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Attorneys for Receiver
MICHAEL A. GRASSMEUCK

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
EUGENE DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

SUNWEST MANAGEMENT, INC.,
CANYON CREEK DEVELOPMENT,
INC., CANYON CREEK FINANCIAL,
LLC, AND JOHN M. HARDER,

Defendants,

DARRYL E. FISHER, ET AL.,

Relief Defendants.

MICHAEL GRASSMUECK, Receiver,

Plaintiff

SANDI BALADA; BRYON CROSBY;
HASMIG DERDERIAN; RICH
GIGLIO; TOBBE HENBY; KATHY
HESHELOW; ERIC HILDEBRAND;
ERIC MEURER; LARRY MILLER;
ALAN POLLACK; RANDALL POPE;
ALEX RHOTEN; RON ROSS;
TAMARA SANNER; R. TOM SMITH;
DIRK STANGIER; JIM STOCK;

Case No. 09-6056-HO

**MEMORANDUM OF POINTS &
AUTHORITIES IN SUPPORT OF
RECEIVER MICHAEL A.
GRASSMUECK'S MOTION FOR
APPROVAL OF SETTLEMENT
WITH CERTAIN SETTLING
BROKERS AND DEALERS AND FOR
ENTRY OF CLAIMS BAR ORDER**

Case No. 10-6076-HO

DARYL TEMPLETON; TRINA TRAVESS; RUSTY TWEED; MELONIE WATERS; WILLIAM WHITE; RICHARD WIELDE; ROBERT ZINK; CAPWEST SECURITIES, INC.; DIRECT CAPITAL SECURITIES, INC.; AND K-ONE INVESTMENT COMPANY, INC.,

Defendant

MEMORANDUM OF POINTS AND AUTHORITIES

The Receiver seeks approval of a settlement and form of settlement agreement with certain settling brokers and dealers ("Settling Brokers") and pursuant to the terms of the settlement, seeks entry of a "Claims Bar Order" as more fully set forth below and in the proposed order.

I. BACKGROUND

Pursuant to orders entered by this Court March 10, 2009, May 27, 2009, and August 28, 2009 ("Receivership Orders") in *SEC v. Sunwest Management, Inc.*, Case No. 09-6056-HO (the "SEC Action"), Michael A. Grassmueck is the duly appointed and acting receiver for Sunwest Management, Inc., Canyon Creek Development, Inc., Canyon Creek Financial, LLC, Fuse Advertising, Inc., KDA Construction, Inc., and other entities named in the Receivership Orders (the "Receivership Entities"). On October 2, 2009 the Court entered an order approving and establishing a Distribution Plan in the SEC Action. Among other things, the Distribution Plan provides for the treatment of claims. The Court also entered certain orders establishing a claims process. (See SEC Action Docket #941).

The Receiver has asserted claims against the Settling Brokers on behalf of Sunwest investors and the Receivership Entities in *Grassmueck v. Balada*, et al., Case No. 10-cv-6076-HO, (the "Broker Case"). The Receiver has also received assignments of claims, asserted or unasserted, against the Settling Brokers from Sunwest investors, creditors, and claimants (the "Third Party Claims"), pursuant to

the Plan of Distribution approved on October 2, 2009, in the SEC Case; the Receiver's, CRO's and Debtor's Second Amended Joint Plan of Reorganization (May 27, 2010), filed in the Bankruptcy Case; and the Order Re Assignment of All Sunwest Investors' and Claimants' Rights and Claims Against Certain Third Parties to Receiver dated April 7, 2011 (the "Assignment Order")¹.

Particular Third Party Claims, now assigned to the Receiver, are the subject of separate federal court, state court, and arbitration proceedings that have been initiated by Sunwest investors, creditors, or claimants individually against the Settling Brokers (the "Collateral Proceedings"). The Collateral Proceedings that the parties are aware of are listed on Exhibit C of the Settlement Agreement.

Certain of the Settling Brokers have filed proofs of claim in the Receivership Case. A list of the Settling Brokers' proofs of claim are Exhibit B of the Settlement Agreement.

The Receiver, through special mediation counsel, and the Settling Brokers engaged in various settlement discussions and mediation sessions, and reached terms on a resolution of the disputes. A copy of the proposed Settlement Agreement has been submitted herewith as Exhibit 1. The Settlement calls for certain insurers to make payments totaling \$2.20 million as identified on Exhibit F to the proposed Settlement Agreement to the Receiver. The Settling Brokers will also assign their respective rights and interests, including any claims against policies, to the Receiver. The Receiver will allow certain claims made by the Brokers against the Receivership Estate, identified as "allowed" on Exhibit B to proposed Settlement Agreement, and the Settling Brokers will release the other claims identified therein. The Settlement Agreement also calls for mutual releases. The Settling Brokers have and continue to assert that there is no merit to the various causes of action and claims brought against or proposed to be brought

¹ This Motion also asks the Court to augment the Assignment Order to include any and all parties reflected on Exhibit A to the Settlement Agreement.

against the Settling Brokers, and the Receiver continues to dispute certain claims alleged against the Receivership Estate by certain Settling Brokers.

The Settlement also calls for the Receiver to seek a Claims Bar Order in the SEC Action. The Claims Bar Order would bar or enjoin enumerated persons from asserting certain claims against each of the Settling Brokers. The Claims Bar Orders will be binding on the Receiver; the CRO; the Debtor; all Sunwest investors, creditors, and claimants, known and unknown; all parties in any pending federal or state court litigation involving the Settling Brokers; all parties in any arbitrations involving Sunwest investments; the Receivership Entities; Sunwest Entities; the HFG Parties; all other professionals who provided services to the Receivership Entities, Sunwest Entities, and the HFG Parties; and any other interested parties who may have Sunwest-related claims.

The proposed Claims Bar Orders will apply to all claims against the Settling Brokers for damages arising from their conduct related to the activities of Sunwest Management, Inc., its principals, and the Receivership Entities, including claims arising from the sale, purchase, or solicitation of Sunwest investments. These claims include, but are not limited to, claims on guarantees, claims made under Section 10 of the 1934 Act and Rule 10b-5 (including, but not limited to, any claims for unsuitability, fraud, misrepresentation, or negligence), violation of the 1933 Act, violations of any other applicable securities laws (both federal and state for both primary and secondary liability), breach of contract, misrepresentation, conversion, vicarious/control person liability, negligence (including failure to supervise), violations of FINRA, SEC, or state regulatory rules, compensatory damage claims, punitive damage claims, and all claims related thereto and thereafter, including, but not by way of limitation, any claims for fraud, deceit, breach of fiduciary duty, suitability, churning, compensatory damages, punitive damages, attorney fees and costs, and vicarious liability for such claims, and any other claims arising from the sale, purchase, or solicitation of Sunwest

investments, or the common core of operative facts addressed in the Sunwest Proceedings and the Collateral Proceedings.

II. RELIEF REQUESTED

The Receiver asks the Court to enter a Settlement Order that will approve the Settlement and the form of Settlement Agreement and enter a Claims Bar Order. Specifically, the Receiver respectfully requests that the Court:

- (1) Find and conclude that adequate notice of this Settlement Approval Motion and due process was afforded to all interested parties;
- (2) Find and conclude that the Settlement and the Settlement Agreement are fair, reasonable and adequate;
- (3) Approve the Settlement and the Settlement Agreement and authorize the Receiver to perform the Settlement;
- (4) Order that, except as otherwise provided in the Settlement Agreement or as otherwise provided in the proposed Settlement Approval Order, claims by third parties against the Settling Brokers are barred;
- (5) Augment the Assignment Order to include any and all parties on Exhibit A to the Settlement Agreement;
- (6) Retain jurisdiction over the matter; and,
- (7) Determine that the Settlement Order is a final decision under Rule 54(b) of the Federal Rules of Civil Procedure.

III. EVIDENCE RELIED UPON

The Motion relies on the following evidence in support:

1. The form of Settlement Agreement, which is attached hereto as Exhibit 1 and the supporting exhibits thereto;
2. The Declaration of Michael A. Grassmueck in support of the Motion; and,
3. The records and files in the SEC Action.

IV. SUPPORT FOR THE MOTION

The Receiver believes that the Settlement and Settlement Agreement are in the best interests of the investors and creditors of the Receivership Entities. The factors that led to this conclusion by the Receiver include: (1) The time and risks associated with pursuing claims against the Settling Brokers and collecting a judgment (such as appeals and bankruptcy filings) are significant; (2) the additional cost to the Receivership Estate of pursuing claims against each Settling Broker would be substantial; and (3) compromising the Broker Claims and obtaining releases of claims and interests reduces the exposure of the Receivership Estate.

In sum, the Receiver has balanced the risks of recovery and costs and concluded that the Settlement is in the best interests of the investors and creditors.

V. ARGUMENT

A. The Settlements Should Be Approved Because They Are In The Best Interests Of Investors and Creditors.

In considering whether to approve a settlement or compromise in an equity receivership, a court generally should look for guidance in FRCP 16, Federal Rule of Bankruptcy Procedure 9019, and Bankruptcy Code § 105.

Courts recognize that equity receivers are to administer an estate as nearly as possible in accordance with the practice for the administration of estates in bankruptcy. *See C.F.T.C. v. Topworth International*, 205 F.3d 1107 (9th Cir. 2000); *In re Mumford, Inc.* 97 F.3d 449, 452, 455 (11th Cir. 1996). Court approval of a proposed compromise negotiated by a bankruptcy trustee "is an exercise of discretion that should not be overturned except in cases of abuse leading to a result that is neither in the best interests of the estate nor fair and equitable for the creditors." *In re MGS Marketing*, 111 BR 264, 266-267 (9th Cir. BAP 1990).

The Ninth Circuit has articulated four factors for courts to consider in approving a compromise of litigation brought by a bankruptcy trustee:

1. Probability of success in litigation;

2. The difficulties, if any, to be encountered in the matter of collection;
3. The complexity of the litigation and the expense, inconvenience, and delay necessarily attending; and
4. The paramount interest of creditors and a proper deference to their reasonable views.

In re Woodson, 839 Fed. 2d 610, 620 (9th Cir. 1988).

The Settlement here satisfies those factors, and is fair and equitable to the creditors and investors of the Receivership Entities.

First, each of the Settling Brokers continues to assert the validity of their Claims and to dispute the Receiver's defenses and objections to those claims, and to dispute the Third Party Claims. Neither side can be certain of a particular outcome.

Second, absent the Settlement, difficulties are likely to be encountered in collecting judgments that might be obtained by the Receiver on claims against the Settling Brokers. Collection of a judgment against the Settling Brokers is problematic and could involve an extended process yielding uncertain results. For example, the collection of a substantial judgment could be delayed or even defeated by appeals and bankruptcy filings.

Third, had the claims not been settled, the cost to prosecute claims and related litigation and address Broker Claims would be substantial. There are a significant number of Settling Brokers with multiple Broker Claims against the Receivership Estate, and with asserted interests in various Receivership Entities. The claims by and against the Settling Brokers cover, in many instances, significant periods of time.

Fourth, the paramount interest of investors and creditors is best served by the Settlement, which resolve and reduce the expense and exposure of the Receivership Estate on the Broker Claims, obtains a release of Claims and interests in Receivership Entities and obtains an assignment of insurance rights. The

Receiver recognizes the practical realities and risks involved and believes the Settlement is reasonable and appropriate in light of the potentially adverse factors discussed above.

B. A Federal Court Has Authority to Approve The Settlement And Bar Third-Party Claims.

Federal courts have a strong interest in facilitating settlement before trial. FRCP 16. "Since it obviously eases crowded court dockets and results in savings to the litigants and the judicial system, settlement should be facilitated at as early a stage of the litigation as possible." Fed. R. Civ. P. 16(c), Advisory Committee Notes. Further, a District Court supervising an equity receivership has "extremely broad" inherent equity power "to fashion effective relief." *S.E.C. v. Hardy*, 803 F. 2d 1034, 1037 (9th Cir. 1986); *S.E.C. v. Wenke*, 622 F. 2d 1363, 1369 (9th Cir. 1980). This equity power is at least as broad as the power of a bankruptcy court to enter an appropriate bar order. *Munford*, 97 F. 3d at 455 (relying on Section 105(a) of the Bankruptcy Code and Rule 16 to affirm bankruptcy court's entry of a bar order); *Fleet National Bank v. H&D Entertainment, Inc.*, 926 F. Supp. 226, 240-42 & n. 56 (D. Mass. 1996) ("What is permitted under the Bankruptcy Code, generally is, therefore, a fortiori, permissible under the receivership law.").

As noted above, one significant obstacle to settlement has been the Settling Brokers' concerns that they may later be faced with third-party claims for indemnity, contribution, or other relief based upon the same facts and conduct that support the Receiver's claims and Third Party Claims. Unless a global settlement which resolves all potential claims against a Settling Broker can be reached, a Settling Broker may not be able to reduce its financial exposure by entering into a particular individual settlement and, therefore, may have little incentive to do so. While such financial exposure theoretically can be terminated by a full settlement between all potential plaintiffs and a defendant, as a practical matter a

comprehensive settlement directly with all potential third-party claimants may be impossible to orchestrate. *See Nelson v. Bennett*, 662 F. Supp. 1324, 1328-29 (E.D. Cal. 1987). And absent protection from subsequent claims, parties willing to settle cannot safely do so and a settlement can be held hostage to future unknown claims.

To overcome the obstacle to settlements posed by potential contribution, indemnity, and third party claims, a Federal Court can enter a "bar order," which is "a final discharge of all obligations of the settling defendants and bars any further litigation of claims made by non-settling defendants against settling defendants." *Franklin v. Kaypro Corp.*, 884 F.2d 1222, 1225 (9th Cir. 1989); *see, e.g., In re Munford, Inc.*, 97 F. 3d at 455 (affirming bar order that enjoined non-settling defendant from asserting against a settling defendant any claims for contribution or indemnification arising out of the adversary proceeding, or from plaintiff's state law claims for breach of fiduciary duty, negligence, mismanagement, corporate waste, and fraudulent conveyance); *Nelson*, 662 F. Supp. at 1334-1336 (bar rule is important tool in promoting settlements and fairness).

A bar order is appropriate on the facts of this case.

A draft of a Proposed Order Approving the Settlement and the Settlement Agreement, including the Claims Bar Order, has been submitted separately for the Court's consideration.

VI. CONCLUSION

The Receiver respectfully requests that the Court enter an Order Approving the Settlement and Settlement Agreement and impose a Claims Bar Order.

Dated: August 17, 2011

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

Bv /s/ Francis N. Scollan
FRANCIS N. SCOLLAN
Attorneys for Michael A. Grassmueck,
Court Appointed Receiver

EXHIBIT 1

(SETTLEMENT AGREEMENT)

SETTLEMENT AGREEMENT

This settlement agreement (this "Agreement") is made as of August 17, 2011, by and between Michael A. Grassmueck (the "Receiver"), in his capacity as Receiver for the Receivership Entities, and the parties listed on Exhibit A (collectively, the "Settling Brokers").

RECITALS

A. "Debtor," "Receivership Entities," "HFG Parties," and "Sunwest Entity" have the meaning set forth in the Receiver's, CRO's, and Debtor's Second Amended Joint Plan of Reorganization (May 27, 2010), docket number 1272, filed on May 27, 2010, in the bankruptcy case entitled *In re Stayton SW Assisted Living, L.L.C.*, Case No. 09-cv-6082-HO (the "Bankruptcy Case"), pending before the Honorable Michael J. Hogan in the United States District Court for the District of Oregon (the "Court").

B. "Sunwest Proceedings" refers to the Bankruptcy Case, *SEC v. Sunwest Management, Inc.*, Case No. 09-cv-6056-HO, (the "Receivership Case"), and *Grassmueck v. Balada, et al.*, Case No. 10-cv-6076-HO, (the "Broker Case"), collectively.

C. Certain of the Settling Brokers have filed proofs of claim in the Receivership Case. A list of the Settling Brokers' proofs of claim is attached hereto as Exhibit B.

D. The Receiver has asserted claims against the Settling Brokers on behalf of Sunwest investors and the Receivership Entities in the Broker Case. The Receiver has also received assignments of claims, asserted or unasserted, against the Settling Brokers from Sunwest investors, creditors, and claimants (the "Third Party Claims"), pursuant to the Plan of Distribution approved on October 2, 2009, in the SEC Case; the Receiver's, CRO's and Debtor's Second Amended Joint Plan of Reorganization (May 27, 2010), filed in the Bankruptcy Case; and the Order Re Assignment of All Sunwest Investors' and Claimants' Rights and Claims Against Certain Third Parties to Receiver dated April 7, 2011 as may be amended (the "Assignment Order"). This Agreement shall only be effective once all Sunwest investors, creditors, and claimants (as described in the Assignment Order) are deemed to have assigned their rights to the Receiver, and no collateral or appellate challenge to that order is pending, and the deadline for filing such challenges has passed.

E. Particular Third Party Claims, now assigned to the Receiver, are the subject of separate federal court, state court, and arbitration proceedings that have been initiated by Sunwest investors, creditors, or claimants individually against the Settling Brokers (the "Collateral Proceedings"). The Collateral Proceedings that the parties are aware of are listed on Exhibit C.

F. The parties, in good faith, deem that this Agreement is fair, adequate, and reasonable as to all Sunwest investors and creditors including: (a) those individuals or entities who filed claims in the Receivership proceeding; (b) all persons or entities represented by the Receiver pursuant to court order; (c) those persons or entities who have not filed claims and are not otherwise represented by the Receiver, but who had notice of the assignment of claims to the Receiver, this Agreement, the proposed bar order, and request for injunctive relief; and, (d) any additional persons or entities in any future action asserting claims against the Settling Brokers for damages arising from the activities of Sunwest Management, Inc., and its principals and the common core of operative facts addressed in the SEC Case.

G. Based on their investigation, counsel representing individual claimants involved in the Collateral Proceedings, as well as the Receiver and his counsel, have concluded that the terms of this Agreement are fair, reasonable, and adequate as to all Sunwest investors,

creditors, and claimants, and in their best interests. The Receiver has agreed to the terms of this Agreement after considering: (1) the benefits that the Sunwest investors, creditors, and claimants will receive from the settlement of the Broker Case and the Collateral Proceedings; (2) the attendant risks of litigation; (3) the difficulties, expense, and delays inherent in such litigation; (4) the belief that the Agreement is fair, reasonable, and adequate, and in the best interests of the Sunwest investors, creditors, and claimants; and (5) the desirability of permitting the Agreement to be consummated as set forth herein.

H. The purpose of this Agreement is to settle all claims against the Settling Brokers involving the common core of operative facts addressed in the SEC Case, including Third Party Claims. Where the claims asserted against the Settling Brokers involve allegations of wrongdoing by the Settling Brokers, the Settling Brokers deny that there is any merit to such claims. This Agreement will not be deemed to constitute an admission of liability or of the validity of any claim, or of the truth of any allegation. In exchange for the mutual promises set forth herein, the parties hereby settle the Broker Case and Third Party Claims on the terms set forth below.

AGREEMENT

1. Agreement Subject to Court Approval. This Agreement is subject to and contingent upon approval by the Court and shall not be effective until entry of the order approving this Agreement. The Receiver shall use best efforts to obtain Court approval as soon as possible, and shall file a motion to approve this Agreement no later than August 17, 2011.

2. Assignment of Settling Brokers' rights under insurance policies and contracts to the Receiver. In exchange for the promises in this Agreement, the Settling Brokers assign their respective rights and interests, including claims for defense costs and attorney fees, in insurance policies and contracts listed on Exhibit E to the Receiver. The insurers having consented to such assignments, the parties or their representatives will execute any additional documentation and agreements necessary to effectuate these assignments. The insurers listed on Exhibit F have reached final agreements with the Receiver whereby the insurers will pay the settlement amounts listed in Exhibit F in exchange for full policy releases, including release from all demands that are the subject of this Agreement. Moreover, the Settling Brokers shall provide said insurers with all written agreements and releases necessary to effect waivers of defense coverage and final indemnity payments under the policies. In some instances, settlement amounts may be less than the policy coverage limit and for a sum certain. Such settlements are set forth in Exhibit F, and the Receiver warrants that the specified amount is the full amount of the settlement proceeds and the payment of such amount is the only payment required of the identified Settling Broker and/or the Settling Broker's insurer. The Settling Brokers and the Receiver reserve all of their rights with respect to any insurance policy or contract not listed on Exhibit F, should additional policies be identified that provide coverage to any of the Settling Brokers for claims arising from the common core of operative facts addressed in the SEC Case.

3. Settling Brokers' Release of Claims Against the Receivership Estate and Sunwest LLC Interests.

a. In exchange for the promises in this Agreement, the Settling Brokers release certain of their claims as described in their proofs of claim against the Receivership Estate listed on Exhibit B. The Receiver will allow the claims on Exhibit B that are designated "Allowed."

b. In exchange for the promises in this Agreement, certain Settling Brokers assign to the Receiver their respective rights and interests in Sunwest limited liability

companies that they have acquired or may have a right to acquire ("the LLC Interests"). The Settling Brokers and their respective LLC Interests are set forth in Exhibit G.

c. In exchange for the promises in this Agreement, and except as provided in the next sentence, the Settling Brokers agree not to initiate or maintain a claim for contribution or indemnification against any person or entity arising out of, or related to, the Released Claims. In the event any person or entity asserts a claim for contribution against any Settling Broker, then such Settling Broker shall be entitled to pursue counterclaims against that person or entity under any legal theory that may be available to it, including contribution and indemnity. As a condition of any settlement with any other person or entity, the Receiver, Investor Claimants, Creditors, and Sunwest shall require that such settling person or entity release, or promise not to pursue, claims for contribution and indemnification against the Settling Brokers.

4. Dismissal of Collateral Proceedings Against the Settling Brokers.

a. The Receiver or counsel for the investors named as plaintiffs shall seek to stay, abate, or dismiss the Collateral Proceedings listed on Exhibit C through the filing of appropriate stipulations until a Final Claims Bar Order becomes effective.

b. Promptly after the Final Claims Bar Order becomes effective, but no later than 30 days thereafter, the appropriate parties will stipulate to a judgment of dismissal with prejudice and without costs or attorney fees in any of the Collateral Proceedings still pending.

c. In the event that this Agreement is terminated or fails to become effective, the parties shall be deemed to have preserved their respective litigation positions as of September 1, 2010, including tolling agreements then in effect, and the parties shall proceed in all respects as if this settlement and any related orders had not been entered.

d. If a court or arbitration panel in a Collateral Proceeding will not allow the abatement or stay by stipulation, then the parties agree to seek dismissal without prejudice and to enter into tolling agreements preserving such claims and the right to refile such claims if this Agreement does not become effective.

e. Once the Bar Order is effective, the Receiver will file a motion for an order to show cause in the SEC Action requiring counsel and the parties in any Collateral Proceeding that has not been abated, stayed, or dismissed, to appear and show cause why such action has not been taken. Any Collateral Proceeding that does not have a judgment of dismissal with prejudice and without costs or attorney fees entered or pending 30 days after the Bar Order becomes effective shall also be cause for the Receiver to file a motion for an order to show cause in the SEC action requiring counsel and the parties in any such Collateral Proceeding to appear and show cause why such an order of dismissal has not been agreed upon and submitted to the court or arbitration panel.

5. Final Claims Bar Order. The Receiver, on behalf of himself, the CRO, the Sunwest Entities, the Receivership Entities, and all investors, creditors, and claimants of the Sunwest Entities and Receivership Entities, will seek entry of an Order confirming that he is the assignee of the investors' Sunwest-related claims settled hereby (Assignment Order") and a final claims bar order in the SEC Case (the "Claims Bar Orders"). The Claims Bar Orders sought shall prohibit any person from asserting claims arising from the common core of operative facts addressed in the SEC Case against a Settling Broker at any time in the future in any forum. The Receiver will provide best notice practicable of the Assignment Order and the proceedings to approve and implement this Agreement (the "Notice"). The Notice will be given to the

following persons or entities: (a) any person who has submitted proof of a claim against Sunwest in the Receivership proceedings; (b) all persons identified in Exhibit D to this Agreement as non-settling Sunwest investors; (c) all of the parties who have appeared in the Sunwest Proceedings, through the electronic mail notice list and manual notice list, and in any of the Collateral Proceedings; (d) all of the insurers referenced in this Agreement; (e) any person against whom the Receiver has filed a claim in any of the Sunwest Proceedings; (f) all parties represented by any attorney who signs this Agreement; and, (g) to the extent not included above, to any person or entity who was an investor of a Sunwest Entity or the HFG Parties, individually or collectively, as of March 3, 2009.

a. Claims Bar Order Applies to All People Who Had Notice of the Order. Specifically, the Claims Bar Orders will be binding on the Receiver; the CRO; the Debtor; all Sunwest investors, creditors, and claimants, known and unknown; all parties in any pending federal or state court litigation involving the Settling Brokers; all parties in any arbitrations involving Sunwest investments; the Receivership Entities; Sunwest Entities; the HFG Parties; all other professionals who provided services to the Receivership Entities, Sunwest Entities, and the HFG Parties; and any other interested parties who may have Sunwest-related claims.

b. Scope of Claims Bar. The Claims Bar Orders shall apply to all claims against the Settling Brokers for damages arising from their conduct related to the activities of Sunwest Management, Inc., the Receivership Entities and their principals, including claims arising from the sale, purchase, or solicitation of Sunwest investments. These claims include, but are not limited to, claims on guarantees, claims made under Section 10 of the 1934 Act and Rule 10b-5 (including, but not limited to, any claims for unsuitability, fraud, misrepresentation, or negligence), violation of the 1933 Act, violations of any other applicable securities laws (both federal and state for both primary and secondary liability), breach of contract, misrepresentation, conversion, vicarious/control person liability, negligence (including failure to supervise), violations of FINRA, SEC, or state regulatory rules, compensatory damage claims, punitive damage claims, and all claims related thereto and thereafter, including, but not by way of limitation, any claims for fraud, deceit, breach of fiduciary duty, suitability, churning, compensatory damages, punitive damages, attorney fees and costs, and vicarious liability for such claims, and any other claims arising from the sale, purchase, or solicitation of Sunwest investments, or the common core of operative facts addressed in the Sunwest Proceedings and the Collateral Proceedings.

c. Express Beneficiaries. This Claims Bar Order shall inure to the benefit of the Settling Brokers and their owners, directors, officers, control persons, employees, past and present registered representatives, agents, successors, assigns, attorneys, insurers, agents, heirs, and estates.

d. Establishment of Defense Fund. The Receiver shall warrant a defense obligation from Receivership funds in the amount of \$50,000 for the purpose of defending any future claims that might be asserted against the Settling Brokers related to the common core of operative facts addressed in the Sunwest Proceedings and the Collateral Proceedings. Such funds shall be available to any Settling Broker, upon application to the Court, to pay the reasonable attorney fees and costs of any Settling Broker, until December 31, 2013 or the conclusion of the Receivership, whichever occurs first.

6. Releases.

a. Receiver's Release of Settling Brokers. Upon the Settling Brokers' performance under this Agreement, the CRO and the Receiver, on their own behalf in

their capacities as CRO and Receiver, and on behalf of the Debtor, Receivership Entities, Sunwest Entities, and Sunwest investors and claimants, and any and all of their agents, advisors, employees, successors, personal representatives, and assigns (if any), and each of them (collectively, the "Sunwest Releasing Parties"), hereby release, acquit, and forever discharge the Settling Brokers, and each of their owners, directors, officers, control persons, employees, registered representatives, agents, successors, assigns (if any), attorneys, insurers, agents, heirs, and estates, and each of them, from any and all claims, liabilities, demands, actions, suits, causes of action of every kind and nature, demands for damage, expenses, attorney fees, and compensation of every kind and nature whatsoever, that the Sunwest Releasing Parties had, currently have, or may have in the future, whether arising in contract, tort, under any statutory scheme or otherwise, including without limitation any relating to fraud, including without limitation fraud in the inducement, whether known or unknown, contingent or matured, foreseen or unforeseen, asserted or unasserted, including, but not limited to, all claims for compensatory, general, special, consequential, incidental, and punitive damages, attorney fees, and equitable relief, except as set forth in this Agreement (all collectively referred to as the "Released Claims"). This release includes any claims that the CRO and the Receiver have received or may receive in the future by way of assignment from the Settling Brokers, and Sunwest investors, creditors, and claimants, and the claims listed as "Allowed" on Exhibit B.

b. Settling Brokers' Release of Receiver, CRO, Debtor, Receivership Entities, and Sunwest Entities. Upon the Receiver's performance under this Agreement, the Settling Brokers, on behalf of themselves and any and all of their agents, advisors, employees, successors, and assigns (if any), and each of them (collectively, the "Settling Broker Releasing Parties"), hereby release, acquit, and forever discharge the Receiver, CRO, Debtor, Receivership Entities, Sunwest Entities, and Sunwest investors and claimants, any and all of their agents, advisors, employees, successors, personal representatives, and assigns (if any), and each of them, from any and all claims, liabilities, demands, actions, suits, causes of action of every kind and nature, demands for damage, expenses, attorney fees, and compensation of every kind and nature whatsoever, that the Settling Broker Releasing Parties had, currently have, or may have in the future, whether arising in contract, tort, under any statutory scheme or otherwise, including without limitation any relating to fraud, including without limitation fraud in the inducement, whether known or unknown, contingent or matured, foreseen or unforeseen, asserted or unasserted, including, but not limited to, all claims for compensatory, general, special, consequential, incidental, and punitive damages, attorney fees, and equitable relief, except as set forth in this Agreement and, without limiting the generality of the foregoing, the claims listed as "Allowed" on Exhibit B.

c. To the extent permitted by law, all Parties who have released Claims under this Agreement are deemed to have expressly waived, released, and forever discharged any and all defenses, provisions, rights and benefits that may be available under:

- (1) Section 1542 of the California Civil Code, which provides:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

and/or

(2) Any statute, law, or the common law of any jurisdiction which is similar, comparable or equivalent to Section 1542 of the California Civil Code.

d. Nothing in the above releases and covenants will be construed to release Claims that the Receiver and the Sunwest investors, creditors, and claimants may have arising from or relating to any other person or entity not expressly named or referred to herein.

7. Payment of Insurance Settlement Proceeds. Upon approval of this Agreement, after the Claims Bar Order has become effective, and after all Collateral Proceedings are dismissed with prejudice and without costs or attorney fees, the insurers shall pay to the Receiver the settlement amounts listed in Exhibit F.

8. Attorney Fees and Costs. Each party shall bear its own attorney fees and costs in connection with this Agreement.

9. Complete Agreement. This Agreement and the attached exhibits set forth all (and is intended by the parties to be an integration of all) of the representations, promises, agreements, and understandings between the parties hereto with respect to settlement of the claims between them, and there are no representations, promises, agreements, or understandings, oral or written, express or implied, between the parties other than as set forth in this Agreement.

10. Good Faith and Cooperation. The parties intend to consummate this Agreement and agree to cooperate reasonably to the extent necessary to effectuate and implement all terms and conditions of this Agreement.

11. Exclusive Jurisdiction. The parties agree that the Court shall have exclusive jurisdiction over and shall be the exclusive venue for any action to interpret or enforce this Agreement.

12. Governing Law and Interpretation. This Agreement will be construed and interpreted in accordance with the laws of the State of Oregon. This Agreement is the product of negotiations between the parties. Each party to this Agreement is represented and advised by counsel, or had the opportunity to be represented and advised by counsel, in regard to the negotiation, drafting, and execution hereof. As such, the language of this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties.

13. Capacity. Each party represents that this Agreement is freely, voluntarily, and validly executed. Each party is relying solely upon his or her own judgment and the judgment of each party's own counsel in making this Agreement and has not been influenced by any representations or statements made by any other person. Each party has the legal capacity and authority to enter into this Agreement.

14. Counterparts. This Agreement may be executed in one or more counterparts and shall be deemed to have been executed and delivered when transmitted by email or fax to the other party. All executed counterparts and each of them shall be deemed to be one

and the same instrument. The parties agree that a printed reproduction from an electronic record of this Agreement shall be equivalent to, and may be substituted for, the original of this Agreement.

RECEIVER FOR THE RECEIVERSHIP
ENTITIES

D. ALEX RHOTEN, JR.

Michael A. Grassmueck

D. Alex Rhoten, Jr.

COLDWELL BANKER COMMERCIAL
MOUNTAIN WEST REAL ESTATE, LLC

By: _____
Title: _____

APPROVED AS TO FORM:

John Spencer Stewart, Stewart Sokol & Gray
Attorneys for Receiver

Thomas C. Sand, Miller Nash LLP
Attorneys for D. Alex Rhoten, Jr. and Coldwell
Banker Commercial Mountain West Real
Estate, LLC

[ADDITIONAL SIGNATURE PAGES FOLLOW]

ADDITIONAL SIGNATURE PAGE

**(Settlement Agreement dated as of August 17, 2011, by and between
Michael A. Grassmueck as Receiver for the Receivership Entities and the Settling Brokers)**

SETTLING PARTY

**APPROVED AS TO FORM
(Counsel for Settling Party)**

[Party]

[Firm]

[Signature]

[Attorney Name]

[Signature]

EXHIBIT A
(SETTLING BROKERS)

Exhibit A: List of Settling Brokers

Balada, Sandra G.C.
Bennett, Yang, Caplan & Amerine, CPAs, including all employees and agents acting in their capacity as such
Canyon Creek Financial, LLC, including all employees, agents, and individuals who were at any time registered representatives of Canyon Creek Financial, LLC acting in their capacity as such
Capital Development Corp., including all employees and agents acting in their capacity as such
CapWest Securities, Inc, including all employees, agents and individuals who were at anytime registered representatives of CapWest Securities, Inc acting in their capacity as such
Cederberg, Jeffrey
Coldwell Banker Commercial Mountain West Real Estate, LLC, including all employees and agents acting in their capacity as such
Crosby, Byron
Culp, Ed
Eyserbeck, Tom
Ghirardo CPA, including all employees and agents acting in their capacity as such
Ghirardo, Steven
Hennby, Tobbe
Heshelow, Kathy
Innovative Properties, Inc., dba Ghirardo Real Estate Group, including all employees and agents acting in their capacity as such
James Brown & Associates, Inc. including all employees and agents acting in their capacity as such including but not limited to James Brown
JJL and Associates, dba Real Estate Executives, including all employees and agents acting in their capacity as such
Jones, Tiffany
Meuer, Eric
Nettland, Paul
Pollack, Alan
Pope, Randall
Re/Max Equity Group, including all employees and agents acting in their capacity as such, and ReMax International, Inc. as franchisor of the ReMax brand (and not as a broker)
Rhoten, D. Alex, Jr.
Rhoten, Kirsten
Robert H. Zink Company, including all employees and agents acting in their capacity as such
Ross, Ronald E.
Ross, Ronald E., P.C.
Sanner, Tamara M.
Schumacher, Jeff
Seckerson, John and John Seckerson, PC
Smith, R. Tom
Stangier, Dirk G.
Templeton, Forrest Daryl
Thurber, David

Travess, Trina
Tweed, Robert
Tyler, John
Waters, Melonie J.
Wulf, Paul
Yang & Waters Financial Services, Inc., including all employees and agents acting in their capacity as such
Yang, Julie
Zink Equities, LLC, including all employees and agents acting in their capacity as such
Zink Realty Advisors, including all employees and agents acting in their capacity as such
Zink, Inc., including all employees and agents
Zink, Robert H. aka Bob Zink

EXHIBIT B

(LIST OF SETTLING BROKERS' CLAIMS FILED IN RECEIVERSHIP CASE)

EXHIBIT B TO SETTLEMENT

List of Claims

Claim #	Claimant	Allowed	Property	Stock
C2740	BALADA - GRESHAM MEMBERSHIP	\$ 81,800.14	Gresham Senior Living, LLC	\$ -
C3325	BALADA, SANDRA	\$ -	Gresham Senior Living LLC	\$ -
E1032	BALADA, SANDRA	\$ -		\$ -
E2074A	CROSBY, BRYON D	\$ 35,245.30	Wichita Falls Apartments LLC	\$ -
E2074B	CROSBY, BRYON D	\$ -	Wichita Falls Apartments LLC	\$ -
E2074C	CROSBY, BRYON D	\$ -		\$ -
C1011	EYSERBECK, THOMAS	\$ -	Woodstock Oaks Senior Living, LLC	\$ -
E1784A	EYSERBECK, THOMAS	\$ -		\$ -
C1010	EYSERBECK, THOMAS	\$ -	Gresham Chestnut Senior Living, LLC	\$ -
E1782A	EYSERBECK, THOMAS	\$ -		\$ -
E1782B	EYSERBECK, THOMAS	\$ -		\$ -
E1784B	EYSERBECK, THOMAS	\$ -		\$ -
E1786	EYSERBECK, THOMAS	\$ -	GRESHAM CHESTNUT SENIOR LIVING, LLC	\$ -
E1787	EYSERBECK, THOMAS	\$ -	WOODSTOCK OAKS SENIOR LIVING, LLC	\$ -
E1791	EYSERBECK, THOMAS	\$ -	ATWATER SENIOR LIVING LIMITED PARTNERSHIP	\$ -
C2370A	GHIRARDO REAL ESTATE GROUP	\$ -	N/A	\$ -
C2370B	GHIRARDO REAL ESTATE GROUP	\$ -		\$ -
C2370C	GHIRARDO REAL ESTATE GROUP	\$ 75,000.00		\$ -
C6079A	GHIRARDO'S LAUREL GARDENS LLC	\$ -	Florence Senior Living, LLC	\$ -
C6079B	GHIRARDO'S LAUREL GARDENS LLC	\$ -		\$ -
C6147	GORDON, JOHN STEPHEN	\$ -	Broken Arrow Senior Living LLC	\$ -
C6148	GORDON, JOHN STEPHEN	\$ -	Plano Limited Partnership	\$ -
C6149	GORDON, JOHN STEPHEN	\$ -	Sanddollar Court Memory Care LLC	\$ -
C6150	GORDON, JOHN STEPHEN	\$ -	Sanddollar Village Assisted Living LLC	\$ -
C6151	GORDON, JOHN STEPHEN	\$ -	Jasper Senior Living LLC	\$ -
C6166A	GORDON, JOHN STEPHEN	\$ -		\$ -
C6167A	GORDON, JOHN STEPHEN	\$ -		\$ -
C6168	GORDON, JOHN STEPHEN	\$ -	Newnan Senior Living LLC	\$ -
C6170	GORDON, JOHN STEPHEN	\$ -	Amarillo Assisted Living Limited Partnership	\$ -
C6173	GORDON, JOHN STEPHEN	\$ -	Orchard Glen Retirement Community LLC	\$ -
C6174	GORDON, JOHN STEPHEN	\$ -	Vancouver Senior Living LLC	\$ -
C6175	GORDON, JOHN STEPHEN	\$ -	Manor House Memory Care LLC	\$ -

Claim #	Claimant	Allowed	Property	Stock
C6176	GORDON, JOHN STEPHEN	\$ -	Champlin LLC	\$ -
C6177	GORDON, JOHN STEPHEN	\$ -	West Allis Senior Living LLC	\$ -
C6179	GORDON, JOHN STEPHEN	\$ -	Marietta Senior Living LLC	\$ -
C6180	GORDON, JOHN STEPHEN	\$ -	Memphis Senior Living LLC	\$ -
C6181	GORDON, JOHN STEPHEN	\$ -	Legacy Gardens Assisted Living LLC	\$ -
C6182	GORDON, JOHN STEPHEN	\$ -	Grayson Selinsgrove Limited Partnership	\$ -
C6183	GORDON, JOHN STEPHEN	\$ -	Stone Mountain Senior Living, LLC	\$ -
C6184	GORDON, JOHN STEPHEN	\$ -	Emerald Pointe Assisted Living & Memory Care LLC	\$ -
C6185	GORDON, JOHN STEPHEN	\$ -	Hartwell Senior Living, LLC	\$ -
C6186	GORDON, JOHN STEPHEN	\$ -	Cambridge Place GF, LLC	\$ -
C6187	GORDON, JOHN STEPHEN	\$ -	Woodstock Senior Living, LLC	\$ -
C6188	GORDON, JOHN STEPHEN	\$ -	Lawrenceville Senior Living, LLC	\$ -
S4315	GORDON, JOHN STEPHEN	\$ -	Canton Senior Living Property LLC	\$ -
S4319	GORDON, JOHN STEPHEN	\$ -	Cody Senior Living II Property LLC	\$ -
S4335	GORDON, JOHN STEPHEN	\$ -	Kerrville Senior Living Property Limited Partnersh	\$ -
S4340	GORDON, JOHN STEPHEN	\$ -	Lexington Senior Living Property LLC	\$ -
S4354	GORDON, JOHN STEPHEN	\$ -	Oxford Senior Living Property LLC	\$ -
S4366	GORDON, JOHN STEPHEN	\$ -	Sioux City Senior Living Property LLC	\$ -
S4373	GORDON, JOHN STEPHEN	\$ -	Tahlequah Senior Living Property LLC	\$ -
S4382	GORDON, JOHN STEPHEN	\$ -	Woodstock Oaks Senior Living Property LLC	\$ -
C6152	GORDON, JOHN STEPHEN	\$ -	Buford Senior Living LLC	\$ -
C6153	GORDON, JOHN STEPHEN	\$ -	Tualatin Senior Care LLC	\$ -
C6154	GORDON, JOHN STEPHEN	\$ -	Sunrise Creek Assisted Living and Memory Care Comm	\$ -
C6155	GORDON, JOHN STEPHEN	\$ -	St. George Senior Living LLC	\$ -
C6156	GORDON, JOHN STEPHEN	\$ -	Spokane Senior Living LLC	\$ -
C6157	GORDON, JOHN STEPHEN	\$ -	Mooreville Senior Living LLC	\$ -
C6158	GORDON, JOHN STEPHEN	\$ -	Medallion Assisted Living Limited Partnership	\$ -
C6159	GORDON, JOHN STEPHEN	\$ -	Cordova Senior Living LLC	\$ -
C6160	GORDON, JOHN STEPHEN	\$ -	Vegas Assisted Living LLC	\$ -
C6161	GORDON, JOHN STEPHEN	\$ -	Buford Retirement Cottages LLC	\$ -
C6166B	GORDON, JOHN STEPHEN	\$ -	N/A	\$ -
C6166C	GORDON, JOHN STEPHEN	\$ -		\$ -
C6167B	GORDON, JOHN STEPHEN	\$ -		\$ -
C6169	GORDON, JOHN STEPHEN	\$ -	Yakima Senior Living Operator Holdings LLC	\$ -

Claim #	Claimant	Allowed	Property	Stock
C6171	GORDON, JOHN STEPHEN	\$ -	Stevens Point Senior Living LLC	\$ -
C6172	GORDON, JOHN STEPHEN	\$ -	Autumn Park Assisted Living Community LLC	\$ -
C6178	GORDON, JOHN STEPHEN	\$ -	Autumn Glen Assisted Living Community LLC	\$ -
S4309	GORDON, JOHN STEPHEN	\$ -	Buford Brookside Senior Living Property LLC	\$ -
S4312	GORDON, JOHN STEPHEN	\$ -	Butte Senior Living Property LLC	\$ -
S4318	GORDON, JOHN STEPHEN	\$ -	Clearlake Senior Living Property Limited Partnersh	\$ -
S4329	GORDON, JOHN STEPHEN	\$ -	Gresham Chestnut Senior Living Property LLC	\$ -
S4341	GORDON, JOHN STEPHEN	\$ -	Macon Senior Living Property LLC	\$ -
S4348	GORDON, JOHN STEPHEN	\$ -	Mooreville Senior Living Property LLC	\$ -
S4355	GORDON, JOHN STEPHEN	\$ -	Paducah Senior Living Property LLC	\$ -
S4369	GORDON, JOHN STEPHEN	\$ -	St. Peters Senior Living Property LLC	\$ -
C6165A	GORDON, JOHN STEPHEN	\$ -		\$ -
C6164	GORDON, JOHN STEPHEN	\$ -	Senior Living Properties III LLC	\$ -
C6165B	GORDON, JOHN STEPHEN	\$ -		\$ -
C6162	GORDON, JOHN STEPHEN & KATHERINE A	\$ 276,179.00	Eldorado Heights Investments LLC	\$ -
C6163	GORDON, JOHN STEPHEN & KATHERINE A	\$ -	Eldorado Heights Investments LLC	\$ -
C3841B	MEURER HILLSIDE, LLC	\$ 6,894.90	Hillside Senior Living Community, LLC	\$ 16,088.10
C3841A	MEURER HILLSIDE, LLC	\$ -	Hillside Senior Living Community, LLC	\$ -
S1723	MEURER, ERIC	\$ 22,496.10	Hillside Senior Living Community LLC	\$ 52,490.90
C3831	MEURER, ERIC	\$ -	Northwesterly Assisted Living LLC	\$ -
C3835A	MEURER, ERIC	\$ -	Garden Estates of Corpus Christi LP	\$ -
C3835B	MEURER, ERIC	\$ -	Garden Estates GP LLC	\$ -
C3836A	MEURER, ERIC	\$ -	Court at Round Rock LP	\$ -
C3836B	MEURER, ERIC	\$ -	Court at Round Rock LP	\$ -
C3842B	MEURER, ERIC L	\$ 11,564.40	Orchard Park, LLC	\$ 26,983.60
C3844B	MEURER, ERIC L	\$ -	Cougar Springs Assisted Living and Memory Care Com	\$ 65,278.50
C3845B	MEURER, ERIC L	\$ -	Legacy Gardens AL LLC	\$ 70,151.90
C3847B	MEURER, ERIC L	\$ 21,936.90	Orchard Glen Retirement Community, LLC	\$ 51,186.10
C3848B	MEURER, ERIC L	\$ -	Amarillo Assisted Living Limited Partnership	\$ 164,388.70
C3850B	MEURER, ERIC L	\$ 500.57	Eldorado Heights Assisted Living Community, LLC	\$ 140,966.70
C4313B	MEURER, ERIC L	\$ 18,760.20	Carriage Inn Limited Partnership	\$ 43,773.80
C4316A	MEURER, ERIC L	\$ -		\$ -
C4317A	MEURER, ERIC L	\$ -		\$ -
C4318A	MEURER, ERIC L	\$ -		\$ -

Claim #	Claimant	Allowed	Property	Stock
C4319A	MEURER, ERIC L	\$ -		\$ -
C4320A	MEURER, ERIC L	\$ -		\$ -
C4321A	MEURER, ERIC L	\$ -		\$ -
C3826	MEURER, ERIC L	\$ 69,024.77	Meadow Wind LLC	\$ -
C3828	MEURER, ERIC L	\$ 2,250,398.80	BULL SPRINGS HOLDINGS, LLC	\$ -
C3829	MEURER, ERIC L	\$ 243,617.63	Meadow Wind	\$ -
C3832A	MEURER, ERIC L	\$ 100,000.00	Riverside at Belfair	\$ -
C3832B	MEURER, ERIC L	\$ 100,000.00	Riverside at Belfair Assisted Living, LLC	\$ -
C3833	MEURER, ERIC L	\$ -	Smart Park PH 4 Leasing	\$ -
C3834	MEURER, ERIC L	\$ -	Fairview Business Flex Campus, LLC	\$ -
C3837A	MEURER, ERIC L	\$ -	Garden Estates of Temple LP	\$ -
C3837B	MEURER, ERIC L	\$ -	Garden Estates of Temple LP	\$ -
C3838A	MEURER, ERIC L	\$ -	Garden Estates of Tyler LP	\$ -
C3838B	MEURER, ERIC L	\$ -	Garden Estates of Tyler LP	\$ -
C3839A	MEURER, ERIC L	\$ -	Morrow Heights, LLC	\$ -
C3839B	MEURER, ERIC L	\$ -	Morrow Heights, LLC	\$ -
C3840A	MEURER, ERIC L	\$ -	Osprey Pointe Cottages, LLC	\$ -
C3840B	MEURER, ERIC L	\$ -	KAMAC Assisted Living, LLC	\$ -
C3842A	MEURER, ERIC L	\$ -	Orchard Park, LLC	\$ -
C3843A	MEURER, ERIC L	\$ -	Chris Ridge Senior Living, LLC	\$ -
C3843B	MEURER, ERIC L	\$ -	Chris Ridge Senior Living, LLC	\$ 20,900.00
C3844A	MEURER, ERIC L	\$ -	Cougar Springs Assisted Living and Memory Care Com	\$ -
C3845A	MEURER, ERIC L	\$ -	Legacy Gardens Assisted Living LLC	\$ -
C3846A	MEURER, ERIC L	\$ -	Carriage Inn Limited Partnership	\$ -
C3846B	MEURER, ERIC L	\$ -	Carriage Inn GP LLC	\$ -
C3847A	MEURER, ERIC L	\$ -	Orchard Glen Retirement Community, LLC	\$ -
C3848A	MEURER, ERIC L	\$ -	Amarillo Assisted Living Limited Partnership	\$ -
C3849A	MEURER, ERIC L	\$ -	Osprey Pointe Cottages, LLC	\$ -
C3849B	MEURER, ERIC L	\$ -	Osprey Pointe Cottages, LLC	\$ -
C3850A	MEURER, ERIC L	\$ -	Eldorado Heights Investments, LLC	\$ -
C4310	MEURER, ERIC L	\$ 276,250.00		\$ -
C4311	MEURER, ERIC L	\$ -	Temple Cottages Limited Partnership	\$ -
C4312A	MEURER, ERIC L	\$ -	Carriage Inn Limited Partnership	\$ -
C4312B	MEURER, ERIC L	\$ -	Carriage Inn Limited Partnership	\$ -

Claim #	Claimant	Allowed	Property	Stock
C4313A	MEURER, ERIC L	\$ 70,000.00	Carriage Inn Limited Partnership	\$ -
C4314A	MEURER, ERIC L	\$ 88,638.00	Cougar Springs Assisted Living and Memory Care Com	\$ -
C4314B	MEURER, ERIC L	\$ -	Cougar Springs Assisted Living and Memory Care Com	\$ -
C4315A	MEURER, ERIC L	\$ -	Cougar Springs Assisted Living and Memory Care Com	\$ -
C4315B	MEURER, ERIC L	\$ -	Cougar Springs Assisted Living and Memory Care Com	\$ -
C4316B	MEURER, ERIC L	\$ -	Court at Round Rock Limited Partnership	\$ -
C4317B	MEURER, ERIC L	\$ -	Court at Round Rock Limited Partnership Court at RC	\$ -
C4318B	MEURER, ERIC L	\$ -	GARDEN ESTATES OF TEMPLE	\$ -
C4319B	MEURER, ERIC L	\$ -	MORROW HEIGHTS	\$ -
C4320B	MEURER, ERIC L	\$ -	GARDEN ESTATES OF TYLER	\$ -
C4321B	MEURER, ERIC L	\$ -	Osprey Pointe Cottages LLC	\$ -
C6914	MEURER, ERIC L	\$ 120,200.31		\$ -
C3827	MEURER LIVING TRUST	\$ 344,927.45		\$ 0
C5604A	NETTLAND III, PAULE	\$ -		\$ -
C5604B	NETTLAND III, PAULE	\$ -		\$ -
C5605	NETTLAND III, PAULE	\$ -	Grayson Selinsgrove Limited Partnership	\$ -
C5607	NETTLAND III, PAULE	\$ -	Cody Senior Living II Property, LLC	\$ -
C5612	NETTLAND III, PAULE	\$ -	Oxford Senior Living, LLC	\$ -
C5613	NETTLAND III, PAULE	\$ -	Newnan Senior Living, LLC	\$ -
S5685	NETTLAND III, PAULE	\$ -	Canterbury Gardens Senior Living Property	\$ -
S5692	NETTLAND III, PAULE	\$ -	Corona Senior Living Property Limited Partnership	\$ -
S5697	NETTLAND III, PAULE	\$ -	Glendale at Murray Property LLC	\$ -
C5606	NETTLAND III, PAULE	\$ -	Baltimore Senior Living, LLC	\$ -
C5608	NETTLAND III, PAULE	\$ -	Butte Senior Living, LLC	\$ -
C5609	NETTLAND III, PAULE	\$ -	Stevens Pointe Senior Living, LLC	\$ -
C5610	NETTLAND III, PAULE	\$ -	Vegas Assisted Living, LLC	\$ -
C5611	NETTLAND III, PAULE	\$ -	Paducah Senior Living, LLC	\$ -
C5614	NETTLAND III, PAULE	\$ -	Kenmore Senior Living, LLC	\$ -
S5691	NETTLAND III, PAULE	\$ -	Commerce Senior Living Property LLC	\$ -
S5695	NETTLAND III, PAULE	\$ -	Fairway Crossing Senior Living Property LLC	\$ -

Claim #	Claimant	Allowed	Property	Stock
S5696	NETTLAND III, PAULE	\$ -	Glastonbury Senior Living Property LLC	\$ -
S5705	NETTLAND III, PAULE	\$ -	Jasper Senior Living Property LLC	\$ -
S5708	NETTLAND III, PAULE	\$ -	Magnolia Gardens Senior Living Property LLC	\$ -
S5716	NETTLAND III, PAULE	\$ -	Sheridan Senior Living Property LLC	\$ -
S5717	NETTLAND III, PAULE	\$ -	Sterling Assisted Living Property LLC	\$ -
S5723	NETTLAND III, PAULE	\$ -	Vineyard Blvd Senior Living Property LLC	\$ -
C4421	POLLACK, ALAN	\$ 48,878.65	Preston Hollow GP LLC	\$ -
E1111	POLLACK, ALAN	\$ -	POLLACK'S PRESTON HOLLOW, LLC	\$ -
C4419	POLLACK, ALAN D	\$ 111,370.01	VICTOR SENIOR LIVING, LLC	\$ -
C4420	POLLACK, ALAN D	\$ 183,620.93	CANYON CREST ASISTED LIVING & MEMORY CARE, LLC	\$ -
E1112	POLLACK, ALAN D	\$ -	VICTOR SENIOR LIVING, LLC	\$ -
E1113	POLLACK, ALAN D	\$ -	CANYON CREST ASISTED LIVING & MEMORY CARE, LLC	\$ -
E1114	POLLACK, ALAN D	\$ -	POLLACK'S PRESTON HOLLOW, LLC	\$ -
E2084	PORTER, CHRISTINA S	\$ 83,924.80	Britt Senior Living, LLC	\$ -
E1393	RHOTEN INVESTMENTS LLC & D ALEX RHO	\$ -	CCD Commercial Properties LLC	\$ -
E1394	RHOTEN INVESTMENTS LLC & D ALEX RHO	\$ -	Cascadia Canyon, LLC	\$ -
E1400	RHOTEN INVESTMENTS LLC & D ALEX RHO	\$ -	West Salem Orchard Heights Property	\$ -
E1389	RHOTEN JR, D ALEX	\$ -	HR Retail Properties I, LLC	\$ -
E1391	RHOTEN JR, D ALEX	\$ -	HR Retail Properties I, LLC	\$ -
E1397	RHOTEN JR, D ALEX	\$ -	HR Salem Properties, LLC	\$ -
E1399	RHOTEN JR, D ALEX	\$ -	HR Salem Properties, LLC	\$ -
E1401	RHOTEN JR, D ALEX	\$ -	West Salem Senior Living Property, LLC	\$ -
E1402	RHOTEN JR, D ALEX	\$ -	West Salem Senior Living Property, LLC	\$ -
E1403	RHOTEN JR, D ALEX	\$ -	HR Stayton Retail LLC	\$ -
E1405	RHOTEN JR, D ALEX	\$ -	HR Industrial Properties I Ownership, LLC	\$ -
E1407	RHOTEN JR, D ALEX	\$ -	HR Retail Properties I, LLC	\$ -
E1424	RHOTEN JR, D ALEX	\$ -		\$ -
E1427	RHOTEN JR, D ALEX	\$ -		\$ -
E1428	RHOTEN JR, D ALEX	\$ -		\$ -
E1430	RHOTEN JR, D ALEX	\$ -		\$ -
E1431	RHOTEN JR, D ALEX	\$ -		\$ -
E1432	RHOTEN JR, D ALEX	\$ -		\$ -
E1433	RHOTEN JR, D ALEX	\$ -		\$ -

Claim #	Claimant	Allowed	Property	Stock
E1435	RHOTEN JR, D ALEX	\$ -		\$ -
E1436	RHOTEN JR, D ALEX	\$ -		\$ -
E1437	RHOTEN JR, D ALEX	\$ -		\$ -
E1438	RHOTEN JR, D ALEX	\$ -		\$ -
E1869	RHOTEN JR, D ALEX	\$ -		\$ -
E1871	RHOTEN JR, D ALEX	\$ -		\$ -
E1426	RHOTEN, KIRSTIN A	\$ -		\$ -
C0348	ROSS, RONALD E	\$ 23,249.98	Senior Living Holdings II, LLC	\$ -
E0976	ROSS, RONALD E	\$ -		\$ -
C4266A	SANNER'S RIVER'S EDGE LLC	\$ -		\$ -
C4266B	SANNER'S RIVER'S EDGE LLC	\$ -	RIVER'S EDGE NC APARTMENTS, LLC	\$ -
C4266C	SANNER'S RIVER'S EDGE LLC	\$ -		\$ -
C4266D	SANNER'S RIVER'S EDGE LLC	\$ -		\$ -
C3318	SAUL, DAVID	\$ -	Gresham Senior Living, LLC	\$ -
C2770	SAUL, DAVID H	\$ 90,387.60	Gresham Senior Living, LLC	\$ -
E1360	SCHUMACHER, JEFFREY GRAVATT	\$ 1,371.90	CODY SENIOR LIVING II, LLC	\$ 3,201.10
E1364	SCHUMACHER, JEFFREY GRAVATT	\$ 4,054.20	FRANKLIN SENIOR LIVING, LLC	\$ 9,459.80
E1368	SCHUMACHER, JEFFREY GRAVATT	\$ 3,684.60	GRAYSON SELINGROVE LIMITED PARTNERSHIP	\$ 8,597.40
E1372	SCHUMACHER, JEFFREY GRAVATT	\$ 6,747.00	HARLINGEN SENIOR LIVING LIMITED PARTNERSHIP	\$ 15,743.00
E1373	SCHUMACHER, JEFFREY GRAVATT	\$ 824.40	JASPER SENIOR LIVING, LLC	\$ 1,923.60
E1381	SCHUMACHER, JEFFREY GRAVATT	\$ 1,345.80	NEWMAN SENIOR LIVING, LLC	\$ 3,140.20
E1384	SCHUMACHER, JEFFREY GRAVATT	\$ 3,438.30	OXFORD SENIOR LIVING, LLC	\$ 8,022.70
E1409	SCHUMACHER, JEFFREY GRAVATT	\$ 4,218.60	ROSWELL SENIOR LIVING, LLC	\$ 9,843.40
E1412	SCHUMACHER, JEFFREY GRAVATT	\$ 1,413.60	TAHLEQUAH SENIOR LIVING, LLC	\$ 3,298.40
E1413	SCHUMACHER, JEFFREY GRAVATT	\$ 9,550.80	VANCOUVER SENIOR LIVING, LLC	\$ 22,285.20
E1416	SCHUMACHER, JEFFREY GRAVATT	\$ 1,698.60	WOODSTOCK OAKS SENIOR LIVING, LLC	\$ 3,963.40
E1442A	SCHUMACHER, JEFFREY GRAVATT	\$ -		\$ -
E1646	SCHUMACHER, JEFFREY GRAVATT	\$ 10,000.00	SMART PARK PH 1, LLC.	\$ -
E1354	SCHUMACHER, JEFFREY GRAVATT	\$ -	BRIDGEPORT ASSISTED LIVING, LLC	\$ 2,090.00
E1355	SCHUMACHER, JEFFREY GRAVATT	\$ -	BRIDGEPORT SENIOR LIVING, LLC	\$ 2,090.00
E1356	SCHUMACHER, JEFFREY GRAVATT	\$ -	BUFORD BROOKSIDE SENIOR LIVING, LLC	\$ 2,090.00
E1358	SCHUMACHER, JEFFREY GRAVATT	\$ -	CLEARLAKE SENIOR LIVING LIMITED PARTNERSHIP	\$ 2,090.00
E1363	SCHUMACHER, JEFFREY GRAVATT	\$ -	FLORENCE SENIOR LIVING, LLC	\$ 2,090.00
E1369	SCHUMACHER, JEFFREY GRAVATT	\$ -	GREAT FALLS SENIOR LIVING OPERATOR, LLC	\$ -
E1374	SCHUMACHER, JEFFREY GRAVATT	\$ -	KENMORE SENIOR LIVING, LLC	\$ 4,180.00

Claim #	Claimant	Allowed	Property	Stock
E1376	SCHUMACHER, JEFFREY GRAVATT	\$ -	KINGSPORT SENIOR LIVING, LLC	\$ 2,090.00
E1377	SCHUMACHER, JEFFREY GRAVATT	\$ -	MACON SENIOR LIVING, LLC	\$ 2,090.00
E1378	SCHUMACHER, JEFFREY GRAVATT	\$ -	MONTCLAIR SENIOR LIVING, LLC (\$ 2,090.00
E1380	SCHUMACHER, JEFFREY GRAVATT	\$ -	MOOREVILLE SENIOR LIVING, LLC	\$ 4,180.00
E1411	SCHUMACHER, JEFFREY GRAVATT	\$ -	SPOKANE SENIOR LIVING, LLC	\$ 4,180.00
E1414	SCHUMACHER, JEFFREY GRAVATT	\$ -	VEGAS ASSISTED LIVING, LLC	\$ 2,090.00
E1415	SCHUMACHER, JEFFREY GRAVATT	\$ -	WEST COLUMBIA SENIOR LIVING, LLC	\$ 2,090.00
E1421	SCHUMACHER, JEFFREY GRAVATT	\$ -	YAKIMA SENIOR LIVING OPERATOR HOLDINGS, LLC (\$ 4,180.00
E1442B	SCHUMACHER, JEFFREY GRAVATT	\$ -		\$ -
E1622	SCHUMACHER, JEFFREY GRAVATT	\$ -	WICHITA FALLS APARTMENTS, LLC	\$ -
E1630	SCHUMACHER, JEFFREY GRAVATT	\$ -	Jon Harder Promissory Notes	\$ -
E1633	SCHUMACHER, JEFFREY GRAVATT	\$ -	BLUFFS AT NORTHWOODS APARTMENTS, LLC	\$ -
E1872	SCHUMACHER, JEFFREY GRAVATT	\$ -	BRAXTON SENIOR LIVING LIMITED PARTNERSHIP	\$ -
E1873	SCHUMACHER, JEFFREY GRAVATT	\$ -	HIGHLAND CHAPARRAL SENIOR LIVING LIMITED PARTNERS	\$ -
C3159	SMITH, R TOM	\$ -	Sanddollar Court Memory Care, LLC	\$ -
E0977	SMITH, R TOM	\$ -		\$ -
E0910A	SMITH'S ELDORADO HEIGHTS, LLC	\$ -		0
E0910B	SMITH'S ELDORADO HEIGHTS, LLC	\$ 23,971.27	ELDORADO HEIGHTS ASSISTED LIVING COMMUNITY, LLC	0
E0923A	SMITH'S PARK VIEW ESTATES LLC	\$ -		0
E0923B	SMITH'S PARK VIEW ESTATES LLC	\$ 152,028.04	KENNEWICK CARE, LLC	0
E0912A	SMITH'S PARKWAY VILLAGE LLC	\$ -		0
E0912B	SMITH'S PARKWAY VILLAGE LLC	\$ 254,193.50	SPOKANE SENIOR LIVING, LLC	0
E0927	SMITH'S SANDDOLLAR COURT, LLC	\$ 11,753.70	Sanddollar Court Memory Care, LLC	27425.3
E0926	SMITH'S SANDDOLLAR VILLAGE LLC	\$ 11,122.20	Sanddollar Village Assisted Living, LLC	25951.8
E0924A	SMITH'S SEQUIM LLC	\$ -		0
E0924B	SMITH'S SEQUIM LLC	\$ 128,414.51	SEQUIM SENIOR LIVING, LLC	0
E0911	GRAND COURT INVESTMENTS LLC	\$ 133,024.53	GRAND COURT FW LLC	0
C4871	STANGIER, DIRK G	\$ -	Senior Living Holdings II, LLC	\$ 116,250.02
C4872	STANGIER, DIRK G	\$ -	Jon Harder Promissory Notes	\$ 125,000.00
S7111	THOMAS R EYSERBECK	\$ -	Gresham Chestnut Senior Living LLC	\$ -
E1491	THURBER MATTSON LIVING TRUST	\$ -	WOODSTOCK OAKS SENIOR LIVING, LLC	\$ -
E1495	THURBER MATTSON LIVING TRUST	\$ -	THE OAKS, WAYNE SENIOR LIVING, LLC	\$ -

Claim #	Claimant	Allowed	Property	Stock
E1500	THURBER MATTSON LIVING TRUST	\$ -	VANCOUVER SENIOR LIVING, LLC	\$ -
E1506	THURBER MATTSON LIVING TRUST	\$ -	SEWARD SENIOR LIVING, LLC	\$ -
E1507	THURBER MATTSON LIVING TRUST	\$ -	ROSWELL SENIOR LIVING, LLC	\$ -
E1511	THURBER MATTSON LIVING TRUST	\$ -	OXFORD SENIOR LIVING, LLC	\$ -
E1515	THURBER MATTSON LIVING TRUST	\$ -	NEWMAN SENIOR LIVING, LLC	\$ -
E1528	THURBER MATTSON LIVING TRUST	\$ -	LEXINGTON SENIOR LIVING, LLC	\$ -
E1539	THURBER MATTSON LIVING TRUST	\$ -	HARLINGEN SENIOR LIVING LIMITED PARTNERSHIP	\$ -
E1540	THURBER MATTSON LIVING TRUST	\$ -	GRESHAM CHESTNUT SENIOR LIVING, LLC	\$ -
			SELINGSGROVE GRAYSON SELINGSGROVE LIMITED PARTNERS	\$ -
E1543	THURBER MATTSON LIVING TRUST	\$ -		\$ -
E1545	THURBER MATTSON LIVING TRUST	\$ -	FRANKLIN SENIOR LIVING, LLC	\$ -
E1797	THURBER MATTSON LIVING TRUST	\$ -	CODY SENIOR LIVING II	\$ -
E1805A	THURBER MATTSON LIVING TRUST	\$ 12,022.12		\$ -
E1896A	THURBER MATTSON LIVING TRUST	\$ -		\$ -
E1493	THURBER MATTSON LIVING TRUST	\$ -	WEST COLUMBIA SENIOR LIVING, LLC	\$ -
E1499	THURBER MATTSON LIVING TRUST	\$ -	VEGAS ASSISTED LIVING, LLC	\$ -
E1501	THURBER MATTSON LIVING TRUST	\$ -	SPOKANE SENIOR LIVING, LLC	\$ -
E1504	THURBER MATTSON LIVING TRUST	\$ -	SHERIDAN SENIOR LIVING, LLC	\$ -
E1509	THURBER MATTSON LIVING TRUST	\$ -	PURCELL SENIOR LIVING, LLC	\$ -
E1519	THURBER MATTSON LIVING TRUST	\$ -	MOORSEVILLE SENIOR LIVING, LLC	\$ -
E1522	THURBER MATTSON LIVING TRUST	\$ -	MONTCLAIR SENIOR LIVING, LLC	\$ -
E1525	THURBER MATTSON LIVING TRUST	\$ -	MCCOOK SENIOR LIVING, LLC	\$ -
E1532	THURBER MATTSON LIVING TRUST	\$ -	KINGSPORT SENIOR LIVING, LLC	\$ -
E1533	THURBER MATTSON LIVING TRUST	\$ -	KENMORE SENIOR LIVING, LLC	\$ -
E1535	THURBER MATTSON LIVING TRUST	\$ -	KEARNEY SENIOR LIVING, LLC	\$ -
E1541	THURBER MATTSON LIVING TRUST	\$ -	GREAT FALLS SENIOR LIVING OPERATOR, LLC	\$ -
E1546	THURBER MATTSON LIVING TRUST	\$ -	FLORENCE SENIOR LIVING, LLC	\$ -
E1547	THURBER MATTSON LIVING TRUST	\$ -	CLEARLAKE SENIOR LIVING LIMITED PARTNERSHIP	\$ -
E1548	THURBER MATTSON LIVING TRUST	\$ -	BRIDGEPORT SENIOR LIVING, LLC	\$ -
E1549	THURBER MATTSON LIVING TRUST	\$ -	BRIDGEPORT ASSISTED LIVING, LLC	\$ -
E1805B	THURBER MATTSON LIVING TRUST	\$ -		\$ -
E1815	THURBER MATTSON LIVING TRUST	\$ -	BLUFFS AT NORTHWOODS APARTMENTS, LLC	\$ -
E1896B	THURBER MATTSON LIVING TRUST	\$ -		\$ -
E1802A	THURBER, DAVID	\$ -	Jon Harder Promissory Notes	\$ -
E1802B	THURBER, DAVID	\$ -		\$ -

EXHIBIT C
(COLLATERAL PROCEEDINGS)

Exhibit C: Collateral Proceedings

Case Name	Court	Case No.
<i>Henvy's Emerald Square, LLC, et al. v. Rhoten</i>	Marion County Circuit Court	09C13277
<i>E. Lloyd Hiebert, et al. v. Rhoten, et al.</i>	Marion County Circuit Court	09C17299
<i>Timberline Falls, LLC v. Rhoten</i>	Marion County Circuit Court	09C13656
<i>Columbus Investments, LLC v. Rhoten</i>	Marion County Circuit Court	09C13657
<i>PremierWest Bank v. Rhoten</i>	Douglas County Circuit Court	09CV5120CC
<i>Shafer's Nielsen Complex, LLC v. Rhoten</i>	Marion County Circuit Court	10C18051
<i>Grassmueck v. Balada, et al.</i>	United States District Court of Oregon	10-6076-HO
<i>35th Avenue's Rosement 6 LLC v. Wiede, et al.</i>	Marion County Circuit Court	10C16511
<i>Schillinger's 9th & Rose LLC, et al v. Capwest Securities Inc., et al.</i>	Marion County Circuit Court	09C17702
<i>Anderson's French Quarter LLC, et al. v. K&L Gates, et al.</i>	Multnomah County Circuit Court	0909-13957
<i>Gorman's Fort Bragg LLC, et al. v. K&L Gates LLP, et al.</i>	Multnomah County Circuit Court	0909-13958
<i>Dowling's Puyallup Land LLC, et al. v. K&L Gates LLP, et al.</i>	Multnomah County Circuit Court	0909-13956
<i>Allen's Atwater Land LLC, et al. v. K&L Gates LLP, et al.</i>	Multnomah County Circuit Court	0909-13375
<i>C. Blass' Vista Point LLC, et al. v. K&L Gates LLP, et al.</i>	Multnomah County Circuit Court	0905-07133
<i>Doyle's Carolina 7, LLC et al. v. Harder, et al.</i>	United States District Court of Oregon (Portland)	3:08-CV-01507-AC
<i>Davis's Carnegie Village LLC, et al. v. First American Title Co., et al.</i>	Marion County Circuit Court	08C24198
<i>Stich v. Ghirardo CPA, et. al.</i>	United States District Court of Oregon (Eugene)	6:10-CV-6199-HO
<i>Chinskey v. Ghirardo CPA, et. al.</i>	Marin County Superior Court, California	CV 1000378
<i>Kenneth Gavaza and Cardio Products v. CapWest Securities, et al.</i>	FINRA	09-05293
<i>William L. Balogh, etal. v. CapWest Securities, Inc, et al.</i>	FINRA	09-06221

Exhibit C: Collateral Proceedings

Case Name	Court	Case No.
<i>Dorothy B. Clack v. CapWest Securities, Inc. and Mark David Turner</i>	FINRA	09-06301
<i>Naomi L. Miles revocable Trust, et al. v. Dennis Lawrence, Randall Pope, Nathan Glossi, CapWest Securities Inc., et al. Virginia Cooley-Linder, et al. v. CapWest Securities, Inc., et al.</i>	US District Court, District of Wyoming	CV 10CV0034-D
<i>Thomas and Patricia Paliganoff, et al. v. CapWest Securities, Inc. and Mark D. Turner</i>	FINRA	10-02838
<i>William J. Connery v. CapWest Securities, Inc., Kathleen L. Heshelow and Lawrence W. Lambert, Sr.</i>	FINRA	10-01028
<i>Meeker's Crown Pointe, LLC, et al. v. Daryl Templeton and LaVerne Fast</i>	FINRA	10-01300
<i>Agee's Wyndmoor, LLC v. Thompson and Knight, LLP</i>	Marion County Circuit Court	10C18057
<i>Allen's Georgian Place, LLC v. Zink</i>	Multnomah County Circuit Court	0905-06413
<i>Stanley's Maplewood, LLC, et al. v. James Brown and James Brown & Associates., LLC</i>	Marion County Circuit Court	10C18056
<i>Rappaport, et al. v. Paragon Gardens Limited Partnership, et al.</i>	Marion County Circuit Court	10C17383
	US District Court, Central Dist. Cal.	2:08-cv-06815-GHK-PJW

EXHIBIT D
(NON-SETTLING INVESTORS)

Exhibit D: Non-Settling Sunwest Investors

Last Name	First Name	Entity
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(NONE)

EXHIBIT E
(INSURANCE POLICIES)

Exhibit E: Insurance Policies and Contracts

Company Name	Policy No.	Policy Term	Policy Type
Greenwich Insurance Company	PEG9159711-0	11/14/2008-11/14/2010	Realtor's Errors & Omissions (Alex Rhoten)
Lexington Insurance Company	5460476	5/1/2008-5/1/2009	Securities Broker-Dealer Errors and Omissions
Catlin Insurance Company (UK) Ltd.	SMBD-5017-0808		
CNA	APL - 114385596		

EXHIBIT F
(INSURANCE SETTLEMENTS)

Exhibit F: Insurance Settlements

Company Name	Policy No.	Policy Term	Policy Type	Settlement Amount
Greenwich Insurance Company	PEG9159711-0	11/14/2008-11/14/2010	Realtor's Errors & Omissions	\$ 100,000.00
Lexington Insurance Company	5460476	5/1/2008-5/1/2009	Securities Broker-Dealer Errors and Omissions	\$ 1,000,000.00
Catlin Insurance Company (UK) Ltd.	SMBD-5017-0808			\$ 900,000.00
CNA	APL - 114385596			\$ 220,000.00