognized the circular routing patterns.

161. Those services were substantial because they allowed Paramount to continue the same investor-fund intake and redistribution pattern after that pattern had become visible to FNB. By continuing to maintain the accounts, accept incoming investor-related wires, process outgoing investor payments, and provide treasury and payment-instruction support, FNB substantially assisted the continuation of Paramount's fraudulent scheme.

162. As a direct and proximate result of FNB's aiding and abetting Paramount's and Heller's fraud, Plaintiffs and the Class have suffered damages, including the loss of their principal investments and the cessation of promised monthly distributions since approximately mid-2024.

Count II
Aiding and Abetting Breach of Fiduciary Duty
(On behalf of all Plaintiffs)

163. Plaintiffs reallege and incorporate by reference the preceding paragraphs as if fully set forth herein.

164. To establish a claim for aiding and abetting breach of fiduciary duty, a plaintiff must demonstrate: (1) the existence of a fiduciary relationship and a breach of a fiduciary duty owed to the plaintiff; (2) the defendant's actual knowledge of the breach of fiduciary duty; and (3) the defendant's substantial assistance in effecting the breach.

A. The existence of a fiduciary relationship and breach of fiduciary duty

165. The Funds and their investors relied entirely on Paramount to use their investment capital prudently and generate the promised returns. Paramount undertook to acquire, install, maintain, manage, and operate ATMs purchased with investor capital and to collect ATM-related revenue for payment to the Funds and their investors. Paramount also controlled the operating information concerning the ATM assets and revenue. Based on that control, Paramount owed fiduciary duties to Plaintiffs and the Class, including duties of loyalty, care, and candor.

166. As a fiduciary, Paramount was obligated to use investor capital for its stated purposes, to make full and fair disclosures regarding the funds' operations and financial condition, and to refrain from self-dealing and misappropriation.

167. Rather than deploying investor capital to acquire and operate ATMs as represented, Paramount operated far fewer ATMs than claimed—fewer than 10,000 compared to the approximately 38,000 represented to investors—and many of those machines sat idle in warehouses and were not generating revenue. The court-appointed Examiner in Heller's bankruptcy found that Paramount's gross receipts from ATM operations during the Review Period were just \$161,663,196, grossly insufficient to support the \$407,324,116 in distributions Paramount paid to investors during the same period.

168. Rather than funding investor distributions from legitimate ATM revenue, Paramount used new investor capital to pay returns to existing investors in classic Ponzi fashion. Paramount misappropriated investor funds for personal use and to enrich insiders. The Examiner concluded that “[w]ith no other available funds to pay returns to earlier Investors, [Paramount] necessarily used funds from subsequent Investors to pay returns owed to earlier Investors.”

169. Paramount and Heller also breached their duty of candor by making material misrepresentations and omissions to Plaintiffs, including that investor capital would be used to purchase ATMs, that monthly distributions would be derived from ATM revenue, and that Paramount would use the entirety of investor proceeds to identify, acquire, manage, operate, and maintain ATMs. None of these representations were true, amounting to a direct breach of fiduciary duties.

B. FNB's actual knowledge of the breach of fiduciary duty

170. FNB knew that Paramount owed Plaintiffs and the Class a fiduciary duty. In particular, FNB knew the facts giving rise to Paramount's duties because FNB knew that the Funds were private investment vehicles, that investor-related funds were being transferred from the Funds to Paramount, and that Paramount was expected to use those funds in connection with the purchase, management, operation, and revenue generation of ATMs.

171. FNB acquired that knowledge through its banking relationships with the Prestige Funds, Paramount, and related entities; its customer information concerning those entities; and its processing of repeated transfers between the Funds and Paramount.

172. FNB knew facts showing that Paramount was breaching those duties because FNB processed account activity showing that investor-related funds were not being used solely for ATM acquisition and operation, but were instead being routed back out as investor payments, related-entity payments, and other obligations.

C. FNB's substantial assistance in effecting the breach of fiduciary duty

173. FNB substantially assisted those breaches by maintaining the accounts through which investor funds were received and redistributed, accepting incoming wires and deposits from the Funds, processing outgoing wires to Funds and related entities, providing treasury-management and ACH functionality, furnishing payment instructions, and continuing relationship and lending support after the routing pattern had become apparent.

174. FNB's substantial assistance was a proximate cause of Plaintiffs' and the Class's damages because FNB continued to maintain and process the accounts through which investor capital was received, diverted, and redistributed after the routing pattern had become apparent.

175. As a direct and proximate result of FNB's aiding and abetting Paramount's and Heller's breaches of fiduciary duty, Plaintiffs and the Class have suffered damages, including the loss of their principal investments and the cessation of promised monthly distributions.

Count III
Aiding and Abetting Conversion
(On behalf of the Funds)

176. The Funds reallege and incorporate by reference the preceding paragraphs as if fully set forth herein.

177. To establish aiding and abetting conversion, the Funds must show that Paramount and/or Heller wrongfully exercised dominion or control over the Funds' property, including specifically identifiable investor-raised funds, in a manner inconsistent with the Funds' rights; that FNB had actual knowledge of the facts constituting that wrongful exercise of control; and that FNB substantially assisted that wrongful exercise of control.

A. Paramount's and Heller's conversion of the Funds' investor-raised capital

178. Paramount and Heller raised investor capital through the Funds under the representation that the capital would be used to acquire, install, maintain, manage, and operate ATMs, with distributions funded by ATM revenue.

179. In reality, Paramount operated far fewer ATMs than represented, lacked sufficient ATM-derived revenue to support the promised distributions, and used investor-raised capital for purposes other than the represented purchase, operation, and maintenance of ATMs.

180. Paramount and Heller wrongfully exercised dominion and control over the Funds' investor-raised capital by using that capital to make payments to earlier investors, to satisfy other fund or related-entity obligations, and to divert funds to insiders and Heller-related beneficiaries, rather than using it for the stated ATM-related purposes.

181. Those uses were inconsistent with the Funds' rights in the investor-raised capital and with the limited purposes for which the capital was transferred to Paramount. The converted property included investor-related funds deposited into the Restricted Account and funds traceable to those deposits that were transferred through the Operating Account or to other related accounts.

182. On information and belief, FNB also maintained depository accounts for Heller-related family and business entities, and FNB's records will show that investor-related funds entering Paramount through the Restricted Account were transferred, directly or indirectly, to accounts maintained at FNB for Heller's personal use or for the benefit of Heller-related family and business entities.

B. FNB's knowledge of the underlying conversion

183. As Paramount's primary depository bank and the bank maintaining the Restricted Account and Operating Account, FNB had real-time visibility into account activity through which investor-related funds entered Paramount, were transferred between Paramount accounts, and were paid out to the Funds, related entities, and other recipients.

184. Through its maintenance and processing of Paramount's account activity, FNB saw that Paramount's payments to investors far exceeded its operating receipts. Specifically, FNB processed account activity reflecting that Paramount paid more than \$407 million to investors while generating approximately \$161.7 million in gross ATM receipts and approximately \$38.2 million in net operating cash after documented operating expenses.

185. FNB also processed coordinated, fund-specific transactions reflecting circular investor-fund routing. In March 2022, FNB processed large investor-related inflows into the Restricted Account from specific Funds, followed by outgoing wires back to those same investment vehicles and related entities in a coordinated payment cycle.

186. FNB also processed internal transfers reflecting the use of investor-related funds to make investor payments. In November 2023, Paramount transferred more than \$3 million from the Restricted Account to the Operating Account with the memo “FOR INVESTOR WIRES,” followed by same-day outgoing wires from the Operating Account to the Funds and related entities.

187. FNB observed Paramount using investor-related funds from the Funds to pay entirely different investment groups. For example, in December 2023, FNB processed a \$5 million transfer from the Restricted Account to pay entities such as Blackford ATM Ventures and Cash Ventures, confirming that investor funds were not being used for their stated investment purpose.

188. On information and belief, FNB also processed transfers of investor-related funds, directly or indirectly, to accounts maintained at FNB for Heller personally or for Heller-related family and business entities. Because FNB maintained both the Paramount accounts and those Heller-related recipient accounts, FNB had account-level visibility into the downstream diversion of investor-related funds for Heller’s personal or related-party benefit.

189. FNB’s own AML personnel also recognized that Paramount’s account activity required explanation. In March 2023, FNB’s relationship manager relayed AML inquiries concerning Paramount’s ATM lists and wire activity involving ATM Ops Inc., Powercoin LLC, Symbiosis ATM Venture LLC, and Horizon ATM Fund.

C. FNB’s substantial assistance in perpetrating the conversion

190. FNB substantially assisted the conversion by maintaining the accounts through which investor-related funds were received, transferred, redistributed, and diverted.

191. FNB maintained the Restricted Account and Operating Account, accepted incoming investor-related wires and deposits, processed internal transfers between those accounts,

and processed outgoing transfers to the Funds, related entities, and, on information and belief, Heller-related personal, family, and business accounts maintained at FNB.

192. In February 2023, FNB Treasury personnel expedited a request to add ACH functionality to both the Operating Account and the Restricted Account. This specialized functionality allowed Paramount to use FNB's online system to move money with the speed and volume required to keep the Ponzi cycle from collapsing.

193. In September 2023, after Paramount requested official payment instructions for the Operating Account and Restricted Account, FNB prepared or arranged those materials and sent the completed instructions, facilitating continued movement of funds into and out of the FNB accounts.

194. FNB continued to process coordinated incoming and outgoing transfers after the routing pattern had become visible, including transfers showing investor-related funds moving into Paramount and then back out as investor payments, related-entity payments, and other obligations.

195. Those services substantially assisted Paramount's and Heller's wrongful exercise of control over the Funds' investor-raised capital because they allowed the same account structure and transfer mechanisms to continue after FNB knew the essential facts concerning the investor-fund routing and diversion.

196. As a direct and proximate result of FNB's aiding and abetting Paramount's and Heller's conversion of the Funds' investor-raised capital, the Funds suffered damages in an amount to be proven at trial.

Count IV
Unjust Enrichment
(On behalf of all Plaintiffs)

197. Plaintiffs reallege and incorporate by reference the preceding paragraphs as if fully set forth herein.

198. FNB received financial benefits from the investor-funded account activity it maintained and processed, including transaction fees, service fees, interest, loan repayments, and swept funds that were derived from, or traceable to, investor-related funds moving through Paramount's FNB accounts.

199. Those benefits were generated by the same account structure through which investor-related funds entered Paramount, were transferred between the Restricted Account and Operating Account, were paid out as investor-return payments, and were diverted to related entities and, on information and belief, Heller-related personal, family, and business accounts.

200. FNB knowingly and voluntarily accepted and retained those benefits while maintaining and processing the account activity described above.

201. FNB was unjustly enriched at the expense of Plaintiffs and the Class to the extent it retained fees, interest, loan repayments, swept funds, or other financial benefits derived from investor-related funds or from FNB's continued assistance to Paramount after the investor-fund routing pattern had become apparent.

202. Under these circumstances, it would be inequitable for FNB to retain benefits derived from investor-related funds and from account activity that substantially assisted Paramount's fraudulent scheme.

203. Plaintiffs and the Class are entitled to restitution, disgorgement, or another appropriate equitable remedy requiring FNB to return the amounts by which it was unjustly enriched.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, demand judgment against Defendant as follows:

- a. Entering judgment that FNB is liable, as applicable, for aiding and abetting Paramount's and Heller's fraud, breaches of fiduciary duty, conversion, and other wrongful conduct alleged herein;
- b. Awarding compensatory damages in an amount to be proven at trial, including all investment losses, lost distributions, and other damages suffered by Plaintiffs and members of the Class;
- c. Awarding restitution and disgorgement of all profits, fees, interest, loan repayments, swept funds, and other financial benefits received by FNB that are derived from or traceable to investor-related funds, Paramount's FNB account activity, or FNB's assistance to Paramount;
- d. Awarding pre-judgment and post-judgment interest as allowed by law; and
- e. Such other and further relief as this Court deems just and equitable.

Dated: April 28, 2026

ALEX ROGERS LAW

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On behalf of all Plaintiffs

CERTIFICATE OF COMPLIANCE

I certify that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.

Dated: April 28, 2026

Submitted by: Plaintiffs

By: /s/ Alex E. Rogers
Alex E. Rogers, Esq. (PA #71043)
Counsel for Plaintiffs

VERIFICATION

I, H. Edward Carr, hereby verify that the foregoing Complaint is based on information furnished to counsel, which information has been gathered by counsel in the course of this lawsuit; that the language of the Complaint is that of counsel and not of signer; that the Complaint, subject to inadvertent or undiscovered errors, is based upon and therefore limited by the records and information still in existence, presently recollected, and thus far discovered in the preparation of this Complaint; to the extent that the contents of the pleadings are that of counsel, the undersigned has relied upon counsel in making this verification; that subject to the limitations set forth therein, the averments of the Complaint are true and correct to the best of my knowledge, information and belief. I understand that this statement is made subject to the penalties of 18 Pa. C.S.A. Sec. 4904 relating to unsworn falsification to authorities.

/s/H. Edward Carr
H. Edward Carr

Dated: April 28, 2026

VERIFICATION

I, Daniel McAuley, Jr., hereby verify that the foregoing Complaint is based on information furnished to counsel, which information has been gathered by counsel in the course of this lawsuit; that the language of the Complaint is that of counsel and not of signer; that the Complaint, subject to inadvertent or undiscovered errors, is based upon and therefore limited by the records and information still in existence, presently recollected, and thus far discovered in the preparation of this Complaint; to the extent that the contents of the pleadings are that of counsel, the undersigned has relied upon counsel in making this verification; that subject to the limitations set forth therein, the averments of the Complaint are true and correct to the best of my knowledge, information and belief. I understand that this statement is made subject to the penalties of 18 Pa. C.S.A. Sec. 4904 relating to unsworn falsification to authorities.

/s/Daniel McAuley, Jr.
Daniel McAuley Jr.

Dated: April 28, 2026

VERIFICATION

I, James Oestreich, hereby verify that the foregoing Complaint is based on information furnished to counsel, which information has been gathered by counsel in the course of this lawsuit; that the language of the Complaint is that of counsel and not of signer; that the Complaint, subject to inadvertent or undiscovered errors, is based upon and therefore limited by the records and information still in existence, presently recollected, and thus far discovered in the preparation of this Complaint; to the extent that the contents of the pleadings are that of counsel, the undersigned has relied upon counsel in making this verification; that subject to the limitations set forth therein, the averments of the Complaint are true and correct to the best of my knowledge, information and belief. I understand that this statement is made subject to the penalties of 18 Pa. C.S.A. Sec. 4904 relating to unsworn falsification to authorities.

/s/James Oestreich
James Oestreich

Dated: April 28, 2026

VERIFICATION

I, Tigran Kalaydzhyan, hereby verify that the foregoing Complaint is based on information furnished to counsel, which information has been gathered by counsel in the course of this lawsuit; that the language of the Complaint is that of counsel and not of signer; that the Complaint, subject to inadvertent or undiscovered errors, is based upon and therefore limited by the records and information still in existence, presently recollected, and thus far discovered in the preparation of this Complaint; to the extent that the contents of the pleadings are that of counsel, the undersigned has relied upon counsel in making this verification; that subject to the limitations set forth therein, the averments of the Complaint are true and correct to the best of my knowledge, information and belief. I understand that this statement is made subject to the penalties of 18 Pa. C.S.A. Sec. 4904 relating to unsworn falsification to authorities.

/s/Tigran Kalaydzhyan
Tigran Kalaydzhyan

Dated: April 28, 2026

VERIFICATION

I, Jerry Hostetter on behalf of Prestige Fund A, LLC; Prestige Fund A II, LLC; Prestige Fund A IV, LLC; Prestige Fund A V, LLC; Prestige Fund A VI, LLC; Prestige Fund A VII, LLC; Prestige Fund A IX, LLC; Prestige Fund B, LLC; Prestige Fund B II, LLC; Prestige Fund B IV, LLC; Prestige Fund B V, LLC; Prestige Fund B VI, LLC; Prestige Fund B VII, LLC; Prestige Fund B BTM I, LLC; Prestige Fund D, LLC; Prestige Fund D III, LLC; Prestige Fund D IV, LLC; Prestige Fund D V, LLC; Prestige Fund D VI, LLC; Prestige Fund D BTM I, LLC; WF Velocity I, LLC; WF Velocity Fund IV, LLC; WF Velocity Fund V, LLC; WF Velocity Fund VI, LLC; WF Velocity Fund VII, LLC, hereby verify that the foregoing Complaint is based on information furnished to counsel, which information has been gathered by counsel in the course of this lawsuit; that the language of the Complaint is that of counsel and not of signer; that the Complaint, subject to inadvertent or undiscovered errors, is based upon and therefore limited by the records and information still in existence, presently recollected, and thus far discovered in the preparation of this Complaint; to the extent that the contents of the pleadings are that of counsel, the undersigned has relied upon counsel in making this verification; that subject to the limitations set forth therein, the averments of the Complaint are true and correct to the best of my knowledge, information and belief. I understand that this statement is made subject to the penalties of 18 Pa. C.S.A. Sec. 4904 relating to unsworn falsification to authorities.

/s/Jerry Hostetter

Jerry Hostetter

Dated: April 28, 2026