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2 **JABURG & WILK, P.C.**  
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4 Phoenix, Arizona 85012  
5 (602) 248-1000  
6  
7 Attorneys for James C. Sell, Conservator

8 **SUPERIOR COURT OF ARIZONA**  
9 **MARICOPA COUNTY**

10 ARIZONA CORPORATION  
11 COMMISSION

12 Plaintiff,

13 v.

14 MATHON MANAGEMENT COMPANY,  
15 L.L.C., fka an Arizona limited liability  
16 company now dba a Delaware limited  
17 liability company, SLADE WILLIAMS AND  
18 ASSOCIATES, L.L.C., an Arizona limited  
19 liability company, MATHON FUND I,  
20 L.L.C., an Arizona limited liability company,  
21 MATHON FUND, L.L.C., fka an Arizona  
22 limited liability company now dba a  
23 Delaware limited liability company,  
24 INTEGRITY101, L.L.C., an Arizona limited  
25 liability company, INTEGRITY 201, L.L.C.,  
26 an Arizona limited liability company,  
27 INTEGRITY 301, L.L.C., and Arizona  
28 limited liability company, INTEGRITY401,  
L.L.C., an Arizona limited liability company,  
INTEGRITY 501, L.L.C., an Arizona limited  
liability company, INTEGRITY 601, L.L.C.,  
an Arizona limited liability company,  
INTEGRITY 701, L.L.C., an Arizona limited  
liability company, INTEGRITY 801, L.L.C.,  
an Arizona limited liability company,  
INTEGRITY 901, L.L.C., an Arizona limited  
liability company, ROUND VALLEY  
CAPITAL, L.L.C., an Arizona limited  
liability company, W.S.F. – WORLD  
SPORTS FANS, L.L.C., an Arizona limited  
liability company, MILL CREEK, L.L.C., an  
Arizona limited liability company,  
BELLEVUE HOLDINGS, L.L.C., an

Case No. CV 2005-005484

**STIPULATED AMENDED ORDER  
AUTHORIZING SETTLEMENT  
WITH TMC PARTNERS, L.P.**

(Assigned to the Honorable  
Barry C. Schneider)

1 Arizona limited liability company, OAK  
2 HARBOR FINANCIAL, L.L.C., an Arizona  
3 limited liability company, SW STRATEGIC,  
4 WEALTH ADVISORS, L.L.C., an Arizona  
5 limited liability company, EVERETT  
6 CAPTIAL, L.L.C., an Arizona limited  
7 liability company, CRE CAPITAL, L.L.C.,  
8 an Arizona limited liability company,  
9 MEZZANINE MANAGEMENT, L.L.C., an  
10 Arizona limited liability company,  
11 MEZZANINE FUND I, L.L.C., an Arizona  
12 limited liability company, JONAS FUND I,  
13 L.L.C., an Arizona limited liability company,  
14 TEMPLAR FUND L.L.C., fka an Arizona  
15 limited liability company now dba a  
16 Delaware limited liability company,  
17 MERCER ISLAND, L.L.C., an Arizona  
18 limited liability company, CONNECTICUT  
19 PROPERTIES, L.L.C., an Arizona limited  
20 liability company, FIRST ATLANTA  
21 INVESTMENTS, L.L.C., a Georgia limited  
22 liability company, MM COLONIAL FUND,  
23 L.L.C., a Delaware limited liability company,  
24 SLADE CONSTRUCTION, L.L.C., an  
25 Arizona limited liability company, DUANE  
26 SLADE and JENNIFER SLADE, husband  
27 and wife, GUY ANDREW WILLIAMS and  
28 LISA WILLIAMS, husband and wife,

Defendants.

17 The Conservator, having previously filed an Amended Motion to Authorize  
18 Settlement with TMC Partners, L.P., and the Court having issued an Order approving said  
19 Motion, TMC Partners, L.P., having failed to perform pursuant to that Order, but having  
20 entered into the attached Settlement Agreement amending the prior Order, the Court  
21 having been advised that the parties who previously objected to the Amended Motion  
22 have all agreed to the terms of the Stipulation attached hereto, the Official Creditor's  
23 Committee having approved this Order as to form and content, and good cause appearing,  
24 it is  
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ORDERED, approving the attached Settlement with TMC Partners, L.P., as more fully set forth in attached Exhibit "A",

IT IS FURTHER ORDERED, Authorizing the Conservator to execute all documents necessary in order to consummate the Settlement.

DATED this 10 day of November, 2005.

**BARRY C. SCHNEIDER**  
\_\_\_\_\_  
Honorable Barry C. Schneider

Approved as to form and content:

**QUARLES & BRADY STREICH LANE**

  
\_\_\_\_\_  
Gerald L. Shelley, Esq.  
*Attorney for Creditors Committee*

JABURG & WILK, P.C.  
ATTORNEYS AT LAW  
3200 NORTH CENTRAL AVENUE  
SUITE 2000  
PHOENIX, ARIZONA 85012

## **Exhibit “A”**

DOCKET NO. X03-CV-04-4002534-S	:	SUPERIOR COURT
	:	
JAMES C. SELL, CONSERVATOR FOR	:	
MATHON FUND I, LLC	:	COMPLEX LITIGATION DOCKET
	:	
vs.	:	AT NEW BRITAIN
	:	
TMC PARTNERS, L.P., TMC DEVELOPMENT,	:	
INC., DAVID E. BAKER, III, RICHARD J.	:	
SWARTZ, and RICHARD J. CONNELL	:	NOVEMBER 10, 2005

**STIPULATION**

The parties to the above-captioned case hereby stipulate and agree as follows:

1. Provided that Defendants do not default under this Stipulation, Plaintiff will accept the sum of \$13,100,000 (the "Settlement Sum") in satisfaction of the Promissory Note dated August 29, 2003 in the principal amount of \$17,000,000 (the "Note"). Payment in full of the Settlement Sum by wire transfer must be received by Plaintiff no later than 5 PM on November 30, 2005.

2. Within two business days following the execution of this Stipulation, Defendants shall pay a new deposit to Plaintiff of \$25,000 (the "New Deposit"). The New Deposit shall be delivered to Jonathan S. Bowman of Cohen & Wolf, P.C. by wire transfer and shall be held in escrow by him pending approval of this Stipulation by the Arizona Superior Court, as set forth in paragraph 11 below. If such court approval is obtained, Cohen & Wolf, P.C. will immediately release the New Deposit to the

Plaintiff. If such court approval is denied, Cohen & Wolf, P.C. will return the New Deposit to the Defendants in the same manner. The New Deposit, while not refundable in the event that Defendants default, will be credited towards the Settlement Sum if the parties close pursuant to paragraph 1 above.

3. In connection with prior settlement agreements between the parties, Defendants paid Plaintiff an initial deposit of \$150,000 on April 19, 2005 and another deposit of \$75,000 on August 26, 2005 (collectively, the "Old Deposits"). Pursuant to the parties' agreement on June 15, 2005 and by reason of Defendants' default under that agreement, Defendants have forfeited the Old Deposits and forever waive their right to the return of them. Defendants further acknowledge that the Old Deposits shall not be credited towards the Settlement Sum.

4. The Court shall immediately enter a Judgment of Strict Foreclosure and shall set the law day for Defendants as December 1, 2005. For purposes of this Stipulation, Defendants will not contest the amount of debt in accordance with Plaintiff's affidavit of debt or the appraisal of Arnold J. Grant Associates, Inc. dated October 25, 2004 (the "Appraisal") with respect to the property mortgaged to secure the Note (the "Property"). In the event that the Arizona Superior Court fails to approve this Stipulation by November 16, 2005 as set forth in paragraph 11 below, then upon motion by the Defendants to reopen the Judgment of Strict Foreclosure, that motion shall be granted automatically and Plaintiff will not oppose it.

5. Defendants shall execute a Deed in Lieu of Foreclosure for the benefit of Plaintiff, which deed shall be placed in escrow with Cohen & Wolf, P.C. on the day following receipt of notice by Defendants of the Arizona Superior Court's approval of this Stipulation, as set forth in paragraph 11 below. In the event that the Settlement Sum is not received by Plaintiff by 5 PM on November 30, 2005, at Plaintiff's option, Cohen & Wolf, P.C. shall record the Deed in Lieu of Foreclosure on the Waterford Land Records.

6. Defendants waive and release any and all claims that Plaintiff failed to meet its obligations with respect to the parties' June 15, 2005 agreement or that any of Plaintiff's actions caused Defendants to default on that agreement.

7. Defendants waive any and all right to reopen the Judgment of Strict Foreclosure or to appeal such judgment, except for the right to reopen such judgment in the event that the Arizona Superior Court fails to approve this Stipulation as set forth in paragraph 4 above.

8. Defendants acknowledge that the Settlement Sum represents a compromise of the outstanding balance of the Note in an effort to resolve the issues of the parties and allow the sale of the Property. For purposes of bankruptcy, should they or any of them become bankrupt, Defendants acknowledge that without the compromise of the debt, the amount owed is in excess of the value of the Property.

9. This Stipulation and the agreements contained in it are not contingent on Defendants obtaining financing.

10. Each party agrees to release the other at closing, in accordance with the forms of releases already in their possession. Defendants acknowledge that the documents submitted to them, either delivered already or proposed to be delivered at closing, are sufficient to satisfy Plaintiff's closing obligations, except for the approval of this Stipulation to be obtained from the Arizona Superior Court as set forth in paragraph 11 below. Included within such closing documents is an assignment of the Note and the mortgage securing it, without recourse or warranty, to Defendants or as they may direct, provided that such assignment shall be without cost to Plaintiff.

11. All parties acknowledge and understand that this Stipulation is contingent on approval from the Arizona Superior Court, having jurisdiction over Plaintiff. Plaintiff agrees to make all reasonable efforts to obtain such approval from the Arizona Superior Court without delay. Although Plaintiff expects to receive such approval by November 14, 2005, Plaintiff is not guaranteeing such approval by that date or any other date. In the event that such approval is not obtained by November 14, 2005, at the option of the Defendants, by written notice delivered by electronic means by 5 PM on November 16, 2005, this Stipulation shall be null and void.

**DEFENDANTS,**

By: \_\_\_\_\_  
Jeffrey L. Mirman, Esq.  
Their Attorney  
Levy & Droney, P.C.  
74 Batterson Park Rd.  
P.O. Box 887  
Farmington, CT 06034-0887  
Tel: 860-676-3120/Fax: 860-676-3200

**PLAINTIFF,**

By: \_\_\_\_\_  
Jonathan S. Bowman, Esq.  
His Attorney  
Cohen and Wolf, P.C.  
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