

FILED

STATE OF NORTH CAROLINA 2014 OCT 2 IN THE GENERAL COURT OF JUSTICE
COUNTY OF NEW HANOVER NEW HANOVER COUNTY SUPERIOR COURT DIVISION
FILE NO.: 14-CvS-3392

BY _____

RCJJ HOLDINGS, LLC; DO GOOD REAL
ESTATE, LLC; DO GOOD REAL
ESTATE OF WILMINGTON, LLC; and
JOHNATHAN JACKSON, individually,

Plaintiffs,

v.

RCWIL ENTERPRISES, LLC d/b/a Nest
Realty Wilmington; RYAN CRECELIUS;
CATHERINE FITZGERALD
ANDERSON; ELIZABETH LEIGH
BIANCHINI; SUSAN LEE HARKINS;
LAURA EMORY HEAL; JAMIE MARIE
JANKOWSKI; QUENTIN ROSS JONES;
ERIC GARDNER KNIGHT; ZACHARY
WYNN LUCAS; AMBER GEORGALIS
WARRINGTON; and JENNIFER LEE
YOUNG.

Defendants.

A TRUE COPY
CLERK OF SUPERIOR COURT
NEW HANOVER COUNTY
BY: *Nicole P. Davis*
Deputy Clerk of Superior Court

AMENDED COMPLAINT

NOW COME the Plaintiffs, RCJJ HOLDINGS, LLC; DO GOOD REAL ESTATE, LLC;
DO GOOD REAL ESTATE OF WILMINGTON, LLC; and JOHNATHAN JACKSON, by and
through counsel, pursuant to Rule 15(a) of the North Carolina Rules of Civil Procedure, and amends
their Complaint as follows:

PARTIES

1. Plaintiff RCJJ HOLDINGS, LLC, is a limited liability corporation organized and
existing under the laws of the State of North Carolina, having its principal place of business in
New Hanover County, North Carolina. At the time of filing this Complaint, RCJJ is in the

process of winding up and transferring all its assets to Plaintiff Johnathan Jackson, including assignment of all debts and obligations owed to RCJJ Holdings.

2. Plaintiff DO GOOD REAL ESTATE, LLC is a limited liability corporation organized and existing under the laws of the State of North Carolina, having its principal place of business in New Hanover County, North Carolina. At times relevant to this action, RCJJ Holdings, LLC was the sole member of Do Good Real Estate, LLC. Upon dissolution of RCJJ Holdings, LLC, Johnathan Jackson shall be sole member of Do Good Real Estate, LLC.

3. Plaintiff DO GOOD REAL ESTATE OF WILMINGTON, LLC is a limited liability corporation organized and existing under the laws of the State of North Carolina, having its principal place of business in New Hanover County, North Carolina. Do Good Real Estate, LLC is the sole member of Do Good Real Estate of Wilmington, LLC.

4. Plaintiff JOHNATHAN JACKSON is a citizen and resident of New Hanover County, North Carolina.

5. Defendant RYAN CRECELIUS is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

6. Defendant RCWIL ENTERPRISES, LLC, is a limited liability corporation organized and existing under the laws of the State of North Carolina, having its principal place of business in New Hanover County, North Carolina, and upon information and belief is doing business as "Nest Realty Wilmington." Upon information and belief, Ryan Crecelius is the sole member of RCWIL Enterprises, LLC.

7. CATHERINE FITZGERALD ANDERSON is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

8. ELIZABETH LEIGH BIANCHINI is, upon information and belief, a citizen and

resident of New Hanover County, North Carolina.

9. SUSAN LEE HARKINS is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

10. LAURA EMORY HEAL is, upon information and belief, a citizen and resident of Brunswick County, North Carolina.

11. JAMIE MARIE JANKOWSKI is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

12. QUENTIN ROSS JONES is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

13. ERIC GARDNER KNIGHT is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

14. ZACHARY WYNN LUCAS is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

AMBER GEORGALIS WARRINGTON is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

15. JENNIFER LEE YOUNG is, upon information and belief, a citizen and resident of New Hanover County, North Carolina.

JURISDICTION & VENUE

16. This Court has jurisdiction over the Defendants pursuant to N.C. Gen. Stat. § 1-75.4.

17. Venue is proper in this Court pursuant to N.C. Gen. Stat. § 1-82.

FACTUAL ALLEGATIONS

18. On August 1, 2014, Johnathan Jackson was a co-owner of a successful socially

conscious real estate business. By September 1, 2014, however, Mr. Jackson was the sole owner of a corporation gutted of its agents, intellectual property, trade secrets, and clients by Mr. Crecelius, a former partner who abandoned their charitable business model to found a competing firm, while in the process stripping Do Good of its assets and encouraging others to do so as well.

19. Mr. Crecelius's wrongful conduct was timed to coincide with the sale of all his equity in Do Good to Mr. Jackson, who had no idea that Mr. Crecelius — not only a business partner but also a friend — planned to deal a crippling blow to the business on his way out the door.

20. Mr. Crecelius and RCWIL Enterprises have acquired valuable proprietary information and trade secrets belonging to Do Good before and after separating from Do Good to launch a competing real estate venture.

21. As a result, the business Mr. Jackson purchased has been decimated and RCWIL Enterprises and Mr. Crecelius have been enriched with a ready platform from which to launch a competing business.

22. In early 2012, Mr. Jackson was successful and upwardly mobile both professionally and personally in New York, New York. He had substantial experience as a certified public accountant and financial officer for companies large and small, ranging from two years as assistant controller of the second largest private equity firm in the United States to the chief financial officer of a start-up company. Mr. Jackson was and still is active in civic organizations and his wife was a successful bond trader.

23. Desiring a more purpose-driven life, however, Mr. Jackson sought opportunities to do well for himself and his family while also doing good for others.

24. Mr. Jackson contacted Mr. Crecelius, a longtime friend and real estate agent in Wilmington. They discussed the concept of committing a percentage of real estate commissions to charity as a business model and charitable vehicle.

25. Seeing an opportunity to bring his business education and background to bear on an entrepreneurial effort with positive social change, Mr. Jackson offered to relocate to Wilmington, N.C., and invest in the charitable business model as a partner with Mr. Crecelius.

26. Mr. Crecelius, whose existing real estate business was stagnating at the time, gladly accepted.

27. In May 2012, Mr. Jackson and Mr. Crecelius organized RCJJ Holdings, LLC, in which Mr. Jackson and Mr. Crecelius were members, each with a fifty percent (50%) share in the company. Mr. Jackson and Mr. Crecelius also caused the formation of Do Good Real Estate, LLC, in which RCJJ Holdings was the sole member, and Do Good Real Estate Wilmington, LLC, in which Do Good Real Estate, LLC, was the sole member. RCJJ Holdings, Do Good Real Estate, LLC, and Do Good Real Estate Wilmington, LLC are collectively referenced herein as "Do Good."

28. Mr. Jackson immediately contributed substantial funds to Do Good.

29. Mr. Jackson implemented a business model in which each real estate broker associated with Do Good would contribute six percent (6%) of their gross commissions to be donated to local charities.

30. Do Good experienced steady growth under Mr. Jackson's leadership of the day-to-day operations of the business.

31. At its peak, Do Good had fifteen (15) licensed agents working under contract, with each sale contributing to the charitable giving made possible by the business model.

32. During its operation, Do Good made approximately \$23,500.00 in donations to charitable organizations, including Nourish, N.C., Holy Grounds Food Pantry and Paws4People.

33. In 2014, disagreements about business operations began to divide Mr. Jackson and Mr. Crecelius. For example, without Mr. Jackson's knowledge or agreement, Mr. Crecelius spent substantial amounts of Do Good funds earmarked for charity on promotional materials and a private party for the company's agents and employees and Mr. Crecelius's friends.

34. Mr. Crecelius and Mr. Jackson engaged in a running discussion about consolidation in Mr. Jackson, who still believed in the charitable business model and was committed to continuing it with or without the support of Mr. Crecelius.

35. Mr. Crecelius caused Defendant RCWIL Enterprises, LLC to be formed on or about August 21, 2014.

36. Mr. Crecelius formed RCWIL Enterprises without Mr. Jackson's knowledge.

37. The Plaintiff is informed and believes, and therefore alleges, that Mr. Crecelius was at all relevant times the sole member of RCWIL Enterprises, which does business as "Nest Realty Wilmington" (herein collectively "Nest Realty").

38. Mr. Jackson and Mr. Crecelius executed a "Separation Agreement and General Release" (the "Separation Agreement") in which Mr. Crecelius agreed to transfer his 50% interest in RCJJ Holdings and the affiliated business organizations to Mr. Jackson for the sum of \$25,000.00. The Separation Agreement, a true and accurate copy of which is attached hereto as **Exhibit 1**, had an effective date of August 25, 2014.

39. The Separation Agreement mutually released claims against Mr. Crecelius and Mr. Jackson arising prior to the separation date of August 25, 2014. Mr. Jackson's release of Mr. Crecelius was expressly contingent upon Mr. Crecelius's compliance with the terms of the

Separation Agreement and did not purport to release any claims against RCWIL Enterprises/Nest Realty.

40. As further alleged herein, Mr. Crecelius did not comply with the terms of the Separation Agreement.

41. Upon his execution of the Separation Agreement, Mr. Jackson did not know that Mr. Crecelius had already planned to deny Mr. Jackson the benefits of his purchase of Do Good by taking steps to acquire its valuable assets and property for use by Nest Realty.

42. Between August 21 and August 25, 2014, Mr. Crecelius acquired a database and compilation of proprietary information and trade secrets belonging to Do Good.

43. At the time he acquired that information, Mr. Crecelius was acting as an agent of RCWIL Enterprises/Nest Realty, the company he had established to compete with Do Good.

44. In acting as an agent of a competing business prior to his separation from Do Good, and in so doing acquiring for Nest Realty proprietary information and trade secrets belonging to Do Good, Mr. Crecelius breached the duties of care, loyalty and good faith that he owed to RCJJ Holdings in his fiduciary capacity as a member in that LLC.

45. The database, a "customer relationship management" tool known as "Highrise," contains extraordinary amounts of proprietary and trade secrets information. Highrise contains extensive information regarding past and potential real estate customers, leads and contacts — all of which was the property of Do Good — which Do Good purchased or developed and maintained as trade secrets within the meaning of the North Carolina Trade Secrets Protection Act.

46. Highrise contained compilations of data pertaining to sellers of real estate, including neighborhood information, tax records, prior listing or for-sale-by-owner status,

expired and withdrawn listings, sources of leads and other data. Highrise also contained contact information and notes from phone conversations with leads, prospects and clients, all linked to any contracts executed with such persons. The database includes specific client needs and preferences, relationship notes and private financial, employment and family information.

47. Highrise contained trade secrets having value in not being discernible by independent development. Highrise was protected from disclosure to third parties by passwords, usernames, access controls, and company confidentiality policies and agreements. Prior to August 25, 2014, the only users with administrative access to Highrise were Mr. Jackson and Mr. Crecelius.

48. Highrise provides a platform from which a competitor may launch a fully fledged real estate venture on the strength of Do Good's financial investments, confidential records, and market research.

49. Highrise is a compilation of information that is a trade secret of Do Good in that it derives actual or potential independent commercial value from the following functions, which are not generally known and which were subject to reasonable efforts under the circumstances to maintain the secrecy of the information:

- a. Highrise contains 12,700 real estate contacts, each of which has been uniquely "tagged" to denote important information about that person, related persons and properties owned or sought by that person. Each tag, which was established by Do Good and/or its agents, permits further sorting of information bearing the same tags.
- b. The contacts are individuals and business entities who are current, former or prospective customers of Do Good, and therefore the compilation constitutes a

customer list and a list of prospective customers.

- c. The contacts include persons and businesses interested in purchasing real property and whose contact information was purchased by Do Good for its exclusive use (herein "leads").
- d. The contacts also include persons identified by Do Good as potential customers through the acquisition of private membership lists of social and professional clubs, among other aggregated data, in the targeted market of Southeastern North Carolina. For each such person, Do Good paid contract workers to scour other sources for related information. For example, a member of the Landfall County Club (the "Prospect") was identified from a privately acquired, not generally known membership list. Do Good searched various other databases, such as tax records, social and corporate web sites, and professional directories, to obtain additional information not only about that person, but also about his relations and real property interests. Through this process, Do Good compiled information about the Prospect to include, if available: name; nickname; spouse's name; business, home, and second home address; business, home and cell phone numbers; and personal and business email addresses. In this manner, Do Good populated the contact and background information about property owners for entire neighborhoods within New Hanover County, as well as such information about the members of social clubs and individual contacts identified by Do Good and its agents.
- e. The contacts also include the same information described in subparagraph (d) above regarding the owners of properties listed as For Sale by Owner or listed

on the Multiple Listing Service and expired or withdrawn during the three year period beginning in or about March 2010, when the U.S. real estate market was sluggish or stagnant. Each such contact is appropriately tagged. Do Good compiled these contacts from different sources and augmented them with searches of additional information and in many cases personal contact with the owner, with notes from those conversations contained in the compilation of information about that contact.

- f. The contacts also reveal the activity of individual agents of Do Good dating to the database's creation. This permits a user, and here Defendants Crecelius and Nest Realty by their acquisition of Highrise, to review the specific activity of an agent with respect to every customer or prospect ever encountered by Do Good.
- g. The contacts include all email communications between individual agents and individual clients and prospective clients. As a matter of policy, agents were required to copy all such communications to this system for aggregation in the compilation. All notes made by agents about clients and prospective clients also were required to be sent to the database for compilation.

50. The Highrise database, therefore, is a compilation of information that contains the entire history of Do Good's activities, strategies, clients, prospects, market research, communications and strategic initiatives. Only agents of Do Good with a user name and password could access this system, which required agreement to a confidentiality policy prohibiting the disclosure of such confidential and proprietary information. Accordingly, the Highrise database is a trade secret of Do Good.

51. The Plaintiff is informed and believes, and therefore alleges, that it is not technically possible to divide the Highrise database into confidential and, if any, non-confidential components.

52. The Plaintiff also is informed and believes, and therefore alleges, that on or before August 25, 2014, Mr. Crecelius copied the contents of Do Good's external electronic storage drive, known as the "Dropbox" drive. This drive contained Do Good's raw proprietary and confidential information, including but not limited to files on clients, leads, contracts, market reports, and market research, as well as community membership directories and marketing materials, such as professional photography, all of which were the property of Do Good. The confidential information includes corporate documents, policies and procedures, passwords, and strategic planning documents, including Do Good's franchise plans and "pitch books."

53. In addition to providing real estate services, Do Good is developing a brand that it intends to expand through franchising and other agreements, and has received interest in such expansion of its business model. In furtherance of these plans, prior to August 2014, Mr. Jackson had developed "architectural" designs for proprietary software central to deploying a technologically advanced real estate brokerage brand that would employ input from various technology platforms. The heart of such a system would be a customer relationship management tool similar to Highrise, which Do Good was developing as a model to plot Do Good's evolutionary course.

54. The Dropbox files therefore contained trade secrets in the form of an outline for the software (herein the "Software") to be developed by Do Good for use in franchise expansion and branding, as well as potential licensing to third-party real estate brokers. Specifically, files the Plaintiff is informed and believes, and therefore alleges, were acquired by the Defendants

include presentations documenting the proposed functions of said software and its interface in the course of typical real estate transactions. These concepts were conceived by Mr. Jackson, stored on the Dropbox drive under password protection, and have been the subject of financing and development discussions with third parties under the protection of Non-Disclosure Agreements, which also were stored on the Dropbox drive.

55. Information contained in files pertaining to the Software derives value from not being generally known, and was subject to reasonable efforts to prevent disclosure. That information could not be readily ascertained through reverse-engineering, as it reflects Do Good's intellectual property and inventions. Information pertaining to the Software constitutes technical information in the form of a method, technique or process.

56. The integral role of Highrise — including its contents, capabilities and limitations — in the development of the Software amplifies the confidential nature of Highrise to Do Good.

57. The Plaintiff is informed and believes, and therefore alleges, that Defendant Nest Realty is a franchise of a competing brand doing business as Nest Realty Group operating in Virginia and North Carolina, and therefore the acquisition of information pertaining to the Software by Nest Realty has irreparably damaged Do Good and threatens further harm if disclosed to Nest Realty Group.

58. On and after August 25, 2014, Mr. Crecelius also acquired without authorization an email database comprised of all emails sent and received by Mr. Crecelius to his Do Good email account, which was the property of Do Good, and a document database maintained by the third-party provider Dotloop, Inc., which contained information that was the property of Do Good.

59. On and after August 25, 2014, Mr. Crecelius also acquired without authorization

documents maintained by the third-party provider Dotloop, Inc., for Do Good, which were the property of Do Good.

60. In addition to acting as an agent for Nest Realty when he acquired Do Good's confidential information prior to August 25, 2014, Mr. Crecelius breached the terms of the Separation Agreement by retaining possession of Do Good's data systems and/or transferring them to a third party, Nest Realty, on and after August 25, 2014.

61. Mr. Crecelius breached the terms of the Separation Agreement by failing to return to Do Good on August 25, 2014, the information, files and data comprising Highrise, Dropbox and Dotloop, all of which was the exclusive property of Do Good.

62. Additionally, while operating as an agent for Nest Realty before and after August 25, 2014, Mr. Crecelius encouraged agents from Do Good to breach their agreement with Do Good to not undertake the planning or organizing of any business activity competitive with Do Good. Mr. Crecelius solicited those agents to join him at Nest Realty and to take steps to prepare for such defection prior to their separation from Do Good.

63. The Plaintiffs are informed and believe, and therefore allege, that the agents with whom Mr. Crecelius engaged in planning and organizing the competing venture, Nest Realty, were Defendants Anderson, Bianchini, Harkins, Heal, Jankowski, Jones, Knight, Lucas, Warrington, and Young (collectively referenced herein as the "Agents").

64. On the separation date, August 25, 2014, Mr. Crecelius took further steps to undermine Do Good as a business and as a competitor to his new real estate venture, Nest Realty. These steps included inducing the agents working for Do Good to breach their contractual obligations to Do Good by acquiring all of their email communications, contacts and other information from databases maintained by and for Do Good, all of which was the property

of Do Good.

65. On August 25, 2014, Mr. Crecelius encouraged Do Good's agents to leave Do Good to work with him at Nest Realty. In tandem with those enticements, Mr. Crecelius provided all of Do Good's agents with instructions on how to download the email communications and contacts that were Do Good's property, including the trade secrets and proprietary information contained therein, and encouraged them to do so without authorization from Do Good or Mr. Jackson.

66. Beginning on August 26, 2014, Agents followed Mr. Crecelius's directions and downloaded those communications, which contained proprietary information, including prospective client lists, client leads purchased by Do Good, and client contacts. That Information was the property and trade secrets of Do Good.

67. Mr. Crecelius knew that the information acquired by him and the Agents was the property of Do Good.

68. Mr. Crecelius knew that each agent owed contractual obligations to Do Good when he instructed them to act against Do Good's interests and in violation of agreements he knew they had executed, which identified the email communications in particular as Do Good's property, prohibited the disclosure of any proprietary or trade secrets to third parties, and prohibited agents from planning or organizing a competing business while employed by Do Good.

69. Upon his separation from Do Good on August 25, 2014, Mr. Crecelius was a third party to whom disclosure of Do Good's proprietary and secret information was prohibited by each agent's contracts with Do Good as well as by statute and common law principles.

70. Mr. Crecelius knowingly induced the agents to violate their agreements with Do

Good by advising them to acquire proprietary and confidential information without authorization, which also was in preparation for and organization of a competing business.

71. Mr. Crecelius specifically instructed the agents to take this proprietary and confidential information before Mr. Jackson learned their plans to leave Do Good so that Mr. Jackson would not have an opportunity to take steps to prevent them from acquiring that information.

72. As a result of Mr. Crecelius's acquisition of the proprietary, confidential and trade secrets information and his interference with the contractual obligations of Do Good's Agents, the Plaintiffs have suffered harm, including but not limited to the loss of: proprietary and trade secrets information to a competitor; value in Do Good; nearly all of the agents then working for Do Good, simultaneously; business opportunities; and profits.

FIRST CLAIM FOR RELIEF

*(Tortious Interference with Contractual Relations —
Defendants Crecelius and RCWIL Enterprises/Nest Realty)*

73. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 72 above.

74. The agents working for Do Good owed contractual obligations to Do Good, including to maintain the confidentiality of Do Good's proprietary and confidential information and to refrain from planning or organizing a competing business while working for Do Good.

75. Mr. Crecelius and Nest Realty knew about the agents' contractual obligations to Do Good, including that the agents were prohibited from planning or organizing a competing business while working for Do Good.

76. Mr. Crecelius and Nest Realty induced those agents to acquire property belonging to Do Good, specifically email databases containing client leads, contacts and other information,

which were confidential.

77. Mr. Crecelius and Nest Realty induced those agents to plan and organize a competing business while working for Do Good.

78. Mr. Crecelius and Nest Realty knew that the email databases were the property of Do Good when they induced the agents to acquire them for use as agents of Nest Realty upon their later separation from Do Good.

79. As a direct and proximate result of Defendants' tortious interference with contractual relations, the Plaintiffs are entitled to recover of Defendants compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

SECOND CLAIM FOR RELIEF

(Misappropriation of Trade Secrets — N.C. Gen. Stat. § 66-152 et seq. — All Defendants)

80. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 79 above.

81. Do Good developed compilations of information, methods, techniques and other information that derived actual and potential value from not being generally known and which were subject to reasonable efforts by Do Good to maintain their secrecy.

82. Those efforts included demanding strict adherence to confidentiality rules by Do Good's employees and agents, the maintenance of confidential information in places not generally accessible to anyone not subject to Do Good's confidentiality rules, and the articulation of negative consequences for disclosure of confidential information.

83. Mr. Crecelius acquired Do Good's trade secrets without express or implied authority or consent of Do Good, knowing the information to be confidential, proprietary and protected trade secrets. These secrets included the data, processes, and other information that Do Good sought to protect in the conduct of its business.

84. The trade secrets include:

- a. The Highrise database, the compilation of information previously described;
- b. Confidential files from the Dropbox drive that contain Do Good's policies and procedures, employee handbooks, strategic planning franchise plans and "pitch books," passwords, and corporate meeting agendas; and
- c. Email communications containing information about leads purchased by Do Good for its exclusive use in identifying and contacting potential customers and which did not result in a representation agreement prior to August 25, 2014.

85. Mr. Crecelius has used or disclosed, or threatens to use or disclose, that information.

86. Nest Realty acquired the trade secrets of Do Good knowing that information to be confidential, proprietary and the protected secrets of Do Good, and Nest Realty used or threatens to use that information.

87. The Agents acquired trade secrets of Do Good when they downloaded their email databases on the instruction of Mr. Crecelius, including potential client leads, client contacts, internal communications and other confidential information.

88. Pursuant to N.C. Gen. Stat. §§ 66-154(a), (b), Do Good is therefore entitled to damages and injunctive relief, in addition to any affirmative acts to protect the trade secrets as determined to be appropriate by the court.

89. As a direct and proximate result of Defendants' misappropriation of trade secrets, the Plaintiffs are entitled to recover of Defendants compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

THIRD CLAIM FOR RELIEF
(Fraud — Defendant Crecelius)

90. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 89 above.

91. The misrepresentation made by Mr. Crecelius consisted of the following:

- a. Time: Within the week prior to and upon execution of the Separation Agreement in August 2014;
- b. Place: On the phone and in person in New Hanover County, North Carolina;
- c. Content: That Mr. Crecelius would sell to Mr. Jackson all rights to and ownership of all assets of Do Good, would turn over control of certain systems and databases to Mr. Jackson, and would return all property of Do Good in Mr. Crecelius's possession to Mr. Jackson;
- d. Identity: Ryan Crecelius individually and Ryan Crecelius by and through his attorney during negotiation of the Separation Agreement;
- e. What Defendant Obtained Thereby: Mr. Jackson's purchase of his shares in Do Good for the sum of \$25,000 and possession of the Information, which substantially advanced Mr. Crecelius' competitiveness in the real estate market and increased the value of his stock in Nest Realty.

92. In addition to the affirmative misrepresentations, Mr. Crecelius failed to disclose material information which, by reason of his superior knowledge and as a matter of law he had a duty to disclose to the Plaintiffs.

93. Mr. Creclilius had a duty to disclose all facts material to the Plaintiffs, known or reasonably ascertainable by him.

94. Mr. Crecelius concealed material facts from the Plaintiffs, including but not

limited to the following:

- a. That he had acquired the Highrise database;
- b. That he intended to retain the Highrise database;
- c. That he intended to disclose the Highrise database to Nest Realty for use in competition with Do Good;
- d. That he did not intend to return Highrise and the other confidential and proprietary information he obtained from Do Good;
- e. That he intended to acquire the Dropbox files without authorization and to retain those files;
- f. That he had acquired or intended to acquire email messages containing leads and other property of Do Good; and
- g. That he had already obtained commitments from Do Good's real estate agents to leave Do Good for Nest Realty.

95. These misrepresentations and failures to disclose induced the Plaintiffs to forego additional investigation into Mr. Crecelius's activities and plans prior to execution of the Separation Agreement, and the Plaintiffs could not discover the above information through the exercise of reasonable diligence.

96. Accordingly, Mr. Crecelius knowingly or recklessly made false and material representations, and otherwise failed to disclose material information, on which the Plaintiffs relied in executing the Separation Agreement.

97. At the time that the false representations and/or concealments were made to the Plaintiffs by Mr. Crecelius, Mr. Crecelius knew the statements were false or incomplete, or should have reasonably known that the statements were false or incomplete.

98. The false representations and/or concealments made by Mr. Crecelius were calculated to deceive, and were made and done with the intent to deceive; and the Plaintiffs were, in fact, deceived by the false representations and/or concealments.

99. Mr. Crecelius made the false representations and/or concealments with the intention that the Plaintiffs rely on the same, and the Plaintiffs did rely on the same, to their detriment, and their reliance on the representations and/or concealments by Mr. Crecelius were reasonable under the circumstances.

100. Had Mr. Crecelius disclosed the aforementioned material facts to the Plaintiffs, the Plaintiffs would never have executed the Separation Agreement.

101. As a direct and proximate result of Mr. Crecelius's fraudulent misrepresentations and/or concealments of material facts, the Plaintiffs are entitled to recover of Mr. Crecelius compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

FOURTH CLAIM FOR RELIEF

(Fraud in the Inducement — Defendants Crecelius and RCWIL Enterprises/Nest Realty)

102. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 101 above.

103. Mr. Crecelius made false representations or concealed material facts that he had a duty to disclose, as set forth in detail above.

104. Mr. Crecelius committed fraud, and the false representations or concealments related to an existing fact.

105. Mr. Crecelius made these representations intending to deceive the Plaintiffs, or made them recklessly, and the Plaintiffs reasonably relied on the representations and acted upon them in determining whether to execute the Separation Agreement.

106. Mr. Crecelius was acting at the time as an agent, member and manager of Nest Realty.

107. Due to the existence of fraud, the Separation Agreement entered into by the Plaintiffs lacks mutuality and/or there exists a failure of consideration, and the Separation Agreement is therefore unenforceable against the Plaintiffs.

108. The Plaintiffs have been injured, and continue to be injured and damaged, as a result of Mr. Crecelius's fraudulent inducements to execute the Separation Agreement, and they continue to suffer financial loss in an amount in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

FIFTH CLAIM FOR RELIEF
(Punitive Damages)

109. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 108 above.

110. Based on the facts alleged in this Complaint, the conduct, acts and omissions of Mr. Crecelius constitute fraud, malice, and willful and wanton conduct in reckless disregard and indifference to the well-being of the Plaintiffs, in violation of his duties imposed by law, detailed above, and the officers, directors, and/or managers of RCWIL Enterprises/Nest Realty participated in and/or condoned Mr. Crecelius' conduct.

111. Therefore, the Plaintiffs are entitled to recover punitive damages from Mr. Crecelius and RCWIL Enterprises/Nest Realty in an amount to be determined at the trial of this matter.

SIXTH CLAIM FOR RELIEF

*(Unfair and Deceptive Trade Practices — N.C. Gen. Stat. § 75.1 et seq. —
Defendants Crecelius and RCWIL Enterprises/Nest Realty)*

112. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 111 above.

113. In providing the proprietary and trade secrets information of Do Good to Nest Realty in order to “jump-start” that competing business, Mr. Crecelius’s conduct was unfair or deceptive conduct in or affecting commerce.

114. The Plaintiffs are informed and believe, and therefore allege, that Nest Realty knowingly accepted Do Good’s proprietary and trade secrets information from Mr. Crecelius and used that information on and after August 25, 2014.

115. Nest Realty’s acquisition and use of Do Good’s proprietary and trade secrets information to compete in the real estate market was unfair or deceptive conduct in or affecting commerce.

116. By inducing agents working for Do Good to breach their contractual obligations to Do Good, for the benefit of Nest Realty, the Defendants’ conduct was in or affecting commerce.

117. The Defendants’ interference with those contractual relations was done willfully in an effort to gain a competitive advantage and undermine the value of the company Mr. Crecelius had just sold to Mr. Jackson while increasing the value of Nest Realty. Accordingly, said conduct was unfair and deceptive.

118. As a direct and proximate result of Defendants’ unfair and deceptive trade practices in or affecting commerce, the Plaintiffs are entitled to recover of the Defendants compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND

DOLLARS (\$25,000.00).

SEVENTH CLAIM FOR RELIEF
(Breach of Contract — Defendant Crecelius)

119. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 118 above.

120. Mr. Crecelius agreed in the Separation Agreement on August 25, 2014, to transfer various systems and accounts, including the Dotloop, Highrise and email databases, to Mr. Jackson but had already duplicated the Highrise system and, upon information and belief, planned to obtain copies of the Dotloop and email data.

121. Mr. Crecelius breached that contract on and after August 25, 2014, the effective date of the agreement, by failing to return exclusive control of those systems, and the data contained therein, which was property of Do Good.

122. In the Separation Agreement, Mr. Crecelius also agreed to return all company property in his possession; however, in breach of that contract, he did not return the information he took from Do Good, all of which was the property of Do Good, and in fact disclosed the information to a third party, Nest Realty.

123. Mr. Crecelius acted in bad faith, in breach of the contract, by duplicating the proprietary Highrise system prior to executing a Separation Agreement in which he agreed to turn over all such systems and property, and then retaining and/or disclosing Highrise to, and for use by, a competitor. He compounded his bad faith by acquiring the Dotloop and email data after his separation from Do Good, and by acquiring the Dropbox files, for the same purpose.

124. Mr. Crecelius further acted in bad faith, in breach of the contract, by obtaining Highrise as an agent for a competitor, Nest Realty, before selling his equity in Do Good and its assets to Mr. Jackson.

125. Highrise was an essential asset of Do Good at the time Mr. Jackson executed the Separation Agreement, and the acquisition, retention, and disclosure of that information by the Defendants in bad faith deprived Mr. Jackson of the benefit of that contract, in which he purchased all of Do Good's assets.

126. As a direct and proximate result of Mr. Crecelius's breach of contract, the Plaintiffs are entitled to recover of Mr. Crecelius compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

EIGHTH CLAIM FOR RELIEF
(Breach of Contract — Agents)

127. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 126 above.

128. Each of the Agents executed a valid and enforceable contract with Do Good.

129. By the terms of those agreements, each of the Agents owed contractual obligations to Do Good to maintain the confidentiality of Do Good's proprietary and confidential information and to refrain from planning or organizing a competing business while working for Do Good.

130. In violation of their agreements, each of the Agents acquired Do Good's proprietary and confidential information, specifically email databases containing client leads, contacts and other information, for use on behalf of Nest Realty.

131. In violation of their agreements, each of the Agents planned or organized a competing business, Nest Realty, while working for Do Good.

132. As a direct and proximate result of the Defendant Agents' breach of contract, the Plaintiffs are entitled to recover of Mr. Crecelius compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

NINTH CLAIM FOR RELIEF
(Breach of Fiduciary Duties — Defendant Crecelius)

133. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 132 above.

134. As a member of Do Good Real Estate, LLC, Defendant Crecelius owed fiduciary duties to the corporation, including the duties of care, loyalty and good faith.

135. Mr. Crecelius breached his duties of care, loyalty, and good faith to RCJJ Holdings/Do Good by taking steps prior to his separation from Do Good that were in his self-interest and contrary to the interests of Do Good, including, *inter alia*, by acquiring the Highrise database, which was the property of Do Good, for use in competition with Do Good following Mr. Crecelius's planned sale of his shares to Mr. Jackson.

136. He also breached his fiduciary duties to Do Good by planning and organizing a competing business and soliciting Do Good's agents to do the same before following Mr. Crecelius to Nest Realty.

137. As a direct and proximate result of Mr. Crecelius's breach of fiduciary duties, the Plaintiffs are entitled to recover of Mr. Crecelius compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

TENTH CLAIM FOR RELIEF
(Breach of Fiduciary Duties — Agents)

138. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 137 above.

139. Do Good placed special trust and confidence in the Defendant Agents to represent its interests and maintain its confidences and those of Do Good's clients.

140. Each of the Agents breached his or her duties of care, loyalty, and good faith to

Do Good by taking steps prior to separating from Do Good that were in his or her self-interest and contrary to the interests of Do Good, including, *inter alia*, by acquiring their email databases and planning or organizing a competing business.

141. As a direct and proximate result of the Defendant Agents' breach of fiduciary duties, the Plaintiffs are entitled to recover of the Defendant Agents compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

ELEVENTH CLAIM FOR RELIEF
(Constructive Fraud — Defendant Crecelius)

142. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 141 above.

143. As set forth above, Mr. Crecelius owed Do Good fiduciary duties and breached those duties.

144. Mr. Crecelius was in a position of trust and confidence with Do Good and took advantage of that position of trust and confidence to benefit himself by, *inter alia*, increasing the value of his ownership in RCWIL Enterprises/Nest Realty.

145. As a direct and proximate result of Mr. Crecelius's constructive fraud, the Plaintiffs are entitled to recover of Mr. Crecelius compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

TWELFTH CLAIM FOR RELIEF
(Injunctive Relief — All Defendants)

146. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 145 above.

147. As set forth above, the Defendants have misappropriated trade secrets of Do Good in violation of N.C. Gen. Stat. § 66-152 *et seq.* Do Good is entitled to preliminary injunctive

relief during the pendency of this action pursuant to N.C. Gen. Stat. § 66-154.

148. Pursuant to N.C. Gen. Stat. § 66-154, Do Good may be entitled to a permanent injunction against further use or disclosure upon judgment finding misappropriation of trade secrets.

149. Additionally, the Defendants have acquired confidential information that is the property of Do Good and if used or disclosed would irreparably injure Do Good, which may be enjoined at common law pursuant to the Court's inherent equitable powers and under Rule 65 of the North Carolina Rules of Civil Procedure.

150. There exist sufficient equitable and/or legal grounds for this Court to issue a Preliminary Injunction enjoining and restraining the Defendants from disclosing or using Do Good's trade secrets and confidential information until final adjudication of the claims herein.

151. There is a reasonable apprehension on the part of Do Good of irreparable loss and damage unless a Preliminary Injunction is granted because Do Good is informed and believes, and therefore alleges, that the Defendants will use Do Good's trade secrets and confidential information as a competitor and disclose such information to third parties.

152. As a result and consequence of the foregoing, Do Good is entitled to preliminary and permanent injunctive relief to prevent irreparable harm from occurring and to maintain the *status quo*.

THIRTEENTH CLAIM FOR RELIEF
(Conversion — All Defendants)

153. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 152 above.

154. The proprietary and trade secrets information, including email databases, documents from DotLoop, the Dropbox files, and the Highrise database were at all relevant times

the property of Do Good.

155. Mr. Crecelius assumed and exercised the right of ownership of the Information without authorization from Do Good.

156. Nest Realty assumed and exercised the right of ownership of the Information without authorization from Do Good.

157. Each of the Agents assumed and exercised the right of ownership of the email databases without authorization from Do Good.

158. The conversion of the Information to the property of Mr. Crecelius, Nest Realty and the Agents altered the rightful owner's exclusive dominion and authority over that property and therefore was to the exclusion of Do Good's rights as the owner.

159. As a direct and proximate result of the Defendants' conversion, the Plaintiffs are entitled to recover of the Defendants compensatory and consequential damages in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

(IN THE ALTERNATIVE) FOURTEENTH CLAIM FOR RELIEF
(Unjust Enrichment — All Defendants)

160. Plaintiff incorporates herein by reference the allegations contained in Paragraphs 1 through 159 above.

161. Mr. Crecelius, Nest Realty and each of the Agents consciously obtained the benefits of information purchased or developed by Do Good and at Do Good's expense.

162. Do Good conferred no such benefits gratuitously.

163. It would be unjust under the circumstances for the Defendants to retain the value of those benefits.

164. As a direct and proximate result of Defendants' acquisition of benefits not conferred gratuitously by the Plaintiffs, the Plaintiffs are entitled to recover of the Defendants

restitution in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00).

(IN THE ALTERNATIVE) FIFTEENTH CLAIM FOR RELIEF
(Rescission — Mr. Crecelius)

165. Plaintiffs incorporate herein by reference the allegations contained in Paragraphs 1 through 164 above.

166. The information, files and data acquired by the Defendants was an essential asset of Do Good at the time Mr. Jackson executed the Separation Agreement, and the acquisition, retention, and disclosure of that information by Mr. Crecelius in bad faith deprived Mr. Jackson of the benefit of that contract, in which he purchased all of Do Good's assets.

167. The breach was material, substantial and goes to the heart of the contract.

168. By reason of the material and substantial breach of contract and the false and fraudulent representations and failures to disclose on the part of Mr. Crecelius, the Plaintiffs are entitled to rescind the aforementioned Separation Agreement.

WHEREFORE, the Plaintiffs pray the Court as follows:

1. That Plaintiffs have and recover of the Defendants a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00) as compensatory and consequential damages, together with interest as provided by law;
2. That Plaintiffs be granted a Preliminary Injunction enjoining the Defendants from using or disclosing any of the Plaintiffs' trade secrets or confidential information during the pendency of this action;
3. That Plaintiffs be granted a Permanent Injunction ordering the Defendants to refrain from any use or disclosures of the Plaintiffs' trade secrets or confidential information and to return or destroy all copies or versions of Plaintiffs' trade secrets or confidential information in their possession or control, in any form, medium or location;

4. That the Court consider this verified Complaint as an affidavit in support of Plaintiffs' request for injunctive relief;
5. That the Court award attorney fees pursuant to N.C. Gen. Stat. § 75-16.1;
6. For trial by jury on all issues so triable;
7. That the cost of this action, including attorney's fees be taxed by the Court against Defendants;
8. That the Plaintiffs have such other and further relief as the Court may deem just and proper.

This the 20th day of October, 2014.

SHIPMAN & WRIGHT, LLP
Attorneys for Plaintiffs

By: _____


W. CORY REISS

N.C. Bar No.: 41549
575 Military Cutoff Road, Suite 106
Wilmington, NC 28405
Telephone: (910) 762-1990
Fax: (910) 762-6752
creiss@shipmanlaw.com

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF NEW HANOVER

Johnathan Jackson personally appeared before me this day and after being duly sworn deposes and says that he has read the foregoing Amended Complaint, and that the same are true of his own knowledge, except as to those matters therein stated upon information and belief, and as to those he believes them to be true also.

By:


Johnathan Jackson

RCJJ Holdings, LLC

By:


Johnathan Jackson, Sole Member

Do Good Real Estate, LLC

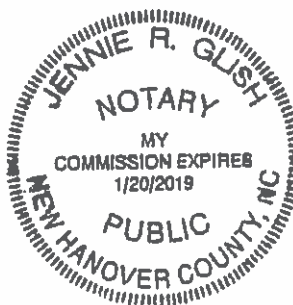
By:


Johnathan Jackson, Sole Member

Sworn to and subscribed before me
this the 20th day of October, 2014.


Notary Public

My Commission Expires: 1/20/2019



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing **AMENDED COMPLAINT** on all parties to this action by facsimile and/or by depositing a copy thereof in the United States Mail, postage prepaid and addressed as follows:

Michael Murchison
MURCHISON, TAYLOR & GIBSON, PLLC
16 North Fifth Avenue
Wilmington, NC 28401
Facsimile: (910) 763-6561
Counsel for Defendants RCWIL Enterprises d/b/a Nest Realty Wilmington and Ryan Crecelius

Samuel B. Potter
BROADWELL, PHILLIPS & POTTER, PLLC
232 Causeway Drive, Suite 1-A
Wrightsville Beach, NC 28480
Facsimile: (910) 378-1932
Counsel for Defendants Catherine Fitzgerald Anderson; Elizabeth Leigh Bianchini; Susan Lee Harkins; Laura Emory Heal; Jamie Marie Jankowski; Quentin Ross Jones; Eric Gardner Knight; Zachary Wynn Lucas; and Jennifer Lee Young

Served Via First Class Mail Only:

Amber Georgalis Warrington
6736 Cable Car Lane
Wilmington, NC 28403
Defendant

This the 20th day of October, 2014.

SHIPMAN & WRIGHT, LLP
Attorneys for Plaintiffs

By:


W. Cory Reiss

STATE OF NORTH CAROLINA

NEW HANOVER COUNTY

SEPARATION AGREEMENT
AND GENERAL RELEASE

THIS SEPARATION AGREEMENT AND GENERAL RELEASE (the "Agreement") is made and entered into effective the 25th day of August, 2014, by and between RYAN P. CRECELIUS ("Creceilius"), JOHNATHAN C. JACKSON ("Jackson"), RCJJ HOLDINGS, LLC, a North Carolina limited liability company ("Holdings"), DO GOOD REAL ESTATE, LLC, a North Carolina limited liability company ("Do Good Real Estate"), DO GOOD REAL ESTATE WILMINGTON, LLC, a North Carolina limited liability company ("Do Good Wilmington") and DGRE IP, LLC, a North Carolina limited liability company ("DGRE").

RECITALS

- A. Creceilius and Jackson are currently the sole members of Holdings, with each owning a 50% membership interest, and are officers of Do Good Real Estate, Do Good Wilmington, and DGRE.
 - B. Holdings is the sole member of Do Good Real Estate, which operates a real estate brokerage under the name Do Good Real Estate.
 - C. Holdings is also the sole member of DGRE and Do Good Real Estate is the sole member of Do Good Wilmington. Neither DGRE or Do Good Wilmington is currently conducting any business or operations.
 - D. For the purpose of convenience, Holdings, Do Good Real Estate, Do Good Wilmington and DGRE will hereafter be collectively referred to as the "Do Good Real Estate Companies".
 - E. Creceilius currently functions as broker in charge of Do Good Real Estate.
 - F. Creceilius and Jackson have reached an agreement under the terms of which Creceilius will sell his membership interest to Jackson, withdraw as an officer and broker in charge of the Do Good Real Estate Companies and cease to have any involvement with those companies.
 - G. The parties desire to set forth the terms under which Creceilius will sell and transfer his membership interest in the Do Good Real Estate Companies and withdraw as an officer and otherwise end his relationship with the Do Good Real Estate Companies.
- NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises set forth in this Agreement, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged by the parties, the parties hereby agree as follows:
1. Sale of Membership Interest. Creceilius shall sell his membership interest in Holdings and his derivative interest in the other Do Good Real Estate Companies (herein the



"Membership Interest") for the sum of Twenty-Five Thousand Dollars (\$25,000.00). The transfer of Crecelius' Membership Interest shall take place on Monday, August 25, 2014 (the "Separation Date"). Payment shall be made by Jackson to Crecelius in certified funds or other cash equivalent on the Separation Date.

2. Withdrawal as a Member and Officer of Holdings and the other Do Good Real Estate Companies. Effective as of the Separation Date, Crecelius shall withdraw as a member and officer of Holdings and the other Do Good Real Estate Companies and transfer the Membership Interest and other rights in the Do Good Real Estate Companies to Jackson. To effect this transfer and assignment of the Membership Interest, Crecelius shall execute an appropriate assignment document in the form and substance attached as Exhibit A. Crecelius represents and warrants that the Membership Interest is now and will be on the date of transfer, free and clear of all liens, charges, restrictions, claims and encumbrances of any nature or kind whatsoever, except as set forth in the Operating Agreements of the Do Good Real Estate Companies. Crecelius further represents that the Membership Interest represents all of his ownership interest in the Do Good Real Estate Companies.

3. Withdrawal as Broker in Charge. Effective as of the Separation Date, Crecelius shall withdraw and resign as the broker in charge of Do Good Real Estate. Following the Separation Date, Crecelius shall have no responsibility as broker in charge of any of the Do Good Real Estate Companies and shall be completely relieved and indemnified from any and all such responsibility. Effective as of the Separation Date, Jackson shall take all necessary actions to notify the North Carolina Real Estate Commission and any other required entities that Crecelius is no longer serving in that capacity. Jackson and the Do Good Real Estate Companies will honor outstanding commission agreements with respect to any pending contracts or closings.

4. Closing of the Books. Pursuant to Section 706(c)(2)(A) of the Internal Revenue Code of 1986, as amended, the parties hereto agree to close the books of the Do Good Real Estate Companies effective as of 11:59.59 p.m. eastern daylight time on August 25, 2014, and to take any and all actions and to execute and deliver any and all documentation necessary and appropriate to treat the Do Good Real Estate Companies' 2014 tax year as two separate years, the first beginning January 1, 2014 and continuing through and including August 25, 2014, and the second being the remainder of the calendar year. The parties further agree to insure that the books of the Do Good Real Estate Companies and the K-1 tax returns issued to Crecelius for the first part of 2014 accurately reflect the distributions which Crecelius received from the Do Good Real Estate Companies and do not overstate his income.

5. No Other Payments/Distributions. Except for the \$25,000.00 payable to him for transfer of the Membership Interest, from and after the Separation Date, Crecelius shall have no further rights to any payments, distributions or any other thing of value from Jackson, the Do Good Real Estate Companies, their members, officers, managers, predecessors, affiliates, successors and assigns. From and after the Separation Date, Jackson and the Do Good Real Estate Companies shall have no rights to any payments or any other thing of value from Crecelius, his heirs and assigns.

6. Release from any Non-Compete, Non-Solicit or other Contractual Obligations. Effective as of the Separation Date, Crecelius shall be (a) free of any non-compete, non-solicit or any other contractual obligations with respect to the Do Good Real Estate Companies, including, but not limited to, the Non-Compete and Non-Solicitation provisions set forth in Section 6.6 of the Operating Agreement of Holdings and (b) free to pursue any and all business ventures or interests of any kind or nature without restriction.
7. Release or Indemnity from Corporate Debts. From and after the Separation Date, Jackson and the Do Good Real Estate Companies shall assume responsibility for all outstanding debts of the Do Good Real Estate Companies and shall indemnify and hold Crecelius harmless from any liability, losses, costs or expenses (including reasonable attorneys' fees) that he may incur with respect to any such liabilities. In addition, Jackson and the Do Good Real Estate Companies shall use commercially reasonable efforts to obtain a release of Crecelius from any guaranty that he has extended with respect to any outstanding obligations of the Do Good Real Estate Companies, including the lease between Do Good Real Estate and Lumina Cowork Properties, LLC. Crecelius represents that, to his knowledge, there are no outstanding debts or liabilities of the Do Good Real Estate Companies other than those incurred in the normal course of business, including, but are not limited to the rent, the video production contract with Blueberry Creative, professional fees such as MLS, computer-related costs such as on-line storage, Google Apps, QuickBooks, etc., marketing expenses and accounting fees.
8. Removal of Crecelius from Marketing and Advertising. Effective as of the Separation Date or as soon thereafter as it can be accomplished, Jackson and the Do Good Real Estate Companies shall remove Crecelius from any marketing or advertising materials or website content of the Do Good Real Estate Companies and shall thereafter make no representations that Crecelius is in any way engaged in or involved with the Do Good Real Estate Companies. Crecelius and Jackson will agree on a neutral public announcement regarding Crecelius' departure from the Do Good Real Estate Companies.
9. Email. Jackson and the Do Good Real Estate Companies shall automatically forward email sent to Crecelius at his current Do Good Real Estate email address for a period of 14 days following the Separation Date. This shall be accomplished by an adjustment of the settings to allow Crecelius to receive forwarded emails, but prevent Crecelius from initiating any email using that address. Jackson and the Do Good Real Estate Companies also agree to forward any personal mail to Crecelius at a designated forwarding address.
10. Transition of Relevant Accounts. On or prior to the Effective Date, Crecelius will make arrangements to transfer to Jackson the following online systems and accounts: Dotloop, Google Apps, Zendesk, QuickBooks, Facebook, Lithub, Highrise, Dropbox, Squarespace and Basecamp. Crecelius will also transfer the following company domain names, do good real estate.com and do good realty.com to Jackson.
11. Personal Possessions. Crecelius will be allowed to remove his personal possessions from the Do Good Real Estate Companies' premises on or before the Separation Date.

12. Return of Company Property. On or before the close of business on the Separation Date, Crecelius will return to Jackson any keys or other company property in his possession.

13. Crecelius Waiver and Release. Subject to compliance by Jackson and the Do Good Real Estate Companies with the terms of this Agreement and effective as of the Separation Date, Crecelius covenants not to sue, and fully and forever releases and discharges Jackson and the Do Good Real Estate Companies, their predecessors, subsidiaries, affiliates, successors and assigns, and their respective officers, directors, shareholders, members, managers, employees, agents, attorneys and representatives (collectively, the "Jackson Release Parties") from any and all claims, demands, obligations, agreements, causes of action, suits, costs and expenses or liabilities of any nature or kind whatsoever in law or equity or otherwise, whether now known or unknown, now existing or arising in the future, which arise out of or in any way connected with the actions of the Jackson Released Parties prior to the Separation Date; provided, however, that nothing in this Agreement shall impair Crecelius' right to take action to enforce the terms of this Agreement. This release includes, but is not limited to, any claims arising under the Do Good Real Estate Companies' Operating Agreements and any other agreement between the parties.

14. Jackson and Do Good Real Estate Companies' Waiver and Release. Subject to Crecelius' compliance with the terms of this Agreement and effective as of the Separation Date, Jackson and the Do Good Real Estate Companies covenant not to sue, and fully and forever release and discharge Crecelius, his heirs, successors, assigns, agents, attorneys and representatives (collectively, the "Crecelius Released Parties") from any and all claims, demands, obligations, agreements, causes of action, suits, costs and expenses or liabilities of any nature or kind whatsoever in law or equity or otherwise, whether now known or unknown, now existing or arising in the future, which arise out of or are in any way connected with the actions of Crecelius Released Parties prior to the Separation Date; provided, however, that nothing in this Agreement shall impair Jackson and the Do Good Real Estate Companies' rights to take action to enforce the terms of this Agreement. This release includes, but is not limited to, any claims arising under the Do Good Real Estate Companies' Operating Agreements and any other agreement between the parties.

15. Attorney's Fees. Each party shall bear its own attorney's fees and costs.

16. Notices. All notices, demands or other communications to be given under this Agreement shall be in writing and shall be deemed to have been properly served if (a) delivered personally, (b) delivered by a recognized overnight courier service, (c) sent by certified or registered mail, return receipt requested, or (d) sent by facsimile transmission or other electronic means with confirmation of successful transmission or receipt by the intended recipient. Such notices, demands and other communications shall be sent to the address set forth opposite each party's signature, or to such other address as specified by the parties.

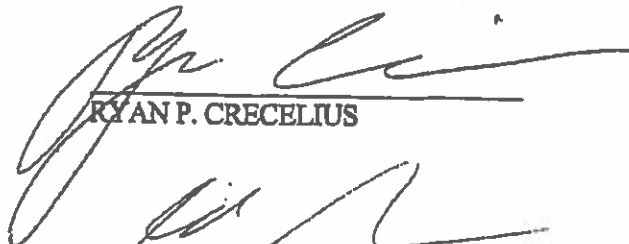
17. Execution of Other Documents. The parties agree to execute all supplementary documents to accomplish the terms of this Agreement and to take all additional actions which are necessary and appropriate to give full effect to the terms of this Agreement.

18. Modification of Agreement. No waiver or modification of this Agreement, or any covenant, condition or limitation herein contained, shall be valid unless in writing duly executed by the parties hereto.
19. Assignment. No party may assign any rights or obligations under this Agreement without the prior written consent of the other parties.
20. Governing Law. This Agreement shall be governed by and construed under the laws of the State of North Carolina.
21. Severability. All agreements and covenants contained herein are severable, and in the event any of them shall be held invalid by any competent court this Agreement shall be interpreted as if such invalid agreements and covenants were not contained herein.
22. Binding Effect. This Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns.
23. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied herein, and that no agreement, statement or promise not contained in this Agreement shall be valid or binding or of any force or effect.
24. Headings. The headings, titles, and subtitles herein are inserted for convenience or reference only and shall not control or affect the meaning or construction of any of the provisions hereof.
25. Gender. As used herein, all pronouns shall include the masculine, feminine, neuter, singular and plural thereof, whenever the context and facts require such construction.
26. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument. Electronically transmitted copies of the parties' signatures shall have the same force and effect as the original signatures.

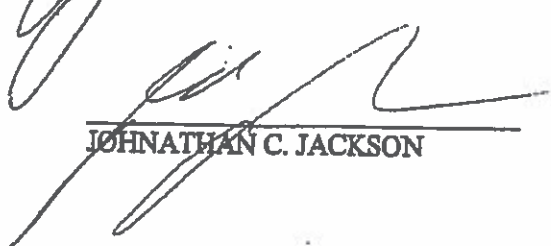
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

SIGNATURE PAGE FOLLOWS

NOTICE ADDRESS:
203 Rogersville Road
Wilmington, N.C. 28403




RYAN P. CRECELIUS



JOHNATHAN C. JACKSON


NOTICE ADDRESS:
1904 Eastwood Road, Suite 310
Wilmington, NC 28403

RCJJ HOLDINGS, LLC

By: 
Name: Johnathan Jackson
Title: COO / Treasurer


NOTICE ADDRESS:
1904 Eastwood Road, Suite 310
Wilmington, NC 28403

DO GOOD REAL ESTATE, LLC

By: 
Name: Johnathan Jackson
Title: COO / Treasurer


NOTICE ADDRESS:
1904 Eastwood Road, Suite 310
Wilmington, NC 28403

DO GOOD REAL ESTATE WILMINGTON, LLC

By: 
Name: Johnathan Jackson
Title: COO / Treasurer

NOTICE ADDRESS:
1904 Eastwood Road, Suite 310
Wilmington, NC 28403

DGRE IP, LLC

By: 
Name: Johnathan Jackson
Title: COO / Treasurer

NOTICE ADDRESS:
1904 Eastwood Road, Suite 310
Wilmington, NC 28403

ASSIGNMENT OF MEMBERSHIP INTEREST

THIS ASSIGNMENT OF MEMBERSHIP INTEREST (this "Assignment"), is made to be effective as of the 25th day of August, 2014 (the "Effective Date"), by and between RYAN P. CRECELIUS ("Assignor"), and JOHNATHAN C. JACKSON ("Assignee").

RECITALS:

A. Assignor is the owner of fifty percent (50%) of the outstanding membership interests (the "Membership Interests") of RCJJ HOLDINGS, LLC, a North Carolina limited liability company (the "Company"). RCJJ Holdings, LLC is the sole member of Do Good Real Estate, LLC, a North Carolina limited liability company, and DGRE IP, LLC, a North Carolina limited liability company. Do Good Real Estate, LLC, in turn, is the sole member of Do Good Real Estate Wilmington, LLC, a North Carolina limited liability company; and

B. By this Assignment Assignor wishes to assign, transfer and convey his entire fifty percent (50%) membership interest in RCJJ Holdings, LLC and any derivative interest in Do Good Real Estate, LLC, DGRE IP, LLC, and Do Good Real Estate Wilmington, LLC (the "Transferred Interest") to Assignee and withdraw as a Member of the Company, effective as of the Effective Date.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in and to the Transferred Interest to Assignee.

The Transferred Interest herein assigned is subject to all of the terms and provisions of the Operating Agreement of RCJJ Holdings, LLC (the "Operating Agreement") and, where applicable, the operating agreements of the other entities named herein. The Assignee is a member of the Company and, therefore, the consent of the members of the Company is not required under the Operating Agreement.

Assignor hereby warrants to Assignee that (i) Assignor is the sole owner of the Transferred Interest, (ii) Assignor has good title to the Transferred Interest, free and clear of all liens, claims and encumbrances, (iii) Assignor has full right, power and authority to transfer the Transferred Interest to Assignee, and (iv) Assignor's assignment and transfer of the Transferred Interest to Assignee does not violate any agreement, court order or other restrictions to which Assignor is or may be bound.

Assignee hereby accepts the assignment and transfer of the Transferred Interest and agrees to be bound to and abide by the Operating Agreement.

[NEXT PAGE IS SIGNATURE PAGE]



IN WITNESS WHEREOF, the undersigned have executed this Assignment effective as of the date first above written.

ASSIGNOR:



RYAN P. CRECELIUS

(SEAL)

ASSIGNEE:



JOHNATHAN C. JACKSON

(seal)