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MARLIN LEASING CORPORATION
MARLIN BUSINESS BANK
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FILED IN COURT
IN BURLINGTON COUNTY
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LEON
BY [unclear]

MARLIN LEASING CORPORATION	:	SUPERIOR COURT OF NEW JERSEY
MARLIN BUSINESS BANK	:	CIVIL PART - LAW DIVISION
	:	BURLINGTON COUNTY
<i>Plaintiffs</i>	:	
vs.	:	DOCKET NUMBER:
	:	
ADVANCED FIRE & SECURITY, INC.	:	COMPLAINT OF PLAINTIFFS,
AND WILLIAM MURPHY	:	MARLIN LEASING CORPORATION
<i>Defendants</i>	:	AND MARLIN BUSINESS BANK
	:	JURY TRIAL DEMANDED

Plaintiffs, Marlin Leasing Corporation and Marlin Business Bank, by way of Complaint against the Defendants, Advanced Fire & Security, Inc. and William Murphy aver as follows:

THE PARTIES

1. Plaintiff, Marlin Leasing Corporation (hereinafter "MLC"), is a Delaware corporation engaged in the business of providing commercial financing and leasing services, is duly authorized to do business in the State of New Jersey, and maintains a place of business located at 300 Fellowship Road, Mount Laurel, Burlington County, New Jersey 08054.

2. Plaintiff, Marlin Business Bank (hereinafter "MBB"), is a Utah state chartered commercial bank engaged in the business of providing commercial financing and maintains a place of business located at 2795 E. Cottonwood Parkway, Suite 120, Salt Lake City, Utah 84121.

3. Defendant Advanced Fire & Security, Inc. (hereinafter "ASF") is an Alabama corporation purportedly engaged in the business of selling security equipment and maintains a place of business located at 3077 Leeman Ferry Road, Suite A-10, Huntsville, Alabama 35801.

4. Defendant William Murphy (hereinafter, "Murphy") is an individual who holds himself out to be the founder and president of ASF and has a business address of 3077 Leeman Ferry Road, Suite A-10, Huntsville, Alabama 35801 and a home address of 201 Andrea Kaye Court, Hazel Green, Alabama 35750-4600.

THE PURPORTED LEASES

5. Beginning in mid-2012, MLC and MBB (hereinafter collectively referred to as "Marlin") began receiving applications from ASF and Murphy sent on behalf of purported potential equipment lease customers (each a "Customer").

6. Upon Marlin's credit approval of a Customer's lease application submitted to Marlin by ASF and/or Murphy and upon satisfaction of the conditions set by Marlin, Marlin funded the purported purchase of the equipment for the Customer by paying ASF the invoiced equipment cost (each an "Invoice" and collectively, the "Invoices") via ACH payment to ASF's bank account. In all, Marlin funded the purported purchase of the equipment for 23 transactions with Customers (each a "Transaction" and collectively, the "Transactions").

7. As part of each Transaction, (a) ASF and Murphy agreed to sell the specified equipment to Marlin and deliver it to the Customer, and (2) ASF and Murphy represented that each Customer would enter into an agreement to lease the specified equipment from Marlin.

SUBSEQUENT FEEDBACK FROM CUSTOMERS

8. In and around December 2012, certain Customers contacted Marlin to complain about the Transactions. In the course of conversations with such Customers, Marlin learned,

among other things, that the equipment listed on the invoices sent by ASF and/or Murphy to Marlin had never been delivered and that the Transactions, presented by ASF and Murphy as bona fide equipment lease transactions, were in fact the result of fraud and forgeries on the part of ASF and Murphy.

9. Despite continued demand, the Defendants refuse to transfer to the Plaintiffs the full amount of \$780,755.81 owed to Marlin in connection with the Transactions.

COUNT I – BREACH OF CONTRACT
(against all Defendants)

10. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

11. Marlin had valid, binding, and enforceable contracts with ASF and Murphy, whereby, among other things, Marlin agreed to fund approved Transactions and ASF and Murphy agreed to sell the equipment specified on the Invoices to Marlin and provide the equipment to the Customers.

12. Marlin fulfilled each and every one of its obligations to ASF and Murphy.

13. ASF and Murphy, by engaging in the above-described conduct, breached their respective obligations to Marlin, including, among other things, by failing to supply to the Customers the equipment purchased by Marlin and identified in the Invoices.

14. Marlin has suffered damages as a result of the breaches by ASF and Murphy.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$780,755.81, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT II – PROMISSORY ESTOPPEL/DETRIMENTAL RELIANCE
(against all Defendants)

15. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

16. By engaging the above described conduct, ASF and Murphy each made promises to Marlin, including, without limitations, promises to sell the equipment specified on the Invoices and to provide the equipment to the Customers.

17 ASF and Murphy made these promises with the knowledge and intent that Marlin would rely upon these promises.

18. As a result, Marlin has suffered damages.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$780,755.81, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT III – UNJUST ENRICHMENT
(against all Defendants)

19. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

20. Marlin paid ASF all amounts listed on all invoices presented by ASF to Marlin purportedly associated with the equipment listed on such invoices.

21. Accordingly, ASF received a benefit from Marlin, namely funds in the amount of the purported purchase price of the equipment listed on the Invoices.

22. On information and belief, Murphy also received a benefit from Marlin by virtue of such payments.

23. The Defendants' retention of that money under the circumstances set forth above would be unjust.

24. Corrupt means were employed by ASF to entice Marlin to remit the purported purchase prices listed on the invoices. Due to the foregoing, the Defendants have been unjustly enriched in the amount of at least \$645,145.44, and, as such, the Defendants' should be disgorged of at least \$645,145.44 they derived as the result of the Transactions.

25. Therefore, Marlin seeks recovery from ASF and Murphy based on the theories of unjust enrichment and disgorgement.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$645,145.44, punitive damages, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT IV – COMMON LAW FRAUD
(against all Defendants)

26. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

27. ASF and Murphy made fraudulent misrepresentations of material facts regarding the validity of the signatures on the equipment leases, the equipment and the invoices at issue with either the knowledge of the falsity or without caring as to the veracity and with the intention that Marlin would rely on the misrepresentations.

28. ASF and Murphy made fraudulent misrepresentations of material facts regarding the Transactions at issue with either the knowledge of the falsity or without caring as to the veracity and with the intention that Marlin would rely on the misrepresentations.

29. Marlin reasonably relied on the misrepresentations and documents submitted to it by ASF and Murphy, by, among other things, remitting funds in the amount of the purported purchase price of the equipment listed on the Invoices to ASF and Murphy.

30. Upon information and belief, the misrepresentations and falsified documents made by Defendants were known to be false when made, and/or were made with a pretense of actual knowledge when knowledge did not actually exist, and/or were made recklessly and without regard to the actual facts.

31. The misrepresentations were made with the intention of depriving Marlin of the sum of at least \$780,755.81.

32. By reason of the foregoing, and as a direct and proximate cause of the Defendant's misrepresentations, Marlin sustained damages and losses.

33. The Defendant's acts and/or omissions were rendered with actual malice accompanied by a wanton and willful disregard of persons, including the Plaintiffs, who foreseeably, might be harmed by those actions or omissions.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$780,755.81 in compensatory damages, punitive damages, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT V – NEGLIGENT MISREPRESENTATION
(against all Defendants)

34. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

35. ASF and Murphy made misrepresentations of material facts regarding the validity of the signatures on the equipment leases, the equipment and the Invoices at issue with either the knowledge of the falsity or without caring as to the veracity and with the intention that Marlin would rely on the misrepresentations.

36. ASF and Murphy made misrepresentations of material facts regarding the Transactions at issue with either the knowledge of the falsity or without caring as to the veracity and with the intention that Marlin would rely on the misrepresentations.

37. Marlin reasonably relied on the representations and documents submitted to it by ASF and Murphy, by, among other things, remitting funds in the amount of the purported purchase price of the equipment listed on the Invoices to ASF and Murphy.

38. Upon information and belief, the misrepresentations and falsified documents made by Defendants were known to be false when made, and/or were made with a pretense of actual knowledge when knowledge did not actually exist, and/or were made recklessly and without regard to the actual facts.

39. By reason of the foregoing, Marlin sustained damages and losses as the result of its reasonable reliance upon ASF's and Murphy's representations and the invoices submitted to Marlin.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at

trial but in no event less than \$780,755.81, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT VI – PRIMA FACIE TORT
(against all Defendants)

40. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

41. ASF and Murphy intentionally, willfully, and maliciously harmed Marlin by engaging in the above-described conduct.

42. The conduct of both ASF and Murphy is culpable and not justifiable under the circumstances.

43. By reason of the foregoing, Marlin sustained damages and losses.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$780,755.81, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

COUNT VII – TORTIOUS INTERFERENCE
(in the alternative, against Defendant Murphy only)

44. Marlin incorporates by reference all of the allegations contained within the preceding paragraphs of its Complaint as if set forth fully herein at length.

45. Marlin had valid, binding, and enforceable contracts with ASF from which Marlin had a reasonable expectation of an economic advantage.


46. Marlin had a business relationship with ASF from which Marlin had a reasonable expectation of a prospective economic advantage.

47. By engaging in the above-described conduct, Murphy knowingly, willfully, intentionally, and without justification tortiously interfered with Marlin's contractual rights to an economic advantage and with its prospective economic advantage.

48. By reason of the foregoing, Marlin sustained damages and losses.

WHEREFORE, Plaintiffs, MLC and MBB, demand judgment in their favor and against Defendants, Advanced Fire & Security, Inc. and William Murphy, in an amount to be proved at trial but in no event less than \$780,755.81, plus pre and post judgment interest, attorney's fees, cost of suit, as well as any other relief the Court deems appropriate under the circumstances.

Dated: 03/22/13


Karen L. Shields, Esquire
Attorney for the Plaintiffs