

Wilentz, Goldman & Spitzer, P.A. and The Cherundolo Law Firm, PLLC Announce Filing of Second Amended Class Action Complaint on Behalf Of Purchasers of Securities From Gregory W. Gray, Jr., Gregory P. Edwards and Related Entities

January 18, 2018 -- Woodbridge, NJ -- Wilentz, Goldman & Spitzer, P.A. and The Cherundolo Law Firm today announced that a second amended class action complaint (“Complaint”) was filed on December 22, 2017 in the United States District Court for the Northern District of New York on behalf of all persons and entities who purchased securities sold by or through Gregory W. Gray, Jr. (“Gray”), Gregory P. Edwards (“Edwards”), Archipel Capital LLC (“Archipel”); BIM Management LP (“BIM”), Bennington Investment Management, Inc. (“Bennington”), Bennington-Everloop LP (“BELP”) and Archipel Capital-Agrivida LLC, Archipel Capital-Bloom Energy LP, Archipel Capital-Late Stage Fund LP, Archipel Capital-Lineagen LP, Archipel Capital-Social Media Fund LP, Archipel Capital-Social Media Fund 1, Archipel Capital-Social Media Fund 2, Archipel Capital-Social Media Fund 3, and Archipel Capital-Social Media Fund 4 (together, “Archipel Entities”), during the time period May, 2011 through July 30, 2014, seeking remedies pursuant to the Securities and Exchange Act of 1934, Federal and New York State statutory law, and common law.

If you wish to serve as lead plaintiff, you must move the Court no later than 60 days from January 18, 2018. If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact plaintiffs’ counsel, Kevin P. Roddy, Esq., or James E. Tonrey, Jr., Esq. of Wilentz, Goldman & Spitzer, P.A., at 732-726-7475 or kroddy@wilentz.com or jtonrey@wilentz.com, or John C. Cherundolo of the Cherundolo Law Firm at (315) 449-9500, or by email at jcherundolo@cherundololawfirm.com. If you are a member of this class, you can view a copy of the Complaint as filed online at <http://www.wilentz.com/personal-service/gregory-gray-jr-securities-lawsuit> and at

<https://cherundololawfirm.com/securities-fraud-class-action-against-archipel-capital-llc/>. Any member of the putative class may move the Court to serve as lead plaintiff through counsel of their choice, or may choose to do nothing and remain an absent class member.

The Complaint alleges that Gray, Edwards, Archipel, BIM, Bennington, BELP and the Related Entities solicited investments in companies believed to soon be experiencing a “liquidity event,” such as an initial public offering. Defendants set up a series of limited partnerships – the Archipel Entities – which would serve as the vehicle through which investments in a particular company would be accomplished. The Archipel Entities are indirectly controlled by Gray and Edwards and in most cases are named for the company for which investments were being solicited, *i.e.*, Archipel Capital-Agrivida, LLC was organized for the purpose of acquiring certain preferred stock of Agrivida, Inc.

The Complaint alleges Defendants made misstatements and omissions in connection with soliciting investments. For example, Defendants falsely represented that Gray was a registered investment advisor, when in fact he had surrendered his license in February, 2008. Defendants also failed to disclose that, while employed by a brokerage firm, Gray had engaged in unauthorized trades on his clients’ accounts and threatened and/or harassed complaining customers and/or their family members, some with the threat of death. Nor did Defendants disclose that Gray had been censured for engaging in such conduct, and barred from associating with New York Stock Exchange member companies for a period of three years.

The Complaint also alleges Defendants made false and misleading statements in connection with soliciting investments in Everloop, Inc., a company that operated a social media “looping platform” for children not yet old enough to legally access online sites such as Facebook. Defendants are alleged to have made numerous misrepresentations in soliciting

investments for Everloop through BELP, including misinformation about the financial condition of Everloop, alleged strategic partnerships Everloop had established with other companies, grants it purportedly received from the Federal government in the amount of \$25 million, the financial condition of Everloop, and its alleged acquisition of a Twitter-like application for children known as “EverText.”. Defendants solicited such investments in Everloop despite being aware that Everloop was financially failing and near collapse, without disclosing that information to investors.

The Complaint further alleges that Defendants prevented BELP investors from sharing in the proceeds of a settlement BELP reached with Everloop. The Complaint alleges Everloop planned to enter into a licensing agreement with a company known as B2BSocial in or about the November 2013 time period. Gray and/or Edwards, through BIM (the general partner of BELP) objected to the licensing and threatened to file a lawsuit. While the parties agreed to resolve the claim, and Everloop agreed to make a payment to BELP, the Complaint alleges that Defendants never disclosed the terms of the settlement to the BELP investors and refused to distribute any of the settlement funds to investors without the investors first signing a release.

The Complaint alleges the settlement was for approximately \$1 million and that Defendants used those funds to pay off investors who were owed money for their investments in other Archipel Entities, with Defendants conducting the affairs of the various entities as a classic Ponzi scheme.

The co-Plaintiffs seek to recover damages on behalf of all purchasers of securities during the Class Period. Plaintiff Steven Amerio is represented by the law firm of Wilentz, Goldman & Spitzer, P.A., and Plaintiff Andrew Goldberg is represented by The Cherundolo Law Firm, PLLC.

Wilentz, Goldman & Spitzer, P.A. is a law firm consisting of more than 100 lawyers, has offices in New York, New Jersey and Pennsylvania, and is active in class action lawsuits representing parties harmed by false and deceptive conduct such as securities fraud.

The Cherundolo Law Firm, PLLC is located in Syracuse, New York and is a recognized provider of legal services for persons injured as a result of negligence and/or other wrongful actions.

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Contacts:

Kevin P. Roddy, Esq., Wilentz, Goldman & Spitzer, P.A.
732-726-7475, kroddy@wilentz.com

James E. Tonrey, Jr., Esq., Wilentz, Goldman & Spitzer, P.A.
732-726-7475, jtonrey@wilentz.com

John C. Cherundolo, Cherundolo Law Firm, PLLC
315-449-9500, jcherundolo@cherundololawfirm.com

J. Patrick Lannon, Cherundolo Law Firm, PLLC
315-449-9500, plannon@cherundololawfirm.com