

Guttilla Murphy Anderson, P.C.
Patrick M. Murphy (Ariz. No. 002964)

City North
5415 E. High St., Suite 200
Phoenix, Arizona 85054
Email: pmurphy@gamlaw.com
Phone: (480) 304-8300
Fax: (480) 304-8301

Attorneys for the Receiver

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR MARICOPA COUNTY

STATE OF ARIZONA ex rel. LAUREN
KINGRY, Superintendent of the Arizona
Department of Financial Institutions,

Plaintiff,

v.

LANDMARC CAPITAL &
INVESTMENT COMPANY,

Defendant.

Cause No. CV2009-020595

RECEIVER'S SUPPLEMENT TO
PETITION NO. 106

RE: PETITION NO. 106

(Assigned to the Honorable Daniel Martin)

The Receiver respectfully submits the following supplemental information regarding the Receiver's *Petition No. 106, Petition for Approval of the Sale of the Receiver's Interest in the Secured Loan to Youth Pad, Inc.*

1. On January 2, 2019, the Receiver filed his *Petition No. 106, Petition for Approval of the Sale of the Receiver's Interest in the Secured Loan to Youth Pad, Inc.* ("Petition No. 106").

2. Petition No. 106 has been set for hearing on January 22, 2019 and seeks an order of the Court approving the sale of the Receiver's 33.3% participation interest in a loan

1 made to The Youth Pad, Inc. to the remaining participant lenders in the loan (“Original
2 Offerors”).

3 3. On Thursday January 17, 2019, the Receiver received a competing offer from
4 The Youth Pad, Inc. in which it offers to pay \$10,000 for the Receiver’s participation interest.
5 (this competing offer from The Youth Pad, Inc. is referred to hereafter as the “Youth Pad
6 Offer”). A copy of the Youth Pad Offer is attached hereto as Exhibit “A”.

7 4. The Youth Pad Offer appears to be a higher and better offer than the one from
8 the other participant lenders that was submitted with Petition No. 106.

9 Accordingly, the Receiver recommends that the Court approve the offer by the
10 Original Buyers or offer them an opportunity to match the Youth Pad Offer or authorize the
11 making of competing bids until the highest and best offer is determined. As in the past, the
12 Receiver recommends that the Court authorize the Receiver to conduct the bidding process
13 and report to the Court the highest bid.

14 Respectfully submitted this 17th day of January, 2019.

15 GUTTILLA MURPHY ANDERSON, P.C.
16 /s/Patrick M. Murphy
17 Patrick M. Murphy
 Attorneys for the Receiver
 Original of the foregoing e-filed

18 Original of the foregoing e-filed this
19 this 17th day of January, 2019 with the:

20 Clerk of the Maricopa County Superior Court
21

1 Copies of the foregoing were emailed/mailed to
2 All persons on the attached Master Service
3 List and the persons identified below this
4 17th day of January, 2019:

5 Harvey Friedman

6 Hbf901@aol.com

7 Penny Wolfswinkel

8 pennyw@swproperties.com

9 David Wolfswinkel

10 davidw@swproperties.com

11 Ed Humphries

12 edh@swproperties.com

13 Luis Bettencourt

14 Lbennencourt58@yahoo.com

15 By /s/Cynthia Ambrozic

16 1157-001(155850)P

MASTER SERVICE LIST

State of Arizona ex rel. v. Landmarc Capital & Investment Company
IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
CV2009-020595
(Rev. June 5, 2018)

The Honorable Daniel Martin
Maricopa County Superior Court
East Court Building
101 West Jefferson, Room 412
Phoenix, Arizona 85003

Robert D. Charlton, Superintendent
Department of Financial Institutions
100 N. 15th Avenue, Suite 261
Phoenix, AZ 85007

Thomas J. Giallanza, Deputy Receiver
TGiallanza@lcmortgage.com
c/o Department of Financial Institutions
100 N. 15th Avenue, Suite 261
Phoenix, AZ 85007

Lola Duncan, Special Deputy Receiver
Arizona Department of Financial
Institutions
lduncan@azdfi.gov
100 N. 15th Avenue, Suite 261
Phoenix, Arizona 85007

Lynette Evans
Arizona Attorney General
1275 West Washington
Phoenix, AZ 85007

Patrick M. Murphy
Guttilla Murphy Anderson, P.C.
PMurphy@gamlaw.com
5415 East High St., Ste. 200
Phoenix, Arizona 85054
Attorneys for the Receiver

Amy D. Howland
Alan Meda
ahowland@bcattorneys.com
ameda@bcattorneys.com
Burch & Cracchiolo, PA
702 E. Osborn Rd. #200
P.O. Box 16882
Phoenix, Arizona 85014-5281

Tim Dietz
TDietz@rrulaw.com
Ryan Rapp & Underwood, P.L.C.
3200 N. Central Avenue, Suite 1600
Phoenix, AZ 85012-2681
Attorney for TBM Associates, LLC,
Eugene and Lenore Schupak Family
Trust, dated April 4, 1991, Geoff & Katie
Ball, Lydia Ball c/o Dr. Richard Ball,
Deborah Ball

David Crantz
12884 N. 136th Street
Scottsdale, Arizona 85259

Landmarc Capital Partners
c/o Lisa Juel, Administrator
8485 E. McDonald Drive, #319
Scottsdale, Arizona 85250

Henk Taylor
Ryan Rapp & Underwood, PLC
3100 N. Central Avenue, Suite 1600
Phoenix, Arizona 85012
Htaylor@RRUlaw.com
Attorney for TBM Associates

William G. Klain
George H. King
Lang Baker & Klain, PLC
WKlain@lang-baker.com
gking@lang-baker.com
FilingKAL@lang-baker.com
8767 East Via De Commercio, Suite 102
Scottsdale, Arizona 85258
Attorney(s) for Landmarc Capital Partners,
LLC and DVH Management Corporation

David N. Ramras
Ramras Law Offices, PC
David@ramraslaw.com
2375 East Camelback Road
Suite 600
Phoenix, Arizona 85016
Attorney for Oxford Investment Partners,
LLC., PK Holdings, LLC, Rhonda Kaye
Solheim Family Trust U/A, Spruce Avenue
Ltd. Partnership, LLP, OxTox Holdings,
LLC, and 1977 Gill Trust U/A 12/07/77

Daniel R. Price
Law Offices of Dan Price
dan@dpricelaw.com
535 Cowper Street, Second Floor
Palo Alto, California 94301
Attorneys for Oxford Investment Partners,
LLC.

Madelene Kepes
Maddee.kepes@gmail.com
6982 Pebblecreek Woods Drive
West Bloomfield, MI 48322
The Madelene Kepes Revocable Living
Trust Dated May 22, 1984 as Amended

Roy Kyle
Lewis Roca Rothgerber, LLP
One South Church Avenue, Suite 700
Tucson, Arizona 85701-1611
Roy_Kyle@LRRlaw.com
Attorney for TBM Associates

Helen and Stephen Gubin Charitable
Remainder Trust and the Gubin Family
Trust dated May 27, 1992
c/o Steve Gubin
23005 N. 74th Street
Apt. 3059
Scottsdale, Arizona 85255
steve@gubin.net

Russell Piccoli
rp@winazlaw.com
701 N. 44th Street
Phoenix, Arizona 85008
Attorneys for Landmarc Capital Partners,
LLC

John Rosenfeld
5060 North 40th Street, Suite 112
Phoenix, Arizona 85016
john@oxfordpartners.net
Attorney for Oxford Investment Partners

Jamie C. Eisenfeld
BuchalterNemer, P.C.
16435 North Scottsdale Road
Suite 440
Scottsdale, AZ 85254-1754
jeisenfeld@buchalter.com
Attorneys for LDM Acceptance Company,
LDM Acceptance Company Pension Plan,
Manny Daskal and Dr. and Mrs. Barry Wiss

1157-001(85963)

Offer to Purchase Receiver's Loan Interest

This is an Offer by the Buyer to purchase the Receiver's Loan Interest described herein ("Buyer's Offer"). The Buyer's Offer shall remain open and in effect until 5:00 PM January 22, 2019, or until such time as the Receivership Court approves the sale of the Receiver's Loan Interest to the Buyer or to another party, whichever comes first.

1. Receiver's Loan Interest. The loan interest which is the subject of this Buyer's Offer is the interest of the 33.3% beneficial interest held by the Receiver of Desert Trails Insurance Company in that certain Note dated July 30, 2014 in the original principal amount of \$370,000.00 payable by The Youth Pad, Inc., an Oklahoma Corporation, to the Receiver of Landmarc Capital & Investment Company.

2. Seller. The Seller is Robert D. Charlton, Superintendent of the Arizona Department of Financial Institutions, in his capacity as the receiver of Desert Trails Insurance Company, pursuant to the orders entered by the Arizona Superior Court for Maricopa County in the action entitled *State of Arizona v. Landmarc Capital & Investment Company*, Cause No. CV2009-020595 ("Receivership Court").

3. Buyer. The Buyer THE YOUTH PAD INC.

4. Purchase Price. The Purchase Price which Buyer agrees to pay for the Receiver's Loan Interest is \$10,000.00. The Purchase Price shall be paid as follows:

(a) Buyer has delivered to the Receiver a cashier's check payable to the Receiver in the amount of \$500.00 as the Buyer's cash earnest money deposit (the "Earnest Money") which shall be non-refundable except as provided herein;

(b) The balance of the Purchase Price to be paid within five (5) business days of the approval of the Buyer's Offer by the Receivership Court.

5. Receiver's Loan Interest Sold "As Is." The Receiver's Loan Interest is being sold "AS IS" and the Seller is not providing any warranties. Buyer expressly acknowledges that Buyer has not relied on any warranties, promises, projections, calculations, understandings or representations, express or implied, of Seller or of any agent or representative of Seller, relating to the Receiver's Loan Interest, and, Buyer is acquiring the Receiver's Loan Interest in its present condition, "AS IS", with all defects, latent or apparent. Buyer further acknowledges that any information of any type which Buyer has received or may receive from Seller or Seller's agents is furnished on the express condition that Buyer shall make an independent verification of the accuracy (including without limitation calculations) of such information, all such information being furnished without any warranty or liability whatsoever.

6. Receivership Court. The Buyer understands and acknowledges that the Seller is a court appointed receiver and that the Receiver's Loan Interest and this transaction are under the jurisdiction of the Receivership Court; and that the Buyer has received, read, and understands the order of the Receivership Court appointing the Receiver, and *Order Re: Petition No. 2, Order Governing the Administration of the Receivership*. The Buyer further understands and acknowledges that Buyer has received, read, and understands the Receiver's *Petition No. 106, Petition for Approval of the Sale of the Receiver's Interest in the Secured Loan to Youth Pad, Inc.*, in which the Receiver seeks the approval of the sale of the Receiver's Loan Interest to the



existing participating lenders in the loan for the sale price of \$8,000.00. The Buyer further understands and acknowledges that the Receivership Court could decide to approve the sale of the Receiver's Loan Interest for the sale price set forth in Petition No. 106, or allow the existing participating lenders to match the Buyer's Offer set forth herein, or that the Receivership Court could approve the sale of the Receiver's Loan Interest to the highest bidder, including someone other than the Buyer or the other participating lenders.

7. Cancellation. In the event the Receivership Court does not approve the Buyer's Offer set forth herein or as modified by Buyer by an increase in the Purchase Price, or approve the Buyer's Offer as a backup offer, the Buyer's Offer shall be deemed withdrawn and the Earnest Money shall be promptly refunded to the Buyer. In the event the Receivership Court approves the Buyer's Offer as a backup offer but that backup offer expires or otherwise is not accepted by the Receiver, the Earnest Money shall be promptly refunded to the Buyer.

8. Inspection. Buyer has completed all due diligence the Buyer believes is necessary and approves of the condition of the Receiver's Loan Interest and understands and acknowledges that the Buyer shall have no inspection period or rights to cancel any sale of the Receiver's Loan Interest approved by the Receivership Court other than as expressly authorized herein or by order of the Receivership Court.

9. Release and Indemnity. Seller is hereby released from all responsibility and liability regarding the condition or valuation or utility of the Receiver's Loan Interest. Buyer agrees that Buyer will not attempt to assert any claims of liability against Seller for furnishing such information. Buyer agrees to indemnify Seller and hold Seller harmless for, from and against all claims, damages, costs and expenses (including attorneys' fees) attributable, directly or indirectly, to the breach by Buyer of any obligation hereunder or the inaccuracy of any representation or warranty made by Buyer or in any instrument delivered pursuant hereto or in connection with the transactions contemplated hereby. This indemnity shall survive the Closing.

10. Assignment and Nomination. Buyer may not assign or otherwise transfer Buyer's rights under this Buyer's Offer or any agreement arising thereunder without the prior written consent of Seller, which consent may be withheld in Seller's sole discretion.

11. No Liability. Buyer agrees that no receivers, directors, officers, employees or agents of Seller have any personal obligation hereunder, and that such party shall not seek to assert any claim or enforce any rights against such receivers, directors, officers, employees or agents.

12. Exclusive Jurisdiction of the Receivership Court. The Receivership Court shall have exclusive jurisdiction to resolve any dispute arising under this Buyer's Offer or the obligations arising thereunder.

Dated: 01-15-2019


Luis Bettencourt Vice President
THE YOUTH PAD INC.

1157-021 ()

Buyer's Initials 

MONEY ORDER NUMBER

R207994032268

CALL 1-800-542-3590 TO VERIFY



MoneyGram.

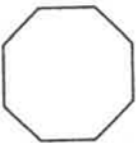
Valid Money Order includes: 1. Heat sensitive, red stop sign AND 2. Contains a True Watermark hold up to light to view.

INTERNATIONAL MONEY ORDER

86-186
103T

01/16/2019

To Validate: Touch the stop sign,
then watch it fade and reappear



20799403226
MONEY ORDER - MM

PAY TO THE
ORDER OF:
PAGAR A LA
ORDEN DE:

IMPORTANT - SEE BACK BEFORE CASHING

Landmark Capital Investment

PAY EXACTLY

***FIVE HUNDRED ***
DOLLARS 00 CENTS

PURCHASER, SIGNER FOR DRAWER / COMPRADOR, FIRMA DEL LIBRADOR
PURCHASER BY SIGNING YOU AGREE TO THE SERVICE CHARGE AND OTHER TERMS ON THE REVERSE SIDE

MP

ADDRESS: 9210 E Miracle Valley Loop
DIRECCION: 9210 E Miracle Valley Loop

Payable Through
BOKF, NA
Enid, OK

ISSUER/DRAWER: A28545
MONEYGRAM PAYMENT SYSTEMS, INC.

60528124031240
3320000016093226

Exhibit A