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U.S. DISTRICT COURT

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DISTRICT OF UTAH

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Court-Appointed Receiver of U.S. Ventures, LC,
Winsome Investment Trust, and the assets of Robert
J. Andres and Robert L. Holloway*

IN THE THIRD DISTRICT COURT, SALT LAKE COUNTY

STATE OF UTAH

R. WAYNE KLEIN, the Court-Appointed
Receiver of U.S. Ventures LC, Winsome
Investment Trust, and the assets of Robert J.
Andres and Robert L. Holloway,

Plaintiff,

vs.

CLAYTON LYNN BALLARD, CAROL D.
BALLARD, and RIO SYSTEMS, INC.

Defendants.

**CONSENT JUDGMENT AGAINST
CLAYTON LYNN BALLARD AND
CAROL D. BALLARD**

Case No. 2:11-cv-00767

Judge Dee Benson

Plaintiff R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of U.S. Ventures LC ("US Ventures"), Winsome Investment Trust ("Winsome"), and all of the assets of Robert J. Andres ("Andres") and Robert L. Holloway ("Holloway") (collectively the "Receivership Defendants") and Defendants Clayton Lynn Ballard and Carol D. Ballard (the

“Ballard Defendants”), to avoid prolonged litigation, hereby stipulate and agree that final judgment in favor of the Receiver and against the Ballard Defendants may be entered as follows:

1. The Receiver and the Ballard Defendants agree that the Court has jurisdiction over these actions and the parties involved in these actions.
2. The Receiver and the Ballard Defendants acknowledge that they have read and agreed to the terms of this Consent Judgment, are aware of their right to a trial in these matters, and have waived that right.
3. The Receiver and the Ballard Defendants state that they have entered into this Consent Judgment voluntarily, and that this Consent Judgment and the Agreement attached hereto as Exhibit A constitute the entire agreement between the Receiver and Defendants. The Agreement attached hereto as Exhibit A is hereby incorporated in its entirety and made a part of this Consent Judgment.
4. The Ballard Defendants state that between August 22, 2005 and September 30, 2010, they received direct payments from Winsome Investment Trust (“Winsome”) in the aggregate amount of \$577,592.57.
5. The Ballard Defendants do not admit or deny that Winsome and its affiliated entities operated as a Ponzi scheme; additionally, they do not admit the allegations in the Complaint, except for the jurisdictional facts necessary for the Court to retain jurisdiction over the parties for the enforcement of the judgment.
6. The Receiver in this action alleges that the Ballard Defendants directly received transfers from Winsome and its affiliated entities totaling \$577,592.57. Accordingly, the

Receiver and the Ballard Defendants affirmatively state and agree that the Ballard Defendants are liable to the Receiver in this action in the amount of five hundred and seventy-seven thousand, five hundred and ninety- two dollars and fifty-seventy cents. (\$577,592.57).

7. Therefore, judgment is hereby entered against the Ballard Defendants, jointly and severally, in the amount of \$577,592.57 subject to the terms and conditions set forth below and in the parties' Agreement attached hereto as Exhibit A:

- a. The Receiver and the Ballard Defendants have agreed, as set forth in the Settlement Agreement attached as Exhibit A, that the Receiver shall take no action to enforce or collect on this Consent Judgment unless and until the Ballard Defendants' combined assets and income in a single tax year total over \$100,000.00.
- b. When and if the Ballard Defendants' combined net assets and income in a single tax year total over \$100,000.00, the Ballard Defendants shall make monthly payments to the Receiver beginning on July 1 of the year after the Ballard Defendants' combined assets and income total over \$100,000.00 in the amount of 10% of the Ballard Defendants' combined assets and income for such year as more fully outlined in the Settlement Agreement attached as Exhibit A.
- c. If the Ballard Defendants fail to timely make such payments, or otherwise fail to satisfy their obligations under the Agreement attached as Exhibit A, the Receiver shall have the right to enforce and collect on this Consent

Judgment to the full extent allowed by the law.

8. This Consent Judgment shall take effect upon entry by the Court, and the Receiver and the Ballard Defendants agree that the Court shall retain jurisdiction over the Ballard Defendants for the purpose of enabling any of the parties to this Consent Judgment to apply for further orders and directions as may be necessary or appropriate to carry out or construe this Consent Judgment, to modify or terminate any of its provisions, or to enforce compliance.

9. This Consent Judgment shall not affect the Receiver's rights to pursue his claims against Defendant RIO Systems, Inc. against which default has been entered in this matter. Nor will this Consent Judgment affect the Receiver's right to pursue his claims against Ursula Andres, Connie Patterson, Roberto E. Penedo, Profesionales en Turismo, S.A., Fundacion Guatemalteco, Warren Wai Hung Chiu, Winnie Chiu, Stephen Chiu, Jennifer Chiu, Pacificwin Investments, Kathy Grady, Lisa Pham, Jacki Barrientes, Roxanne Tsakas, Khiem Le, Linh Nguyen, James and Loraine Crouse, Jesus Baca, and Gerald Nowak, or any other entity or individual whom the Receiver has sued as part of his continuing duty to recapture and return investor funds that were sent to US Ventures and Winsome and then diverted by US Ventures and Winsome.

SO ORDERED this 20th day of June, 2013.

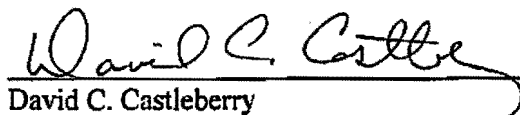
BY THE COURT:

Dee Benson

APPROVED AND STIPULATED:

DATED this 9 day of Apr, 2013.

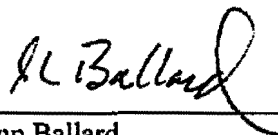
**MANNING CURTIS BRADSHAW
& BEDNAR LLC**



David C. Castleberry
Aaron C. Garrett
Attorneys for Receiver

DATED this 9th day of Apr, 2013.

BY THE DEFENDANTS:



Clayton Lynn Ballard



Carel Ballard