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*Receiver for RCH2, LLC and Related  
Entities and Attorneys for Receiver*

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**IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF UTAH, CENTRAL DIVISION**

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**U.S. COMMODITY FUTURES TRADING  
COMMISSION,**

**Plaintiff,**

**v.**

**U.S. VENTURES LC, a Utah limited  
liability company, WINSOME  
INVESTMENT TRUST, an unincorporated  
Texas entity, ROBERT J. ANDRES and  
ROBERT L. HOLLOWAY,**

**Defendants.**

**STIPULATION REGARDING  
PARTIAL ALLOWANCE OF CLAIM  
NO. 1116**

**Civil No. 2:11-CV-00099 BSJ**

**Honorable Bruce S. Jenkins**

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Lon A. Jenkins, Court-appointed Receiver for RCH2, LLC and the interests of RCH2, LLC and Robert Casey Hall in Related Entities (“**RCH2 Receiver**”), by and through counsel, and R. Wayne Klein, Court-Appointed Receiver (“**U.S. Ventures Receiver**”) for U.S. Ventures, LC (“**U.S. Ventures**”), Winsome Investment Trust (“**Winsome**”), and the assets of Robert J. Andres (“**Andres**”) and Robert L. Holloway (“**Holloway**”), hereby submit their Stipulation

allowing, in part, the claim filed by the RCH2 Receiver, designated as Claim No. 1116. In support of their Stipulation, the parties state as follows:

**Recitals**

1. The RCH2 Receiver was appointed in May 2007 in the case *Securities and Exchange Commission v. Novus Technologies, LLC, et al.*, Civil No. 2:07-cv-00235TC (“**SEC Enforcement Action**”), to locate, marshal and liquidate the assets of RCH2, LLC (“**RCH2**”), as well as the interests of Robert Casey Hall (“**Hall**”), the promoter of RCH2, in various related entities for the benefit of defrauded investors in RCH2 and its related entities. The U.S. Ventures Receiver was appointed in January 25, 2011 in the above-captioned proceeding to perform the same functions with respect to the assets of U.S. Ventures, Winsome Trust, Andres and Holloway, and to make distributions to their defrauded investors (“**U.S. Ventures Receivership**”). The United States District Court for the District of Utah (“**Court**”) presides over the U.S. Ventures Receivership proceeding.

2. Claim No. 1116, the claim at issue in this proceeding, was filed by the RCH2 Receiver to recover funds invested by RCH2 with U.S. Ventures or Robert L. Holloway. Those funds were initially invested by defrauded investors of RCH2 with RCH2, or entities related to RCH2 and created and controlled by Hall, for whose benefit the RCH2 Receiver is charged with locating, marshaling and liquidating assets of the RCH2 receivership estate.

3. Among the entities created and controlled by Hall was an entity named Springridge, LLC, Utah limited liability company (“**Springridge**”). Through Springridge and numerous other entities, Hall took investor funds and placed those funds with U.S. Ventures, Holloway, or other “investment” vehicles. The RCH2 Receiver’s accountant determined, based

on information available to him, that RCH2 and its affiliated entities, including Springridge, invested \$3,642,000 with U.S. Ventures. RCH2 received from U.S. Ventures or Holloway on account of its investments the amount of \$218,462, for a net claim of \$3,423,538 (“**RCH2 Receiver’s Claim**”).

4. As result, on July 31, 2012, pursuant to the Receiver’s claim submission procedures, the RCH2 Receiver submitted a claim in the amount of \$3,423,538. The claim has been designated by the U.S. Ventures Receiver as “Claim No. 1116.”

5. The U.S. Ventures Receiver filed an objection seeking to reduce Claim No. 1116 by \$435,000 (“**Recommended Reduction**”) and allow only \$2,988,538 of the asserted claim.

6. The U.S. Ventures Receiver reasoned that he was unable to determine that Robert Casey Hall was, in fact, in control of Springridge and therefore amounts invested with U.S. Ventures or Holloway by Springridge, which the RCH2 Receiver asserts were funds of defrauded investors of RCH2, are not allowable as part of the RCH2 Receiver’s claim. The RCH2 Receiver disagreed with the U.S. Ventures Receiver’s analysis.

7. The RCH2 Receiver and the U.S. Ventures Receiver have engaged in discussions for several months attempting to find a fair and equitable way to determine which of the funds invested by Springridge with U.S. Ventures or Holloway were funds of defrauded investors of RCH2 and which funds were not.

8. Based on their joint analysis, the RCH2 Receiver and the U.S. Ventures Receiver have agreed on a methodology for determining, based on the best information available to them, the source of funds into the Springridge accounts which ultimately was invested or directed by

Hall to U.S. Ventures or Holloway. As such, they have agreed on a mutually acceptable amount of the allowed RCH2 Receiver's Claim.

9. The parties had determined independently that it is desirable and beneficial for them to settle, compromise, and resolve the dispute over the RCH2 Receiver's Claim in the manner and on the terms and conditions set forth herein, in order to avoid the costs, delay, inconvenience and uncertainty of continued litigation and for those reasons have entered into this Stipulation.

### **Stipulation**

10. NOW THEREFORE, in consideration of the facts set forth above, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the RCH2 Receiver and the U.S. Ventures Receiver stipulate and agree as follows:

11. Recitals. The recitals set forth above are true and correct, and are incorporated into this Stipulation in their entirety.

12. Effective Date of Stipulation. The "Effective Date" of this Stipulation shall be the first date on which the Stipulation is fully executed and delivered by the parties hereto and an order approving this Stipulation is entered by Court ("**Approval Order**"). The parties hereto understand and acknowledge that the effectiveness and enforceability of this Stipulation is conditioned upon Court approval and entry of the Approval Order.

13. Motion for Approval. Contemporaneous with filing this Stipulation with the Court, the parties shall jointly file a motion requesting approval of the Stipulation and the parties' resolution of their dispute embodied therein.

14. Allowance of RCH2 Receiver's Claim. The RCH2 Receiver's Claim shall be allowed in the total amount of \$3,314,788 and shall be paid in the same manner and on the same basis as all other allowed claims against the U.S. Ventures Receivership.

15. General Release of RCH2 Receiver. Other than the obligations imposed or created by this Stipulation, the U.S. Ventures Receiver, parties for whose benefit he acts, subsidiaries, affiliates, predecessors, successors and assigns, officers, directors, members, employees, agents, associates, partners, past or present attorneys, representatives and administrators, do hereby forever relieve, release and discharge the RCH2 Receiver and his agents, associates, partners, past or present attorneys, representatives and administrators ("**RCH2 Receiver Released Parties**"), jointly and severally, from any and all lawsuits, debts, losses, claims, liens, liabilities, demands, obligations, promises, acts, agreements, costs, expenses, damages, actions and causes of action, of whatever kind or nature, whether known or unknown, suspected or unsuspected, contingent or fixed, that the U.S. Ventures Receiver had, has or may have against the RCH2 Receiver Released Parties arising out of, related to, or pertaining to the claims resolved by this Stipulation.

16. No Assignment of Released Claims. The RCH2 Receiver represents and warrants that he the sole and lawful owner of all right, title and interest in and to each of the claims being resolved herein and he has not heretofore assigned, pledged or transferred, or purported to assign, pledge or transfer, to any individual, partnership, corporation, firm, estate or entity any of the RCH2 Receiver's Claims.

17. General Release of the U.S. Ventures Receiver. Other than the obligations imposed or created by this Stipulation, the RCH2 Receiver hereby forever relieves, releases and

discharges the U.S. Ventures Receiver, parties for whose benefit he acts, subsidiaries, affiliates, predecessors, successors and assigns, officers, directors, members, employees, agents, associates, partners, past or present attorneys, representatives and administrators (“**U. S. Ventures Released Parties**”), jointly and severally, from any and all lawsuits, debts, losses, claims, liens, liabilities, demands, obligations, promises, acts, agreements, costs, expenses, damages, actions and causes of action, of whatever kind or nature, whether known or unknown, suspected or unsuspected, contingent or fixed, that the RCH2 Receiver had, has or may have against the U.S. Ventures Released Parties, arising out of, related to, or pertaining to the claims resolved by this Stipulation.

18. No Assignment of Released Claims. The U.S. Ventures Receiver represents and warrants that he is the sole and lawful owner of all right, title and interest in and to each of the claims and objections resolved herein and that he has not heretofore assigned, pledged or transferred, or purported to assign, pledge or transfer to any individual, partnership, corporation, firm, estate or entity any of such claims or objections.

19. Unknown Facts. It is expressly agreed and understood that to the extent stated above, this Stipulation releases losses, injuries, damages, and claims of every kind and character the parties have or may have against each and all other persons or entities from the beginning of time to the date of execution of this Stipulation, for whose conduct they may be liable, arising from or related to the claims and facts stated in the Recitals above. The parties also acknowledge that they may hereafter discover facts which occurred from the beginning of time to the date of execution of this Stipulation, which are different from, or in addition to, those which they now know to be true, or matters which underlay the claims or the potential claims of the parties’

alleged injuries, losses or damages, and agree that this Stipulation and the releases contained herein be and remain effective in all respects notwithstanding such different or additional facts or the discovery thereof.

20. Notices. All notices and other communications which are required or may be given hereunder shall be in writing and shall be duly given if mailed by U.S. Mail and sent by overnight courier, postage prepaid and addressed to the other party at the address set forth herein:

If to RCH2 Receiver:            Lon A. Jenkins  
   Jones Waldo Holbrook & McDonough, PC  
   170 South Main Street #1500  
   Salt Lake City, Utah 84101

with a copy to:                    Nathan D. Thomas  
   Jones Waldo Holbrook & McDonough, PC  
   170 South Main Street #1500  
   Salt Lake City, Utah 84101

If to U.S. Ventures  
Receiver:                            R. Wayne Klein  
   Klein & Associates  
   10 Exchange Place #502  
   Salt Lake City, Utah 84111

with a copy to:                    David C. Castleberry  
   Manning Curtis Bradshaw & Bednar, LLC  
   136 East South Temple, Suite 1300  
   Salt Lake City, UT 84111

or at any other address as may be given by any party to the other party by notice in writing pursuant to the provisions hereof. Notices will be deemed given and received on the next business day following the day such notice is mailed and sent by overnight courier, in the manner described above.

21. Joint Participation in Preparation of Stipulation. This Stipulation is the product of the joint negotiations between the parties hereto. Accordingly, this Stipulation is not to be interpreted in favor of one party or the other.

22. Mutual Representations and Warranties. Each of the parties hereto hereby represents and warrants to one another, and covenants and agrees with one another, as follows:

1. Each party executing this Stipulation has the full legal right, power and authority, subject to Court approval, to enter into and perform this Stipulation. This Stipulation is a valid and binding obligation of each of the parties hereto, enforceable against each of them in accordance with its terms. Each person executing this Stipulation in a representative capacity has been duly authorized to do so by all appropriate actions.
2. Except as expressly stated in this Stipulation, no party hereto or any other person has made any statement or representation to any party to this Stipulation regarding the facts relied upon by them in entering into this Stipulation, and no party hereto has relied upon any statement, representation, or promise of any other person or entity in executing this Stipulation except as expressly stated in this Stipulation.

23. Complete Agreement /Modification in Writing. This Stipulation constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements, oral or written, between the parties hereto with respect to the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been made by any party hereto, except as specifically set forth in this Stipulation. No claim of waiver, modification, consent, or acquiescence with respect to any provision of this Agreement shall be made against any party hereto, except upon the basis of a written instrument executed by or on behalf of such party.

24. Attorney Fees. In the event of any default in payment or performance hereunder, and if a party employs an attorney to bring suit on account of such default or to otherwise



enforce such payment or performance, the party not in breach shall be entitled to be reimbursed for all reasonable attorney fees and costs incurred, including without limitation those incurred in, each and every action, suit or proceeding, including any and all appeals and petitions therefrom.

25. Successors and Assigns. The provisions of this Stipulation shall be binding upon and inure to the benefit of each of the parties hereto, and their respective successors in interest and assigns.

26. Governing Law, Jurisdiction and Attorneys' Fees. This Stipulation shall be governed by and construed in accordance with the laws of the State of Utah. The Court has sole jurisdiction to interpret this Stipulation and resolve any disputes hereunder. If any action is commenced by a party to enforce the terms hereof, the prevailing party shall be entitled to collect from the non-prevailing party all costs and reasonable attorneys' fees incurred by such prevailing party.

DATED this 17<sup>th</sup> day of May, 2013.

**LON A. JENKINS, Receiver for RCH2,  
LLC, et al.**

/s/ Lon A. Jenkins

Lon A. Jenkins

**R. WAYNE KLEIN, Receiver for U.S.  
Ventures, et al.**

/s/ R. Wayne Klein (with permission)

R. Wayne Klein