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11 Attorneys for Plaintiffs

12 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
13 **IN AND FOR THE COUNTY OF MARICOPA**

15 Robert Sonnenschein, as an individual; C.
16 Scott Anthony, as an individual; Lynne H.
17 Anthony Revocable Trust dated 11/30/2001,
18 Lynne H. Anthony as Trustee; Gerald R.
19 Hale, as an individual; Carolyn Sue
20 McMillon, as an individual; Janie B. Hale
21 Revocable Trust dated 11/4/1994, Janie B.
22 Hale as Trustee; Larry McMillon, as an
23 individual; James Stanley Powers, as an
24 individual; and Patricia Ann Powers Trust,
25 Patricia Ann Powers as Trustee,

21 Plaintiffs,

22 v.

23 Palo Verde Capital, L.L.C., an Arizona
24 limited liability company; PVPE, L.L.C., an
25 Arizona limited liability company, Palo
26 Verde Fund, L.P., a Delaware limited
27 partnership; and Palo Verde Private Equity
Fund, L.P., a Delaware limited partnership;
and Anthony R. Stacy, a married man,

27 Defendants.

No. CV2013-012420

**STIPULATED ORDER APPOINTING
RECEIVER**

(Assigned to Hon. Arthur Anderson)

1 The Court, having considered Plaintiffs' Application for the Appointment of a
2 Receiver (the "Application"); Plaintiffs' Verified Complaint against Defendants which seeks
3 Appointment of a Receiver (the "Verified Complaint"); the Affidavit in Support of
4 Application for Appointment of Receiver (the "Affidavit"); and the other pleadings on file,
5 finds pursuant to Rule 66 Arizona Rules of Civil Procedure, that substantial cause exists for
6 the appointment of a receiver for the Palo Verde Fund, LP and the Palo Verde Private Equity
7 Fund, LP (the "Funds") and PVPE, L.L.C, fka Palo Verde Capital, L.L.C., fka Paragon
8 Capital Advisors, L.L.C. (collectively "Defendants" or "the Receivership Defendants"). If
9 such receiver is not appointed on an expedited basis, the opportunity to preserve and protect
10 Plaintiffs' interest (as well as the interests of all other Limited Partners in the Funds) in the
11 investments and other property currently in the control of the Funds, as described in the
12 Verified Complaint and Application for Appointment of Receiver, and the opportunity to
13 satisfy the outstanding obligations of the Funds owed to the Plaintiffs will be lost or
14 substantially impaired. By their signature on this Order, the Defendants have evidenced their
15 stipulation and agreement to this Order and to appointment of the Receiver.
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20 IT IS ORDERED that:

21 1. This Court hereby asserts exclusive jurisdiction and takes exclusive possession
22 of all of the property owned by, controlled by, or in the name of any of the Receivership
23 Defendants, including all contracts, monies, securities, inventory, and properties, real or
24 personal, tangible and intangible, of whatever kind and description and wherever situated
25 including all assets derived from the conduct alleged in the Complaint (the "Receivership
26 Assets").
27

1 2. Peter S. Davis of Simon Consulting LLC is appointed as the Receiver for the
2 Receivership Assets, with the full power of an equity receiver. The Receiver shall be the
3 agent of the Court and shall be accountable directly to this Court.
4

5 3. The Receiver shall be tasked with identifying, locating, recovering, taking
6 control of and liquidating the Receivership Assets.

7 4. The Receiver shall, within ten days of the entry of this order, file with the Clerk
8 of this Court a bond in the sum of \$5,000.00 with sureties to be approved by the Court, to
9 ensure that the Receiver will well and truly perform the duties of the office and abide by and
10 perform all acts the Court directs.
11

12 5. IT IS FURTHER ORDERED that the Receiver is directed and authorized to
13 accomplish the following:
14

15 a. Deliver a copy of the Stipulated Order Appointing Receiver to all known
16 Limited Partners of the Funds.

17 b. The Receiver shall take exclusive custody, control and possession of all
18 Receivership Assets, which will include, among other things, the books, records, financial
19 accounts, bank accounts, credit card receipts, demand deposits, reimbursements, bank
20 deposits, security deposits, and all other forms of accounts, accounts receivable, payment
21 rates, cash and cash equivalents, assets and all investments of the Receivership Defendants.
22 (the "Receivership Records").
23

24 c. The Receiver shall perform all acts necessary or advisable to identify and
25 orderly liquidate the Receivership Assets;
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1 d. The Receiver shall prevent the inequitable distribution of assets and
2 determine, adjust, and protect the interests of persons with an interest in or claim against the
3 Receivership Assets.
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5 e. The Receiver shall have the authority to take possession, custody or
6 control of, or to identify the location or existence of any Receivership Assets or Receivership
7 Records except that, in the case of businesses or private home(s), the Receiver shall
8 communicate and otherwise make arrangements with the owners and occupants at those
9 locations in order to arrange for the taking possession, custody or control of, or to identify the
10 location or existence of any Receivership Assets or Receivership Records. In the case of
11 computers and/or electronically stored information the Receiver shall make a mirror image of
12 all electronic information directly or indirectly related to the Receivership. The Receiver
13 shall not take permanent possession of any computers or other storage device upon which the
14 information resides. Once the Receiver completes his review of the electronic information
15 obtained in connection with the Receivership, he agrees to destroy all such information that is
16 unrelated to the Receivership. Regarding commercial (but not residential) locations, such
17 steps may include, but are not limited to, the following as the Receiver deems necessary or
18 advisable: (a) serving and filing this Order; (b) completing a written inventory of all assets of
19 the Receivership Defendants; (c) obtaining pertinent information for all employees and other
20 agents of the Receivership Defendants, including, but not limited to, the name, home address,
21 job description, method of compensation, and all accrued and unpaid commissions and
22 compensation of each such employee or agent; (d) video-taping all portions of the location;
23 (f) requiring any persons present on the premises at the time this Order is served to provide
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1 the Receiver with proof of identification, or to demonstrate to the satisfaction of the Receiver
2 that such persons are not removing from the premises Receivership Records or assets of the
3 Receivership Defendants.
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5 f. The Receiver shall, to the extent necessary and to maintain the peace,
6 utilize any peace officer of this State who are hereby authorized and directed to assist the
7 Receiver in order to take possession, custody or control of Receivership Assets or
8 Receivership Records, including but not limited to assisting the Receiver to (a) enter into and
9 secure any premises, property or real estate belonging to a Receivership Defendant, wherever
10 located or situated, in order to take possession, custody or control of or to identify the location
11 or existence of any Receivership Assets and Receivership Records; (b) take actual possession,
12 custody and control of any Receivership Assets or Receivership Records; (c) secure or
13 remove the personal property of any third party that is located in or on any premises or real
14 estate constituting a Receivership Asset but only following notice to the third party or order of
15 this Court; (d) remove any person or that person's property from any premises or real estate
16 constituting a Receivership Asset whose claim of a right to have property located at or to be
17 on or possess such premises or real estate is not evidenced by a written lease agreement with
18 the owner of such premises or real estate but only following notice to the third party or order
19 of this Court, but, upon proof of purchase, the Receiver shall not be entitled to retain any
20 property owned by Anthony Stacy personally and/or by any entity unaffiliated with the
21 Funds; and (e) remove any person from any premises or real estate constituting a
22 Receivership Asset that attempts to interfere with the Receiver, his attorneys or agents in the
23 performance of their duties as Receiver.
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1 g. The Receiver shall investigate the business operations of the
2 Receivership Defendants which may include the commission of an audit and/or forensic
3 accounting of the business and financial operations of the Receivership Defendants, their
4 accountants, auditors, and other advisors or agents.

6 h. The Receiver shall exercise, in relation to Receivership Assets, all such
7 powers, authorities and things as the Receiver would be capable of exercising if they were the
8 absolute beneficial owner of the same and to use the name of Receivership Defendants for
9 any or all of such purposes, including but not limited to the right to attend meetings and to
10 exercise any votes, and to direct nominees of the Receivership Defendants in whose names
11 the shares or other securities beneficially owned by the Receivership Defendants are
12 registered to excise all or any such rights as the Receiver shall direct.

15 i. The Receiver shall choose, engage, and employ any attorneys,
16 accountants, appraisers, and other independent contractors and technical specialists, as the
17 Receiver deems advisable or necessary in the performance of duties and responsibilities under
18 the authority granted by this Order.

20 j. The Receiver is authorized to (1) pay all utilities, expenses, and other
21 obligations in the ordinary course of business of the Receivership Defendants; (2) comply
22 with all laws, rules, ordinances, requirements and regulations applicable to the Funds; (3)
23 retain and/or terminate such general partners, managers, agents, employees, accountants, and
24 attorneys of the Receivership Defendants as it may in its judgment be advisable or necessary
25 in the management, conduct, control or custody of the Funds' affairs and their assets; and (4)
26 make payments and disbursements in the ordinary course of business and to make such
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1 payments and disbursements as may be needed and proper for the preservation of the
2 investments, and is authorized to utilize monies received by the Funds for such purposes.

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4 k. The Receiver is authorized to receive and collect any and all sums due or
5 owing to the Receivership Defendants in any manner whatsoever, whether the same are now
6 due or shall hereafter become due and owing, to close existing bank accounts in the name of,
7 or controlled by, the Receivership Defendants, to open and deposit such sums into an account
8 established and maintained by the Receiver, and to expend such sums on the operation and
9 management of the Receivership Defendants' ordinary course of business.
10

11 l. The Receiver is authorized to make appropriate notification to the United
12 States Postal Service to forward delivery of any mail addressed to the Receivership
13 Defendants, and company or entity under the direction or control of any of the Receivership
14 Defendants, to any post office box or other mail depository. The Receiver is authorized to
15 open and inspect any mail of the Receivership Defendants.
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17 m. The Receiver shall maintain accurate accounting records of all receipts
18 and expenditures that he makes as Receiver.
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20 n. The Receiver is authorized to institute, prosecute, defend, compromise,
21 and/or intervene in or become a party to such actions or proceedings in state or federal or
22 foreign courts that the Receiver deems necessary and advisable for the protection,
23 maintenance, and preservation of the Receivership Assets or in in the performance of duties
24 and responsibilities under the orders of this Court.
25

26 o. The Receiver is authorized to issue subpoenas or other discovery to any
27 persons in order to obtain documents and records pertaining to the Receivership Defendants,

1 and to participate in discovery in this action on behalf of the receivership estate in accordance
2 with the discovery rules set forth in the Arizona Rules of Civil Procedure, or as modified by
3 order of this Court.
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5 p. The Receiver is authorized to maintain appropriate property insurance for
6 any real property, public liability insurance, workmen's compensation insurance, fire and
7 extended coverage insurance, burglary and theft insurance, and other types of insurance
8 normally obtained in connection with the operation and management of the Receivership
9 Defendants, and the Receiver is authorized to continue any current policies in place, and is
10 authorized to purchase further insurance as the Receiver deems appropriate.
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12 q. The Receiver is authorized, but not obligated, to pay all current and past
13 due real estate taxes, personal property taxes, and other taxes and assessments against any real
14 property owned by the Receivership Defendants.
15

16 r. The Receiver may apply income received by the Funds as follows: (1)
17 the Receiver's approved fees and expenses; (2) the reasonable and necessary current operating
18 expenses of the receivership in the ordinary course of business; and (3) to the obligations
19 owed to Plaintiffs and other legitimate Limited Partners, but only after further order of this
20 Court.
21

22 s. Except in the event of gross negligence, willful misconduct, or other
23 actions in violation of the orders of the Court, the Receiver shall have no personal liability for
24 any obligations incurred in the course of the Receivership. Any and all such liabilities shall
25 be limited to the assets (including cash and cash equivalents) received and generated by the
26 Receiver in the course of the receivership. Defendants shall hold the Receiver harmless
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1 except in connection with any willful misconduct, gross negligence, or violation of the
2 Court's orders by the Receiver.

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4 t. The Receiver shall cooperate with reasonable requests for information or
5 assistance from any state or federal regulatory or law enforcement agency.

6 u. The Receiver's appointment shall not impair Plaintiffs' right or ability to
7 proceed with any other remedies allowed by agreement or law.

8
9 6. IT IS FURTHER ORDERED that:

10 a. Within 15 days after upon receiving notice of this Order, or within such period
11 as may be permitted by the Receiver, Defendants or any other person or entity receiving
12 notice of this Order shall transfer or deliver to the Receiver possession, custody, and control
13 of all Receivership Assets, all Receivership Records, and all assets belonging to members of
14 the public now held by the Defendants.

15
16 b. The Defendants and their agents, and advisors shall fully cooperate with and
17 assist the Receiver, which shall include, but not be limited to, providing information to the
18 Receiver that the Receiver deems necessary to exercising the authority and discharging the
19 responsibilities of the Receiver under this Order; providing any password required to access
20 any computer, electronic file, or telephonic data in any medium; advising all persons who owe
21 money to the Receivership Defendants that all debts should be paid directly to the Receiver;
22 and provide to the Receiver all keys and codes necessary to gain or to secure access to any
23 Receivership Assets or Receivership Records.

24
25 c. All banks, broker-dealers, savings and loans, escrow agents, title companies,
26 commodity trading companies, or other financial institutions shall cooperate with all
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1 reasonable requests of the Receiver relating to implementation of this Order, including
2 transferring funds at his direction and producing records related to the assets of the
3 Receivership Defendants.
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5 7. IT IS FURTHER ORDERED that Defendants and their agents, and advisors are
6 hereby restrained and enjoined from directly or indirectly:

7 a. Destroying, secreting, defacing, transferring, or otherwise altering or disposing
8 of any documents of the Receivership Defendants, including, but not limited to, books,
9 records, accounts, writings, drawings, graphs, charts, photographs, audio and video
10 recordings, computer records, and other data compilations, electronically-stored records, or
11 any other papers of any kind or nature;
12

13 b. Transferring, receiving, altering, selling, encumbering, pledging, assigning,
14 liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or
15 custody of, or in which an interest is held or claimed by, the Receivership Defendants, or the
16 Receiver;
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18 c. Excusing debts owed to the Defendants;
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20 d. Failing to notify the Receiver of any asset, including accounts, of a
21 Receivership Defendant held in any name other than the name of the Receivership Defendant,
22 or by any person or entity other than the Receivership Defendant, or failing to provide any
23 assistance or information requested by the Receiver in connection with obtaining possession,
24 custody, or control of such assets;
25

26 e. Doing any act or refraining from any act whatsoever to interfere with the
27 Receiver's taking custody, control, possession, or managing of the assets or documents

1 subject to this receivership; or to harass or interfere with the Receiver in any way; or to
2 interfere in any manner with the exclusive jurisdiction of this Court over the assets or
3 documents of the Receivership Defendants; or to refuse to cooperate with the Receiver or the
4 Receiver's duly authorized agents in the exercise of their duties or authority under any order
5 of this Court;

6
7 f. Except by leave of this Court or as otherwise provided in this Order, during the
8 pendency of the receivership ordered herein, the Receivership Defendants, and all other
9 persons and entities (other than the Receiver) are hereby stayed from taking any action to
10 establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name
11 of, any of the Receivership Defendants, any of their subsidiaries, (including but not limited to
12 Palo Verde Energy Fund, L.L.C., Empire Financial Services of Tulsa, L.L.C., Acumen
13 Energy Solutions, Inc., and Palo Properties, L.L.C.), the Receiver or the Receiver's duly
14 authorized agents acting in their capacities as such. The actions that are stayed include but
15 are not limited to, the following actions:

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18 1. Commencing, prosecuting, continuing, entering, or enforcing any suit or
19 proceeding or judgment, except that such actions may be filed to toll any applicable
20 statute of limitations;

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22 2. Accelerating the due date of any obligation or claimed obligation; filing
23 or enforcing any lien; taking or attempting to take possession, custody, or control of
24 any asset; attempting to foreclose, forfeit, alter, or terminate any interest in any asset,
25 whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise;

1 3. Executing, issuing, serving, or causing the execution, issuance or service
2 of, any legal process, including, but not limited to, any attachment, garnishment,
3 subpoena, writs of replevin, writs of execution, or any other form of process whether
4 specified in this Order or not;

5
6 g. Except as otherwise provided in this Order, all persons and entities in need of
7 documentation from the Receiver shall in all instances first attempt to secure such information
8 by submitting a formal written request to the Receiver, and, if such request has not been
9 responded to within fifteen (15) days of receipt by the Receiver, any such person or entity
10 may thereafter seek an Order of this Court with regard to the relief requested.

11
12 h. Nothing in this Order shall be construed to limit or restrict the right of
13 Defendants to assert in this action any defense, claim, cross claim, counter claim, affirmative
14 defense, setoff, right of indemnification, or any other matter in the nature of avoidance or
15 defense to the claims asserted against them, or by way of indemnification from others.

16
17 8. The following provisions apply to certain actions by the Receiver:

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19 a. There shall be an Investor Committee which consists of representatives
20 of the following five Limited Partners of the Funds: the Craig Jackson Trust under Trust
21 Agreement Dated June 6, 1997, Robert Sonnenschein, C. Scott Anthony, Gerald R. Hale and
22 Larry McMillon. The Investor Committee shall be informed of all material decisions of the
23 Receiver, including the Receiver's intentions and strategies to liquidate the Receivership
24 Assets and any other material activities. Prior to taking any action pursuant to Paragraph 5(i)
25 or 5(n), or any audit or forensic accounting pursuant to Paragraph 5(g), the Receiver shall first
26 discuss the action with the Investor Committee. The Receiver may not proceed with any
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1 action pursuant to Paragraph 5(i) or 5(n), or any audit or forensic accounting pursuant to
2 Paragraph 5(g) without the simple majority vote of the Investor Committee. If for any reason,
3 the Investor Committee expresses a unanimous objection to any recommendations of the
4 Receiver during the administration of the receivership, the Receiver must seek express
5 authority from this Court regarding the disputed matter before initiating action.
6

7 b. In the event of any dispute between Anthony R. Stacy and the Receiver,
8 those parties shall first attempt to informally resolve said dispute. Prior to filing any action
9 against Anthony R. Stacy, the Receiver shall, in addition to obtaining the approval required
10 by Paragraph 8(a) above, first notify Mr. Stacy in writing that the Receiver intends to assert a
11 claim against him (a “Claims Notice”), and agree to submit the claim to nonbinding
12 mediation. Upon receiving a Claims Notice, the Receiver and Mr. Stacy shall have ten (10)
13 business days to reach agreement on a mutually acceptable mediator. In the event the
14 Receiver and Mr. Stacy cannot reach agreement on a mediator, the Investor Committee shall
15 have ten (10) days to select a mediator, which selection shall be binding on the Receiver and
16 Mr. Stacy. The mediation shall be held in the Phoenix, Arizona metropolitan area. The
17 members of the Investor Committee and their counsel shall have the right to attend the
18 mediation. The mediation shall be held within thirty (30) days of the selection of the
19 mediator, unless (i) the Receiver and Mr. Stacy both consent to hold the mediation at a later
20 time, or (ii) the selected mediator’s schedule does not permit the mediation to be held within
21 such thirty (30) day period, in which event the mediation shall be held as soon as the
22 mediator’s schedule permits. The Receiver may file a lawsuit against Mr. Stacy at any time
23 after the mediator issues a written notice (a “No-Settlement Notice”) terminating the
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1 mediation on the grounds that the parties are at an impasse on settlement of the claims. Mr.
2 Stacy agrees that the statute of limitations for any claim by the Receiver against him will be
3 tolled for the time period between the date a Claims Notice is sent through 30 days after the
4 date a No-Settlement Notice is sent. Unless the parties agree to the contrary, Mr. Stacy shall
5 bear the cost of the mediation.
6

7 9. The following provisions apply to the Investor Committee until such time as it
8 is disbanded by unanimous vote of the Investor Committee or the conclusion of this
9 Receivership:
10

11 a. The Investor Committee will convene at the request of the Receiver
12 whenever a decision of the Investor Committee is required under this Order;

13 b. The Investor Committee may not take any action without a quorum
14 which will consist of four members present at any meeting;

15 c. The Receiver will provide the members of the Investor Committee with
16 notice at least five calendar days in advance of any scheduled meeting. The Receiver will
17 work with the Investor Committee in good faith to accommodate members' schedules to
18 facilitate the full attendance of the Investor Committee;
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20 d. Investor Committee members may attend meetings remotely by
21 telephone or video conference;
22

23 e. Investor Committee members with a "conflict of interest" on a particular
24 subject are prohibited from participating in any vote on that subject. The term "conflict of
25 interest" means that the committee member may be materially affected by the outcome of the
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1 vote in a manner that is unique to that committee member apart from the Funds' entire group
2 of Limited Partners;

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4 f. Investor Committee members will have complete immunity from any
5 liability of any nature whatsoever in connection with their individual and collective roles as
6 committee members except for actions that constitute willful misconduct. Any act of willful
7 misconduct by one committee member will not subject any other committee member(s) to
8 liability if the other member did not also engage or participate in such conduct;
9

10 g. If an Investor Committee member no longer desires to serve on the
11 committee, the position will be filled by majority vote of the remaining committee members.
12 Any new member of the Investor Committee must be a Limited Partner in one of the Funds
13 who is willing to serve and have no current or past beneficial interest in any entity that served
14 as the Funds' General Partner prior to the Court's appointment of a Receiver;
15

16 h. The Investor Committee, upon unanimous vote, may expand its
17 membership to include additional Limited Partners in the Funds, except that no Limited
18 Partner in the Funds may serve on the Investor Committee if they have or had any current or
19 past beneficial interest in any entity that served as the Funds' General Partner prior to the
20 Court's appointment of a Receiver; and
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22 i. Neither the Investor Committee nor any of its members will be entitled to
23 retain attorneys or other professionals at the expense of the receivership estate.
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25 10. Subject to the Court's approval, the Investor Committee shall have the
26 authority, upon unanimous vote, to remove the Receiver. The Investor Committee shall,
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1 contemporaneous with the removal of the Receiver, recommend to the Court a qualified
2 replacement Receiver.

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4 11. IT IS FURTHER ORDERED that the Receiver shall, within thirty (30) days
5 from the entry of this Order file with the Court an inventory of all property, assets and
6 investments of the Receivership Defendants. If the Receiver subsequently comes into
7 possession of additional property, the Receiver shall file a supplemental inventory as soon as
8 practicable.
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10 12. IT IS FURTHER ORDERED Commencing ninety days from the date of this
11 Order, the Receiver shall provide quarterly written status reports summarizing all of its
12 activities to the Court, the Plaintiffs, the Defendants, and the Limited Partners in the Funds.

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14 13. IT IS FURTHER ORDERED that the Receiver and all personnel hired by the
15 Receiver as herein authorized, including counsel to the Receiver and accountants, are entitled
16 to reasonable compensation for the performance of duties pursuant to this Order and for the
17 cost of expenses incurred by them, from the Receivership Assets. The Receiver shall serve on
18 the parties periodic requests for the payment of compensation to be paid to the Receiver or to
19 his attorneys or accountants.
20

21 a. The Receiver shall be compensated at a rate of \$295 an hour. The
22 Receiver shall set appropriate rates for its employees, associates and assistants, with said rates
23 not to exceed \$175 an hour.
24

25 b. Unless a party files a written motion objection to the payment of a
26 periodic invoice within thirty (30) calendar days of receipt of the invoice, the Receiver is
27 authorized to pay the invoice. If a written objection to the payment of the claim is timely

1 made with the Receiver and the Court, the objection shall be set for hearing by the objecting
2 party as soon as possible.

3
4 c. To the extent that the monies derived from the liquidation of the
5 Receivership Assets are insufficient to satisfy the costs and expenses of the Receivership,
6 the Receiver shall have the right to request and borrow such additional fund from the
7 Plaintiffs or other Limited Partners as may be necessary to satisfy such costs and
8 expenses. The decision to lend additional monies for the costs and expenses of the
9 Receivership shall be within the sole discretion of Plaintiffs or other Limited Partners and
10 the refusal of any such request will not in any way prejudice, dilute, or affect the rights, status
11 or interest of Plaintiffs or the other Limited Partners. If in their sole discretion, Plaintiffs or
12 other Limited Partners lend additional monies to the receivership estate, such loans shall
13 be deemed secured advances to be repayable prior to any distribution to any unsecured
14 creditors of the Funds. The Receiver is further authorized to issue and execute such
15 documents as may be necessary to evidence the obligation to repay these advances,
16 including but not limited to, the issuance of a receiver "Certificates of Indebtedness"
17 evidencing the obligation of the receivership estate (and not the Receiver individually) to
18 repay such sums.

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22 d. Subparagraph 13(c) above is inapplicable to Anthony Stacy or the
23 General Partner. Notwithstanding anything herein to the contrary, within 5 days of entry of
24 this Order, Anthony Stacy will contribute \$75,000 to the Receivership by delivery of a
25 cashier's check to the Receiver's counsel. This contribution shall be treated as a separate
26 investment in the Palo Verde Fund and be accorded the same status as any other investment in
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1 the Fund as it relates to any distributions from the Receiver. Mr. Stacy's decision to lend
2 additional monies for the costs and expenses of the Receivership shall be within his sole
3 discretion, and the refusal of any such request will not in any way prejudice, dilute, or affect
4 the rights, status or interest of Mr. Stacy, Plaintiffs or the other Limited Partners.
5

6 IT IS FURTHER ORDERED that the Receiver may apply to this Court at any time for
7 further direction concerning the conduct of the Receivership.
8

9 IT IS FURTHER ORDERED that this Receivership will continue in effect until further
10 order of this Court.

11 SIGNED this ____ day of October, 2013.

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13
14 HONORABLE ARTHUR ANDERSON
15 Maricopa County Superior Court Judge

16 **STIPULATED AND AGREED**

17
18 BADE BASKIN RICHARDS PLC

19
20 By _____
21 Alan Baskin
22 Alexandra Mijares Nash
23 80 East Rio Salado Parkway, Suite 511
24 Tempe, Arizona 85281

25 AND

26 ALBRIGHT, RUSHER & HARDCASTLE
27 Kenneth F. Albright (Pro Hac Vice Pending)
15 West 6th Street, Suite 2600
Tulsa, Oklahoma 74119
Attorneys for Plaintiffs

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-and-

SACKS TIERNEY P.A.

By _____
Matthew F. Winter
4250 North Drinkwater Boulevard, Fourth Floor
Scottsdale, Arizona 85251
Attorneys for Defendants PVPE, L.L.C.,
Palo Verde Fund, L.P. and Palo Verde
Private Equity Fund, L.P.

eSignature Page 1 of 1

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Granted as Submitted



/S/ Arthur Anderson Date: 10/8/2013
Judicial Officer of Superior Court

ENDORSEMENT PAGE

CASE NUMBER: CV2013-012420

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