

1 Guttilla Murphy Anderson, P.C.
Ariz. Firm No. 00133300
2 **Patrick M. Murphy** (Ariz. No. 002964)
City North
3 5415 E. High St., Suite 200
Phoenix, Arizona 85054
4 Email: pmurphy@gamlaw.com
Phone: (480) 304-8300
Fax: (480) 304-8301

5 Attorneys for the Receiver

6 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA
7 IN AND FOR THE COUNTY OF MARICOPA

8 STATE OF ARIZONA ex rel. LAUREN)
KINGRY, Superintendent of the Arizona)
9 Department of Financial Institutions,)
Plaintiff,)
10 v.)
11 LANDMARC CAPITAL &)
INVESTMENT COMPANY,)
12 Defendant.)

Cause No. CV2009-020595

PETITION NO. 69

PETITION FOR ORDER APPROVING
SETTLEMENT AGREEMENT WITH
RONALD KEPES

(Assigned to Judge Lisa Flores)

15 Lauren Kingry, as the court appointed Receiver, respectfully petitions the Court as
16 follows:
17 1. On June 24, 2009, this Court entered its *Order Appointing Receiver and Order*
18 *to Show Cause*, which appointed the Superintendent of the Arizona Department of Financial
19 Institutions as Receiver of Landmarc Capital & Investment Company (“Landmarc”). On July
20 10, 2009, this Court entered its *Order Appointing Permanent Receiver and Injunction*. On
21 February 27, 2010, the Court entered its *Order placing Hayden Investments, LLC Desert*

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by and between, Lauren Kingry, as Receiver of Landmarc Capital & Investment Company, in his capacity as Receiver ("Receiver"), by and through Deputy Receiver, Thomas J. Giallanza ("Deputy Receiver") and Ronald Kepes and Maron Corporation (collectively referred to herein as "Kepes"). The parties hereto are sometimes individually referred to herein as a "Party" and collectively as the "Parties."

Recitals

Whereas on June 24, 2009, the Maricopa County Superior Court in the matter *State of Arizona vs. Landmarc Capital & Investment Company*, Cause No. CV2009-020595 entered its *Order Appointing Receiver and Order to Show Cause* which appointed the Superintendent of the Arizona Department of Financial Institutions as Receiver of Landmarc Capital & Investment Company ("Landmarc"). On July 10, 2009, this Court entered its *Order Appointing Permanent Receiver and Injunction* ("Receivership Action");

Whereas on February 27, 2010, the Court entered its *Order placing Hayden Investments, LLC, Desert Trails Holdings, LLC and Arizona Valuation Company, LLC in Receivership*. On May 12, 2010, the Court entered its *Amended Order Appointing Permanent Receiver and Injunction* (collectively "Receivership Estate").

Whereas the Receiver has investigated the business activities of Landmarc and discovered that he as the representative of the Receivership Estate may be entitled to assert one or more causes of action against Kepes related to his receipt of commissions for facilitating investments into Landmarc and as a former executive of Landmarc;

Whereas Kepes has denied any wrongdoing related to his activities at Landmarc;

Whereas without admitting the truth or validity of any claim or defense, the parties desire to settle all claims that the Receiver may be entitled to assert against Kepes.

Terms

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Kepes shall pay to the Receiver \$40,000.00. ("Settlement Funds") The Settlement Funds will be paid from cash and other assets beneficially owned and currently held by Landmarc.
2. Upon the execution of this Agreement, the Receiver shall provide to Kepes a schedule of the various assets held by Landmarc that are beneficially owned by Kepes. If for some reason the Receiver's liquidation of Kepes's assets is insufficient to enable full payment to the Receiver of the Settlement Funds, Kepes agrees to pay the balance to the Receiver.
3. Upon the execution of this Agreement, the Receiver shall file a petition in the Receivership Action seeking the approval of this Agreement and the provisions contained therein are conditioned upon the approval of the Agreement by the Court in the

Receivership Action and the Agreement shall not become effective until and unless so approved.

4. Kepes agrees to cooperate with Receiver's ongoing investigations into Landmarc and its former owner David Crantz.

5. The Receiver hereby, on behalf of the Receivership Estate and on behalf of its attorneys, employees, partners, agents, predecessors, successors, assigns, assignors, and legal representatives, releases and forever discharges Kepes and Kepes's attorneys, employees, agents, predecessors, successors, assigns, assignors, executors, administrators, and legal representatives from any and all claims, known or unknown, of any kind or nature arising out of the Receiver's Allegations, including without limitation any claims that were made or could have been made against Kepes in the Receivership Action.

6. Kepes hereby, on his own behalf and on behalf of his attorneys, employees, partners, agents, predecessors, successors, assigns, assignors, and legal representatives, releases and forever discharges the Receivership Estate, the Receiver and its attorneys, employees, agents, predecessors, successors, assigns, assignors, executors, administrators, and legal representatives from any and all claims of any kind or nature arising out of the Receiver's Allegations, including without limitation any claims that were made or could have been made in the Receivership Action.

7. The parties hereto acknowledge that this Agreement is being made by each party of its own free choice, without any inducement offered in any way other than the express agreements contained in this Agreement. The parties further state that in entering into this Agreement, each party has had the opportunity to consult with an attorney of that party's own choice regarding the benefits and detriments of entering into this Agreement.

8. The parties agree that the Tolling Agreement dated March 6, 2012 is extended for a period of sixty (60) days after a final order of the Receivership Court is entered regarding the Receiver's petition to approve this Settlement Agreement as set forth in paragraph 3 above.

9. This Agreement contains the full and complete agreement of the parties hereto, and all prior negotiations and agreements pertaining to the subject matter hereof are merged into this Agreement. No amendment, waiver, or discharge in any provision of all or any part of the Agreement shall be valid unless such amendment, waiver or discharge is in writing and duly executed by all parties to this Agreement, or their authorized agents.

10. This Agreement may not be amended or modified except in writing, signed by the parties to be bound thereby, or signed by their respective attorneys of record in the Litigation, which writing has been approved by the Court in the Receivership Action.

11. The parties hereto warrant and represent that none of them has sold, assigned, granted, or otherwise transferred to anyone not a party hereto, any right, privilege, or cause of action, or any part thereof, arising out of or otherwise connected with the subject matter or terms of this Agreement.

12. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective heirs, personal representatives, successors, and assigns.

13. This Agreement is entered into in the State of Arizona, and shall be governed by, construed, interpreted, and enforced in accordance with the laws of the State of Arizona. Any dispute concerning the interpretation of this Agreement shall be submitted to and decided exclusively in the Receivership Action.

14. The person signing this Agreement on behalf of any party to this Agreement, hereby warrants and represents that the person is authorized to sign this Agreement and make the promises and grant the releases contained herein on behalf of the respective entity and that such person has the power to bind the respective entity.

15. This Agreement may be executed in counterparts by one or more of the undersigned, and all such counterparts so executed shall together be deemed to constitute one final Agreement, as if one document had been signed by all parties hereto. Each such counterpart shall be deemed to be an original, binding the parties subscribed thereto, and multiple signature pages affixed to a single copy of the Agreement shall be deemed to be a fully executed original Agreement.

16. In the event of any future litigation between the parties to this Agreement in which the enforcement of this Agreement is sought, the prevailing party or parties with respect to issues relating to the Agreement shall be entitled to recover their reasonable attorneys' fees and costs from the other party or parties.

17. All parties to this Agreement have read this Agreement and fully understand and comprehend its meaning and binding effect.

Dated: June 1, 2012

Lauren Kingry, as Receiver of Landmark
Capital & Investment Company,

Thomas J. Giallanza
By: Thomas J. Giallanza, Deputy
Receiver

Dated: 6-1-12

Ronald Kepes

Ronald Kepes
Ronald Kepes

Dated: 6-1-12

Maron Corporation

Ronald Kepes
By: Ronald Kepes