

**ROBB EVANS OF
ROBB EVANS & ASSOCIATES LLC
Receiver of I Works, Inc., et al. and
the Assets of Jeremy Johnson**

11450 Sheldon Street
Sun Valley, California 91352-1121
Telephone No.: (818) 768-8100
Facsimile No.: (818) 768-8802

**Federal Trade Commission v. Jeremy Johnson, I Works, Inc., et al.
CASE No. 2:10-CV-02203-MMD-GWF**

Notice of Filing of Motion for Order:

- (1) Approving Settlements with Todd Vowell Parties and Virgin Properties Group;**
- (2) Authorizing Receiver to Market and List for Sale Boulder Mountain Property and Water Right No. 81-3467; and**
- (3) Granting Relief from Local Rule 66-5 Pertaining to Notice to Creditors if Applicable**

Filed November 22, 2013

1 RANDOLPH L. HOWARD (Nev. SBN 006688)
rhoward@klnevada.com
2 KOLESAR & LEATHAM, CHTD.
400 South Rampart Boulevard, Suite 400
3 Las Vegas, NV 89145
Telephone: (702) 362-7800
4 Facsimile: (702) 362-9472

5 GARY OWEN CARIS (Cal. SBN 088918)
gcaris@mckennalong.com
6 LESLEY ANNE HAWES (Cal. SBN 117101)
lhawes@mckennalong.com
7 MCKENNA LONG & ALDRIDGE LLP
300 South Grand Avenue, 14th Floor
8 Los Angeles, CA 90071-3124
Telephone: (213) 688-1000
9 Facsimile: (213) 243-6330

10 Attorneys for Receiver
11 **ROBB EVANS OF ROBB EVANS & ASSOCIATES**
12 **LLC**

13 **UNITED STATES DISTRICT COURT**

14 **DISTRICT OF NEVADA**

16 FEDERAL TRADE COMMISSION,

17 Plaintiff,

18 v.

19 JEREMY JOHNSON, etc., et al.,

20 Defendants.
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Case No. 2:10-CV-02203-MMD-GWF

**NOTICE OF FILING OF MOTION FOR
ORDER: (1) APPROVING
SETTLEMENTS WITH TODD VOWELL
PARTIES AND VIRGIN PROPERTIES
GROUP; (2) AUTHORIZING RECEIVER
TO MARKET AND LIST FOR SALE
BOULDER MOUNTAIN PROPERTY
AND WATER RIGHT NO. 81-3467; AND
(3) FOR LIMITED NOTICE UNDER
LOCAL RULE 66-5 IF APPLICABLE**

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24 PLEASE TAKE NOTICE that Robb Evans of Robb Evans & Associates LLC

25 (“Receiver”), the Receiver appointed pursuant to the Court’s Preliminary Injunction Order issued
26 February 10, 2011 (“Preliminary Injunction”), has filed concurrently herewith his Motion for
27 Order: (1) Approving Settlements with Todd Vowell Parties and Virgin Properties Group; (2)
28 Authorizing Receiver to Market and List for Sale Boulder Mountain Property and Water Right

1 No. 81-3467; and (3) for Limited Notice Under Local Rule 66-5 If Applicable ("Motion").
2 Pursuant to the Motion, the Receiver moves the Court for an order approving two separate but
3 related settlements by the Receiver consisting of: (a) the Settlement Agreement ("Todd Vowell
4 Parties Settlement") with Todd Vowell, Sheree Vowell (Todd Vowell and Sheree Vowell are
5 sometimes referred to herein as the "Vowells"), Alpha Yankee, LLC, C2 Holdings, LLC, Capital
6 Energy Corporation, Cerberus Management, LLC, Chateau Circle, LLC, Choker Block, LLC,
7 Commerce Financial, LLC, Digital Currency, LLC, Dreamland Capital, LLC, ePayment
8 Solutions, LLC, Executive Service Center, LLC, Fishhook Partners, LLC, Flatline Investments,
9 LP, Flying High Enterprises, LLC, IC Development, LLC, KATTS, LLC, Kingfish Management,
10 LLC, Kombi Capital, LP, Liahona Holdings, LP, Market Mastery Trading, LLC, Mastery
11 Merchant, LLC, Omaha Eight, LLC, Paydirt Capital, Inc., Paydirt Management, Inc., Paydirt
12 Properties, LLC, Paydirt, LP, Powder Monkeys, LLC, Scud Runner, LLC, Silvernix Holdings,
13 LLC, SRLA Association, LLC, SRLA, LLC, Summerset Ranch, LLC, Taggart Management,
14 LLC, TJJ Properties, LLC, TLV Enterprises, Inc., Treadstone Partners, LP, Triple Play Group,
15 LLC, Triple Seven, LLC, Woodsvew Holdings, LLC, Money Master for Life, Online Weight
16 Loss, Triple Seven, Inc., and T. Vowell Sole Proprietorship Capital Holding (collectively, along
17 with the Vowells, the "Todd Vowell Parties"), a true and correct copy of which is attached hereto
18 as Exhibit 1; and (2) the Settlement Agreement ("Virgin Properties Group Settlement") with
19 Virgin Properties, LLC ("Virgin Properties"), Liahona Academy for Youth, LLC ("Liahona
20 Academy for Youth"), and Executive Car Sales, Inc. ("Executive Car Sales") (Virgin Properties,
21 Liahona Academy, and Executive Car Sales are collectively referred to herein as the "Virgin
22 Properties Group"), a true and correct copy of which is attached hereto as Exhibit 2. The Todd
23 Vowell Parties Settlement and the Virgin Properties Group Settlement are referred to collectively
24 herein as the "Settlements." The Settlements contain numerous detailed provisions setting forth
25 the treatment of assets and the Vowells' ownership interests in various entities subject to the
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1 Clarifying Order¹ and other material terms, and interested parties should review the Settlements
2 in their entirety for a complete description of their terms.

3 Under the Clarifying Order, the assets of the Vowells and numerous entities which the
4 Receiver contends are nominally owned and controlled by Todd Vowell included in the Todd
5 Vowell Parties are receivership property subject to the Receiver's administration. The Clarifying
6 Order left for later determination the disposition of the Motion to Clarify as it pertained to the
7 entities comprising the Virgin Properties Group. The Todd Vowell Parties Settlement resolves
8 the Receiver's rights, claims and interests in the Todd Vowell Parties and their assets, and the
9 Virgin Properties Group Settlement resolves the Motion to Clarify as it pertains to those entities.

10 In connection with the approval of the Settlements, the Receiver seeks Court approval for
11 the Receiver to take all steps necessary or convenient to implement and perform under the
12 Settlements and to execute all documents provided for the Receiver to execute under the
13 Settlements.

14 The Receiver recommends approval of the Todd Vowell Parties Settlement and the Virgin
15 Properties Group Settlement. The Settlements are fair and equitable and in the best interests of
16 the receivership estate in that they result in the dismissal of the Todd Vowell Parties' appeal of the
17 Clarifying Order, they confirm the rights and interests of the receivership estate in the valuable
18 assets and entities which hold assets of the receivership that the Receiver contends were
19 improperly transferred, and they allow the Receiver to recover and monetize those assets for the
20 benefit of the receivership and its creditors. Under the Settlements, the receivership estate will
21 recover \$525,000 under a note from the Vowells well-collateralized by liens on two properties,
22 as well as the value of various real properties, a water right held by Kombi Capital LP and sums
23 being paid to the receivership under a separate settlement the Receiver has with Mountain
24 Financial, LLC. The Settlements provide these substantial benefits to the receivership estate

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27 ¹ The full title of the order is the Order Granting Motion for Order Clarifying Preliminary
28 Preliminary Injunction Order and for Further Instructions Regarding Scope of Receivership Defendants under
Preliminary Injunction Order and Report of Receiver's Financial Reconstruction and Granting
Relief from Local Rule 66-5 Pertaining to Notice to Creditors After Hearing ("Clarifying Order").

1 without the estate incurring additional risks, costs and delays of litigation with the Todd Vowell
2 Parties or the Virgin Properties Group.

3 The Receiver further seeks an order authorizing the Receiver to market and list for sale the
4 real property located at 1749 Boulder Mountain Road, St. George, Utah title to which is presently
5 held by Chateau Circle, LLC ("Boulder Mountain Property") and Water Right No. 81-3467 title
6 to which is held by Kombi Capital LP ("Water Right"), and in connection therewith to engage one
7 or more local real estate brokers to be selected by the Receiver pursuant to listing agreement(s)
8 providing for the payment of ordinary and customary sales commissions consistent with the type
9 of property being sold.

10 The Receiver further seeks an order deeming notice of the Motion to be sufficient under
11 Local Civil Rules 66-5 and 66-10 based on the service of this notice of the filing of the Motion
12 and the Motion on all parties, and service of this notice of the filing of the Motion on all known
13 non-consumer creditors of the estate and on all known taxing authorities with a potential claim in
14 the receivership estate concurrent with the filing of the Motion with the Court, but not on the tens
15 of thousands of potential consumer creditors.

16 The Motion is made under 28 U.S.C. sections 2001 and 2004, Local Civil Rules 7-2, 66-5
17 and 66-10 and other applicable law and is based on this notice of filing of the Motion, on the
18 Motion, the Memorandum of Points and Authorities attached thereto and the Declaration of Brick
19 Kane filed concurrently therewith in support of the Motion, and the proposed order lodged
20 concurrently therewith, on the pleadings, records and files of the Court in this receivership
21 proceeding of which the Receiver requests the Court take judicial notice, including without
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1 limitation the Preliminary Injunction (Doc. No. 130) and the Clarifying Order entered March 25,
2 2013, and on such further oral and documentary evidence and arguments of counsel as may be
3 presented at any hearing on the Motion.

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5 Dated: November 22, 2013

RANDOLPH L. HOWARD
KOLESAR & LEATHAM, CHTD.

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MCKENNA LONG & ALDRIDGE LLP
GARY OWEN CARIS
LESLEY ANNE HAWES

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By: /s/ Gary Owen Caris

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Gary Owen Caris
Attorneys for Receiver
**ROBB EVANS OF ROBB EVANS &
ASSOCIATES LLC**

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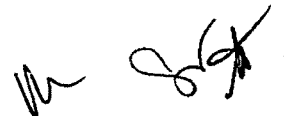
EXHIBIT 1

Settlement Agreement

Robb Evans of Robb Evans & Associates LLC (“Receiver”) on one hand, and Todd Vowell, Sheree Vowell (Todd Vowell and Sheree Vowell are sometimes referred to herein as the “Vowells”), Alpha Yankee, LLC, C2 Holdings, LLC, Capital Energy Corporation, Cerberus Management, LLC, Chateau Circle, LLC, Choker Block, LLC, Commerce Financial, LLC, Digital Currency, LLC, Dreamland Capital, LLC, ePayment Solutions, LLC, Executive Service Center, LLC, Fishhook Partners, LLC, Flatline Investments, LP, Flying High Enterprises, LLC, IC Development, LLC, KATTS, LLC, Kingfish Management, LLC, Kombi Capital, LP, Liahona Holdings, LP, Market Mastery Trading, LLC, Mastery Merchant, LLC, Omaha Eight, LLC, Paydirt Capital, Inc., Paydirt Management, Inc., Paydirt Properties, LLC, Paydirt, LP, Powder Monkeys, LLC, Scud Runner, LLC, Silvernix Holdings, LLC, SRLA Association, LLC, SRLA, LLC, Summerset Ranch, LLC, Taggart Management, LLC, TJJ Properties, LLC, TLV Enterprises, Inc., Treadstone Partners, LP, Triple Play Group, LLC, Triple Seven, LLC, Woodsvie Holdings, LLC, Money Master for Life, Online Weight Loss, Triple Seven, Inc., and T. Vowell Sole Proprietorship Capital Holding (collectively, along with the Vowells, the “Todd Vowell Parties”), enter into this Settlement Agreement deemed to be executed as of November 8, 2013 with reference to and in consideration of the following facts:

RECITALS

- A. On January 13, 2011, the Receiver was appointed as temporary receiver for I Works, Inc. and other related and affiliated entities and over the assets of Jeremy Johnson pursuant to the Temporary Restraining Order issued January 13, 2011 in the action entitled Federal Trade Commission v. Jeremy Johnson, etc., et al., Case No. 2:10-cv-02203-MMD-GWF pending in the United States District Court for the District of Nevada (“FTC Action”).
- B. On February 10, 2011, the Court in the FTC Action issued a Preliminary Injunction Order (“Preliminary Injunction”) which appointed the Receiver as permanent receiver for I Works, Inc. and other Corporate Defendants as defined in the Preliminary Injunction, including their subsidiaries, affiliates, successors and assigns, and over the assets of Jeremy Johnson.
- C. On May 30, 2012, the Receiver brought its Motion for Order Clarifying Preliminary Injunction Order and For Further Instructions Regarding Scope of Receivership Defendants Under Preliminary Injunction Order and Report of Receivership Financial Reconstruction and Granting Relief From Local Rule 66-5 Pertaining to Notice to Creditors (“Motion to Clarify”). On March 25, 2013, the Court in the FTC action issued the Order Granting Motion for Order Clarifying Preliminary Injunction Order and For Further Instructions Regarding Scope of Receivership Defendants Under Preliminary Injunction Order and Report of Receiver’s Financial Reconstruction and Granting Relief From Local Rule 66-5 Pertaining to Notice to Creditors After Hearing (“Clarifying Order”). Under the Clarifying Order, among other things, the Court clarified and confirmed that the receivership estate in the FTC Action includes, as property of the receivership estate, the entities listed on Exhibit A to the Clarifying



Order, many of which are Todd Vowell Parties, and the assets titled to those entities, as well as the assets of the Vowells, including without limitation the Retained Property and the Retained Ownership Interests, as those terms are hereinafter defined.

D. The Motion to Clarify also sought an order providing that Liahona Academy for Youth, LLC ("Liahona Academy for Youth"), Virgin Properties, LLC ("Virgin Properties"), and Executive Car Sales, Inc. ("Executive Car Sales") (collectively, the "Virgin Properties Group"), and their assets were property of the receivership estate. Pursuant to the Clarifying Order, the Court ordered the Receiver to meet and confer with the Virgin Properties Group in an attempt to resolve the Motion to Clarify with respect to the Virgin Properties Group.

E. On April 23, 2013, the Todd Vowell Parties timely filed a notice of appeal of the Clarifying Order ("Todd Vowell Parties Appeal"). On June 26, 2013, the Todd Vowell Parties filed their Opening Brief on appeal in the United States Court of Appeals for the Ninth Circuit, Case No. 13-15822. Pursuant to various orders of the appellate court, the Receiver has obtained extensions of the time to file his Answering Brief in the Todd Vowell Parties Appeal. The current deadline for the Receiver to file his Answering Brief is November 22, 2013.

F. The Vowells reside in and own the single family residence at 1627 West Chateau Circle, St. George, Utah ("Chateau House") title to which is held in the name of Sheree Vowell.

G. Todd Vowell has an indirect, majority ownership interest in a boys academy operated by Liahona Academy for Youth. Liahona Academy for Youth operates the Liahona Boys Academy at the real property commonly known as 1055 East State Highway 9, Virgin, Utah ("Liahona Property"). Liahona Academy for Youth is the tenant on the Liahona Property, and Virgin Properties is the owner of the Liahona Property and the landlord of the Liahona Property. Summerset Ranch, LLC ("Summerset") is the holder of a first priority deed of trust on the Liahona Property securing a promissory note in its favor executed by Virgin Properties ("Summerset Note"). Pursuant to the Clarifying Order, Summerset and the Summerset Note are part of the receivership estate.

H. Woodsvie Holdings, LLC ("Woodsvie Holdings") holds title to the real property commonly known as 505 S. Woodsvie Circle, St. George, Utah ("Woodsvie Property"). Pursuant to the Clarifying Order, Woodsvie Holdings and the Woodsvie Property are part of the receivership estate. The Receiver has entered into an agreement for the sale of the Woodsvie Property to third party purchasers and the Receiver has filed a motion for approval of the sale of the Woodsvie Property in the FTC Action.

I. The Vowells' daughter Tiana Vowell and son-in-law Robert Broadhead reside in the real property commonly described as 1173 West Snow Canyon Parkway, #32, St. George, Utah ("Broadhead Residence"). The Broadhead Residence is titled to Sheree Vowell and Tiana Broadhead. The Receiver contends that the Broadhead Residence, or some fractional interest therein, is property of the receivership estate under the Clarifying Order because, among other things, it is titled in part to Sheree Vowell and because assets of the receivership estate were used to acquire the Broadhead Residence. The Vowells dispute the Receiver's contentions as to the Broadhead Residence.

J. On October 30, 2012, the Receiver filed a lawsuit in the United States District Court for the District of Nevada, entitled Robb Evans of Robb Evans & Associates LLC etc. v. Arvin Lee Black, II, etc. et al., Case No. 2:12-cv-01860-MMD-GWF ("Black Lawsuit"). Defendants named in the declaratory relief cause of action in the Black Lawsuit include the following Todd Vowell Parties: Todd Vowell, Kombi Capital LP, Paydirt Capital, Inc., and Fishhook Partners, LLC.

K. As more particularly set forth in their Opening Brief in the Todd Vowell Parties Appeal, the Todd Vowell Parties contend, among other things, that the Clarifying Order was improper and should not have been entered and that neither the entities who are Todd Vowell Parties nor the assets of the Todd Vowell Parties should be part of the receivership estate. The Receiver disputes these contentions.

L. The Receiver and the Todd Vowell Parties, through the Vowells, have been discussing a possible resolution of their disputes and differences. As part of their discussions, the Vowells have provided extensive financial and accounting information to the Receiver and responded to numerous inquiries and requests for explanations, to the satisfaction of the Receiver. In addition, the Vowells have provided to the Receiver an explanation as to the disposition of all monies paid by the Todd Vowell Parties to or on behalf of the Vowells, to the satisfaction of the Receiver. After reviewing the financial and accounting information provided by the Vowells to the Receiver, along with the explanations provided by the Vowells to the Receiver, and based on the Receiver's extensive investigation along with numerous settlement discussions, the parties to this Agreement have reached a consensual resolution of their disputes and differences, as set forth hereinbelow.

NOW THEREFORE, with reference to the facts set forth above and in consideration of the mutual covenants and promises of the parties set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, the parties hereto stipulate and agree as follows:

1. Recitals. The Recitals are true and correct and incorporated into this Agreement in their entirety.

2. Settlement Payment. The Vowells shall pay the sum of \$525,000 to the Receiver ("Settlement Amount"). The Vowells shall execute and deliver to the Receiver a promissory note providing for the payment of the Settlement Amount ("Settlement Note"), a true and correct copy of which is attached hereto as Exhibit 1. The Settlement Note shall provide, among other things, for the payment of the Settlement Amount in three equal installments of principal as follows:

- (a) the sum of \$175,000 on or before December 31, 2014;
- (b) the sum of \$175,000 on or before June 30, 2015; and
- (c) the sum of \$175,000 on or before December 31, 2015.

3. Collateral for the Settlement Note. The Settlement Note shall be secured by: (a) a second priority deed of trust on the Chateau House ("Chateau Deed of Trust") to be executed and

delivered by Sheree Vowell; and (b) a second priority deed of trust on the Liahona Property ("Liahona Second Deed of Trust") to be executed and delivered by Virgin Properties pursuant to an agreement between the Virgin Properties Group and the Receiver to resolve the Receiver's rights and claims against the Virgin Properties Group pending under the Clarifying Order (the "Virgin Properties Group Agreement"). The Chateau Deed of Trust shall be junior only to a first priority deed of trust in favor of Academy Mortgage Corporation securing a promissory note with a present principal balance of not more than \$410,000 and a senior lien for ordinary and current real property taxes. The Chateau Deed of Trust shall be in form and content acceptable to the Receiver and the Vowells. The Liahona Second Deed of Trust shall be junior only to a first priority deed of trust securing the Summerset Note which will be modified as more particularly set forth herein ("Modified Summerset Note") with a principal balance of \$468,310.96 as of July 1, 2013 and a senior lien for ordinary and current real property taxes. The Liahona Second Deed of Trust shall be in form and content acceptable to the Receiver and Virgin Properties. Concurrent with the recordation of the Chateau Deed of Trust, the Receiver shall withdraw the lis pendens the Receiver previously recorded against the Chateau House as Instrument No. 20120019781 in Washington County, Utah.

4. Partial Release of Collateral for the Settlement Note. When the Receiver has timely received payments of principal under the Settlement Note totaling \$350,000, the Receiver shall promptly record a reconveyance of the Liahona Second Deed of Trust.

5. Modified Summerset Note. Pursuant to the Virgin Properties Group Agreement, Virgin Properties shall pay the Receiver, as Receiver for Summerset, the sum of \$9,832.97 upon the Effective Date of this Agreement, representing one unpaid payment due on the Summerset Note as of June 30, 2013. The Modified Summerset Note shall be executed and delivered by Virgin Properties to the Receiver, as Receiver for Summerset. The Modified Summerset Note shall be modified as of July 1, 2013. The Modified Summerset Note shall be in form and content acceptable to the Receiver, on one hand, and to Virgin Properties, Todd Vowell and Clayton AhQuin, Jr., on the other, and shall include the following provisions:

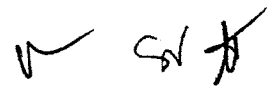
- (a) The Modified Summerset Note shall be dated as of July 1, 2013.
- (b) The principal balance of the Modified Summerset Note shall be \$468,310.96.
- (c) Interest shall accrue on the Modified Summerset Note at the rate of 5% per annum from July 1, 2013.
- (d) Monthly payments of principal and interest in the fixed sum of \$5,000 shall be paid on the Modified Summerset Note commencing on the first day of the month following the passage of 30 days after the Effective Date of this Agreement and continuing on the first day of each month thereafter, with a final maturity date of December 31, 2014, at which time all unpaid principal and interest shall be paid in full.
- (e) Accrued interest due under the Modified Summerset Note shall be paid in full upon the Effective Date of this Agreement, comprised of interest

which has accrued from July 1, 2013 until the Effective Date of this Agreement.

6. Collateral for the Modified Summerset Note. Pursuant to the Virgin Properties Group Agreement, the Modified Summerset Note shall be collateralized by, at the Receiver's option, the existing first priority deed of trust on the Liahona Property or a modified first priority deed of trust on the Liahona Property ("Liahona First Deed of Trust"). Promptly after the Effective Date of this Agreement, the Receiver shall withdraw the lis pendens the Receiver previously recorded against the Liahona Property as Instrument No. 20120019780 in Washington County, Utah.

7. Todd Vowell Parties' Waiver and Relinquishment of Rights and Claims Against Real and Personal Property and Receivership Entities. All real and personal property and receivership entities that the Receiver has at any time asserted an interest in or hereafter asserts an interest in during the pendency of the FTC Action with the exception of the Retained Property as defined in paragraph 8 below, the Retained Ownership Interests as defined in paragraph 9 below and the Pre-Clarifying Order Transfers as defined in paragraph 10 below, shall constitute and be deemed receivership property under the Preliminary Injunction and Clarifying Order ("Receivership Property"). The Todd Vowell Parties waive and relinquish all rights and claims in and to the Receivership Property. The Todd Vowell Parties acknowledge and agree for the purposes of settlement with the Receiver that all Receivership Property is part of the receivership estate. Nothing contained in this paragraph 7 or in this Agreement shall constitute or be construed as an admission of liability, misconduct or wrongdoing of any kind on the part of the Todd Vowell Parties, or any of them. Without limiting the generality of the foregoing, the Receivership Property includes, without limitation, the following properties titled in whole or in part to the Todd Vowell Parties:

- (a) All of Lots 6 and 16, Chamberlain Ranch, Mount Carmel, Utah;
- (b) 19.9-acre parcel in Hurricane, Utah (Assessor's Parcel No. H-4-2-10-222);
- (c) 5.11-acre parcel in Hurricane, Utah (Assessor's Parcel No. H-4-2-10-223);
- (d) 3-acre parcel in Hurricane, Utah (Assessor's Parcel No. H-3-1-31-222);
- (e) Lot 7, The Woods at Valley View Subdivision, St. George, Utah;
- (f) Lot 5, The Woods at Valley View Subdivision, St. George, Utah;
- (g) The Woodsvieview Property;
- (h) 1749 Boulder Mountain Road, St. George, Utah;
- (i) Water Right No. 81-3467;
- (j) All cash on hand in the receivership estate whenever acquired; and



- (k) All payments due or to become due under the Receiver's settlement with Mountain Financial, LLC.

Further, without limiting the generality of the foregoing, the Todd Vowell Parties expressly acknowledge and agree that all of the following entities and assets titled thereto also constitute Receivership Property, and the Todd Vowell Parties, and each of them, waive and relinquish any and all rights, claims and interests of any kind or nature they may have, or claim to have, in and to the following entities and all assets titled thereto and all proceeds thereof, whether or not such assets are presently in the Receiver's possession, custody or control: Alpha Yankee, LLC, Cerberus Management, LLC, Choker Block, LLC, Commerce Financial, LLC, Digital Currency, LLC, ePayment Solutions, LLC, Fishhook Partners, LLC, Flatline Investments, LP, Flying High Enterprises, LLC, Kombi Capital, LP, Mastery Merchant, LLC, Omaha Eight, LLC, Powder Monkeys, LLC, Scud Runner, LLC, SRLA Association, LLC, SRLA, LLC, Summerset Ranch, Taggart Management, LLC, Treadstone Partners, LP, Triple Seven LLC, Woodsvie Holdings, Money Master for Life, Online Weight Loss, Triple Seven, Inc., Attack Productions, LLC, Destiny Marketing, LLC, Paradise Ranch Development, LLC, SmartNet Development, LLC, Spindletop Investments, LLC, Volair Flight Management, LLC and WCDI Land Management, LLC (individually and collectively "Clarifying Order Receivership Entities").

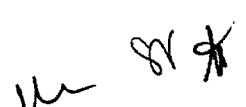
8. Todd Vowell Parties' Retention of Specific Ownership Interests in Real and Personal Property. The Todd Vowell Parties shall be permitted to retain their ownership interests in the real and personal property listed in this paragraph 8 (only to the extent of the Todd Vowell Parties' ownership interests, the "Retained Property"). For the purposes of this settlement, the Retained Property shall be deemed to never have become a part of the receivership estate notwithstanding paragraph 3 of the Clarifying Order; provided however, that to the extent any money or any other item of value was paid or provided to the Receiver on account of any of the Retained Property prior to the execution of this Agreement, the Receiver shall be permitted to retain such money or other value. The Retained Property consists of the following:

- (a) The Chateau House titled to Sheree Vowell, but subject to the Chateau Deed of Trust.
- (b) Ownership interest in Liahona Academy for Youth, comprised of a 40.245% interest held by KATTS, LLC and a 21.68% interest held by Liahona Holdings, LP.
- (c) Ownership interest in Virgin Properties comprised of a 33.33% interest held by KATTS, LLC and a 33.33% interest held by Todd Vowell.
- (d) Ownership interest in Twenty Five Main, LLC, comprised of a 100% ownership interest held by KATTS, LLC.
- (e) Ownership interest in Spider GPS, LLC, comprised of a 17.50% held by KATTS, LLC.

*M. Cat **

- (f) Ownership interest in SomeBeach, LLC, comprised of a 33.33% held by Todd Vowell.
- (g) Marriott Vacation Ownership in Maui, Hawaii and Park City, Utah titled to the Vowells.
- (h) All personal property owned by the Vowells in addition to the enumerated personal property in this paragraph 8, including cash in the Vowells' possession, custody or control, as of the date of the execution of this Agreement, and all proceeds thereof.
- (i) All real and personal property that comes into the possession, custody or control of the Vowells as a result of their employment or investment activity occurring after the date of the execution of this Agreement, and all proceeds thereof.
- (j) Residual oil & gas royalty payments owned by Todd Vowell received or to be received from Kebo Oil & Gas, Inc., Ultra Oil & Gas, Inc. and Flag Energy, LLC.
- (k) Promissory notes executed by John Hafen and Lilhaf Holdings, LLC in favor of the Vowells, COPO Administration, LLC and Paydirt Management, Inc.
- (l) All rights, options, elections or benefits resulting from or arising out of payments made by the Todd Vowell Parties on behalf of the Vowells or the Retained Ownership Interests prior to the Clarifying Order. Such rights, options, elections or benefits shall include but not be limited to those resulting from or arising out of business expense payments, charitable contributions, payment of legal fees, property tax payments, personal and corporate income tax payments, life insurance premium payments, debt service payments, business or personal settlement payments and payments made for the acquisition of personal property.
- (m) All cash contained in the Trust Accounts of the following law firms up to the following amounts: (i) Snow, Jensen & Reece, P.C., up to the amount of \$500.00; (b) Ray Quinney & Nebeker, P.C., up to the amount of \$25,000.00; and (c) Hutchison & Steffen, LLC, up to the amount of \$65,571.00.
- (n) All settlement payments to be received by the Vowells from Ray Quinney & Nebeker, P.C.

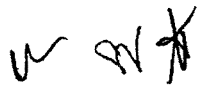
9. The Vowells' Retention of Specific Ownership Interests in Receivership Entities. The Vowells shall be permitted to retain their direct and indirect ownership interests in the entities listed in this paragraph 9 (only to the extent of the Vowells' ownership interests, the "Retained Ownership Interests"). For the purpose of this settlement, the Retained Ownership Interests shall be deemed to never have become a part of the receivership estate notwithstanding



that these entities are listed on Exhibit A to the Clarifying Order; provided however, that to the extent any money or any other item of value was paid or provided to the Receiver on account of any of these entities prior to the execution of this Agreement, the Receiver shall be permitted to retain such money or other value. The Retained Ownership Interests consist of the following:

- (a) C2 Holdings, LLC
- (b) Capital Energy Corporation
- (c) Chateau Circle, LLC
- (d) Dreamland Capital, LLC
- (e) Executive Service Center, LLC
- (f) IC Development, LLC
- (g) Kingfish Management, LLC
- (h) Liahona Academy for Youth, LP
- (i) Liahona Holdings, LP
- (j) Market Mastery Trading, LLC
- (k) Paydirt Capital, Inc.
- (l) Paydirt Management, Inc.
- (m) Paydirt Properties, LLC
- (n) Paydirt, LP
- (o) Silvernix Holdings, LLC
- (p) TJJ Properties, LLC
- (q) TLV Enterprises, LLC
- (r) Triple Play Group, LLC
- (s) USB Media, LLC
- (t) KATTS, LLC
- (u) T. Vowell Sole Proprietorship Capital Holding

Notwithstanding their Retained Ownership Interests, the Todd Vowell Parties waive and relinquish any and all rights and claims they may have against all entities owned or controlled,



directly or indirectly, by Jason Vowell, including without limitation, CECJ Enterprises, LLC, Global Media 7, LLC, Jason Vowell Sole Prop. Gigs, Kingston Enterprises, LLC, Lift Off Financial, LLC, Moneymaker Strategies, LLC, Phoenix Rising, LLC, Robin V Foundation, Inc., Scam Victim Help.com, LLC, Spyglass Enterprises, LLC, Spyglass Holdings, LLC, Valentino Holdings, LLC, Valentino Properties, LLC, Vanquish Enterprises, LLC and Wealth Matters, LLC (collectively these entities are referred to as the "Jason Vowell Parties"). The Todd Vowell Parties preserve any and all rights and claims they may have against Jason Vowell; provided however, the Todd Vowell Parties may not seek to recover or collect any sums from or on behalf of Jason Vowell in connection with such rights or claims until such time as the Receiver is discharged in the FTC Action or until such time as the Receiver advises the Vowells that he has no remaining claims against Jason Vowell. In the event the Todd Vowell Parties receive any sums from or on behalf of Jason Vowell prior to the time that the Receiver is discharged and prior to the time the Receiver advises the Vowells that he has no remaining claims against Jason Vowell, the Todd Vowell Parties shall promptly turn over all such sums to the Receiver.

10. Receiver's Waiver of Claims for Receivables Due from Retained Ownership Interests and Pre-Clarifying Order Transfers. Except as expressly set forth in this Agreement, the Receiver waives and releases all claims the Receiver may have to enforce or collect amounts owed to the entities comprising Receivership Property set forth in paragraph 7 from the Vowells and the entities identified in paragraph 9 comprising the Retained Ownership Interests. Except as expressly set forth in this Agreement, the Receiver further waives and releases all claims for recovery of proceeds from sales of assets titled to the Todd Vowell Parties that were sold prior to entry of the Clarifying Order and all claims for recovery of funds paid to or for the benefit of the Vowells by the Todd Vowell Parties prior to entry of the Clarifying Order ("Pre-Clarifying Order Transfers").

11. Transfer of Ownership/Membership Interests in Clarifying Order Receivership Entities and in Other Receivership Property. At any time on or after the Effective Date of this Agreement, within two business days after notice to the Todd Vowell Parties by the Receiver, the Todd Vowell Parties shall transfer, convey and/or assign to the Receiver on behalf of the receivership estate all right, title and ownership and/or membership interests the Todd Vowell Parties may have in the Clarifying Order Receivership Entities, or any of them, pursuant to documentation acceptable to the Receiver in his sole and absolute opinion and judgment. Without limiting the generality of the foregoing, concurrently with the execution of this Agreement, the Todd Vowell Parties shall execute and deliver to the Receiver a transfer and assignment to the Receiver of all of the right, title and ownership and/or membership interests of KATTS, LLC in Summerset and of all right, title and ownership and/or membership interests of KATTS, LLC in Woodsvew Holdings in form and content acceptable to the Receiver in his sole and absolute opinion and judgment. Concurrently with the Effective Date of this Agreement, the Vowells shall cause title to the real properties identified in paragraphs 7(a) through 7(d), inclusive, and paragraph 7(h) to be transferred to the Receiver pursuant to grant deeds in form and content acceptable to the Receiver in his sole and absolute opinion and judgment, with the vesting of such deeds to be in the name of I Works, Inc., et al. Receivership QSF by Robb Evans of Robb Evans & Associates LLC as Receiver if requested by the Receiver.

12. Receiver's Relinquishment of Rights and Claims to the Broadhead Residence. The Receiver waives and relinquishes all rights and claims to the Broadhead Residence. Upon

the Effective Date, the Receiver shall withdraw the lis pendens the Receiver previously recorded against the Broadhead Residence as Instrument No. 2013004864 in Washington County, Utah.

13. Representations and Warranties of Todd Vowell Parties. The Todd Vowell Parties, and each of them, represent and warrant as follows:

- (a) As of the execution of this Agreement, the Todd Vowell Parties, and each of them, have no known Receivership Property in their possession, custody or control.
- (b) After the execution of this Agreement, the Todd Vowell Parties, and each of them, shall not knowingly take into their possession, custody or control any property which constitutes Receivership Property.

14. Full Disclosure of Receivership Property. Notwithstanding the general release in favor of the Vowells and related entities hereafter set forth, in the event the Todd Vowell Parties, or any of them, breach any representation or warranty set forth in paragraph 13 above, the Receiver may pursue any and all rights and claims against the Todd Vowell Parties for the purpose of recovering from them all such Receivership Property, and/or the value thereof, and/or all damages proximately caused by such breach of representation or warranty, including all legal fees and costs incurred as a result of such breach, by way of direct action or application for order to show cause why they should not be held in contempt of court, or any other appropriate legal or equitable claim, cause of action or claim for relief.

15. Payment of Note Secured by First Trust Deed on Boulder Mountain Property. So long as the real property located at 1749 Boulder Mountain Road, St. George, Utah ("Boulder Mountain Property") remains property of the receivership estate, the Receiver shall maintain current the payments due under the note secured by the first deed of trust encumbering the Boulder Mountain Property ("Boulder Mountain Loan"). Should the Receiver elect to sell the Boulder Mountain Property, the Receiver shall pay off the outstanding balance of the Boulder Mountain Loan from the proceeds of sale of the Boulder Mountain Property and/or from receivership funds if the proceeds of sale of the Boulder Mountain Property are insufficient to pay off the balance of the Boulder Mountain Loan in full.

16. General Release in Favor of the Receiver and the Receivership Estates. Excepting only the obligations imposed or created by this Agreement, and effective upon the Effective Date of this Agreement, the Todd Vowell Parties, and each of them, do hereby forever relieve, release and discharge the Receiver, the receivership estate created in the FTC Action, and Robb Evans & Associates LLC, and each of them, and the parents, subsidiaries, affiliates, predecessors, successors and assigns, officers, directors, members, employees, agents, associates, partners, past or present attorneys, representatives and administrators of Robb Evans and Robb Evans & Associates LLC, and each of them, jointly and severally ("Receiver Released Parties"), 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 Todd Vowell Parties, and each of them, had, has or may have against them from the beginning of time to the Effective Date of this Agreement, including but not limited to claims arising out of, related

to, or pertaining to any of the facts set forth in the Recitals to this Agreement, the FTC Action, the receivership estate created in the FTC Action, the Receivership Property, the Retained Property and the Retained Ownership Interests (collectively, the "Todd Vowell Parties Claims").

17. Effect of General Release/Waiver of Claims. The Todd Vowell Parties, and each of them, expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, 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.

The Todd Vowell Parties, and each of them, expressly waive and release any rights or benefits which each of them have or may have under Section 1542 of the Civil Code of the State of California, and any similar statute, code, law or regulation of any state, territory, commonwealth or possession of the United States, or the United States, to the full extent that they may waive all such rights and benefits pertaining to the Todd Vowell Parties Claims. The Todd Vowell Parties, and each of them, acknowledge that they are aware they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true pertaining to the Todd Vowell Parties Claims. Nevertheless, it is the intention of the Todd Vowell Parties, and each of them, through this Agreement, to fully, finally and forever release all of the Todd Vowell Parties Claims. The releases herein given shall be and remain in effect as a full and complete release of the Todd Vowell Parties Claims notwithstanding the discovery or existence of any such additional or different claims or facts relative thereto.

18. No Assignment of Released Claims. The Todd Vowell Parties, and each of them, represent and warrant that they are the sole and lawful owners of all right, title and interest in and to each of the Todd Vowell Parties Claims and that they have not heretofore assigned or transferred, or purported to assign or transfer to any individual, partnership, corporation, firm, estate or entity any of the Todd Vowell Parties Claims. The Todd Vowell Parties, and each of them, hereby indemnify, defend and hold harmless the Receiver Released Parties from and against all claims based upon, arising out of, or in connection with, any assignment or transfer, or purported assignment or transfer, of any of the Todd Vowell Parties Claims.

19. General Release in Favor of Todd Vowell, Sheree Vowell and Related Entities. Excepting only the obligations imposed or created by this Agreement, and contingent and effective upon the full, complete and timely payment and performance of all obligations described in, imposed or created by this Agreement without default, including without limitation the payment in full of the Settlement Note and the Modified Summerset Note, the Receiver relieves, releases and discharges Todd Vowell and Sheree Vowell, and immediately following the Effective Date of this Agreement, the Receiver further relieves, releases and discharges TODCO Services, LLC, COPO Administration, LLC, SomeBeach, LLC, and Twenty Five Main, LLC ("Todd Vowell Released Parties"), and each of them, 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 Receiver had, has or may have against the Todd Vowell Released Parties from the beginning of time to the Effective Date of this Agreement, including but not limited to claims arising out of, related to, or pertaining to any of the facts set forth in the Recitals to this Agreement, the FTC Action, the receivership estate created in the FTC Action, the Receivership Property, the Retained Property and the Retained Ownership Interests (collectively the "Receiver Claims").

20. Effect of General Release/Waiver of Claims. The Receiver expressly waives any and all rights under Section 1542 of the Civil Code of the State of California, 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.

The Receiver expressly waives and releases any rights or benefits which he has or may have under Section 1542 of the Civil Code of the State of California, and any similar statute, code, law or regulation of any state, territory, commonwealth or possession of the United States, or the United States, to the full extent that he may waive all such rights and benefits pertaining to the Receiver Claims. The Receiver acknowledges that he is aware that he may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that he now knows or believes to be true pertaining to the Receiver Claims. Nevertheless, it is the intention of the Receiver through this Agreement, to fully finally and forever release all of the Receiver Claims. The releases herein given shall be and remain in effect as a full and complete release of the Receiver Claims notwithstanding the discovery or existence of any such additional or different claims or facts relative thereto.

21. No Assignment of Released Claims. The Receiver represents and warrants that he is the sole and lawful owner of all right, title and interest in and to each of the Receiver Claims and that he has not heretofore assigned or transferred, or purported to assign or transfer to any individual, partnership, corporation, firm, estate or entity any of the Receiver Claims. The Receiver hereby indemnifies, defends and holds harmless the Todd Vowell Released Parties from and against all claims based upon, arising out of, or in connection with, any assignment or transfer, or purported assignment or transfer, of any of the Receiver Claims.

22. Receiver's Limited Relinquishment of Rights and Claims Against Various Counsel. The Receiver waives and relinquishes his claim for recovery of payments made by or on behalf of the Todd Vowell Parties for legal services rendered and costs incurred to the following law firms: (a) Ray Quinney & Nebeker, P.C.; (b) Hutchison & Steffen, LLC; and (c) Snow, Jensen & Reese, P.C. (collectively, the "Law Firms"). The Receiver further waives and relinquishes his claim for recovery against the Law Firms based upon or arising out of legal advice that may have been given by any of the Law Firms to the Todd Vowell Parties. The Receiver further waives and relinquishes his claim for recovery against Ray Quinney & Nebeker, P.C. based upon or arising out of payments made for or on behalf of Jason Vowell or legal advice that may have been given by that firm to Jason Vowell. All other claims that the Receiver may have against the Law Firms are preserved, including without limitation claims based upon payments made to any of the Law Firms by persons and entities other than the Todd Vowell

W JN*

Parties and claims based upon or arising out of legal advice that may have been given by any of the Law Firms to persons and entities other than the Todd Vowell Parties, including but not limited to SunFirst Bank and any and all officers, directors, shareholders, agents and representatives of SunFirst Bank.

23. Receiver's Limited Relinquishment of Rights and Claims Against Third Parties.

The Receiver waives and relinquishes his claims for recovery of payments made by the Todd Vowell Parties to the following third parties: (a) Phil B. Acton; (b) Dian Acton; (c) The Calvin Black Trust; (d) 3M Properties, LLC; (e) Michael G. Acton; (f) Chrishawn H. Acton; (g) Leyland Financial, LLC; (h) III Corporation; (i) Douglas C. Terry; (j) Gary Sudhalter; (k) Jacor Ventures, LLC; (l) Karen Grounds; and (m) Lloyd Melling (collectively, "Vowell Business Associates"). The Receiver further waives and relinquishes his claim for recovery against the Vowell Business Associates based upon or arising out of business expenses, business transactions, repayments of debt or payment of any settlement made by the Todd Vowell Parties. All other claims the Receiver may have against any of the Vowell Business Associates are preserved, including without limitation claims based upon payment made to any of the Vowell Business Associates by persons or entities other than the Todd Vowell Parties.

24. Dismissal of Appeal; Extension of Briefing Deadline.

Within five days of the execution of this Agreement, the Todd Vowell Parties shall stipulate with the Receiver and jointly move the Court of Appeals in the Ninth Circuit for a 60-day extension of the deadline for the Receiver to file his Answering Brief in the Todd Vowell Parties Appeal. Immediately upon the Effective Date of this Agreement, the Todd Vowell Parties shall take all steps necessary or appropriate to dismiss the Todd Vowell Parties Appeal with prejudice.

25. Waiver of Claims in Black Lawsuit.

The Todd Vowell Parties who are defendants in the Black Lawsuit waive and relinquish any and all claims for relief or defenses that they may otherwise be entitled to assert in the Black Lawsuit and agree to execute a stipulation in the Black Lawsuit which reflects such waiver and relinquishment. The Receiver agrees to dismiss with prejudice from the Black Lawsuit the Todd Vowell Parties who are defendants therein after their execution of such stipulation. All of the Todd Vowell Parties further waive and relinquish all claims against Arvin Lee Black, II, Atia Black and Sole Group, LLC.

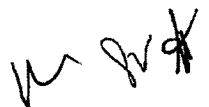
26. Motion for Order Approving Agreement.

Within 20 days of the execution of this Agreement by the Receiver and the Todd Vowell Parties, the Receiver shall bring a motion on regular notice in the FTC Action seeking an order approving this Agreement.

27. Conditions Precedent to the Effectiveness of this Agreement. The following are each conditions precedent to the effectiveness of this Agreement ("Conditions Precedent"):

- (a) The execution and delivery of the Settlement Note by the Vowells to the Receiver.
- (b) The execution of the Virgin Properties Group Agreement by the Virgin Properties Group and the Receiver.

- (c) The payment by Virgin Properties to the Receiver, as Receiver for Summerset, of the sum of \$9,832.97 upon the Effective Date of this Agreement, representing one unpaid payment due on the Summerset Note as of June 30, 2013.
- (d) The execution and delivery of the Modified Summerset Note by Virgin Properties, Todd Vowell and Clayton AhQuin, Jr. to the Receiver, as Receiver for Summerset.
- (e) The execution and delivery of a modified Liahona First Deed of Trust by Virgin Properties to the Receiver, if requested by the Receiver, in form and content acceptable to the Receiver and Virgin Properties.
- (f) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of Summerset insuring the validity and priority of the Liahona First Deed of Trust.
- (g) Liahona Academy for Youth executes a Lease Subordination, Attornment and Non-Disturbance Agreement in favor of Summerset in form and content acceptable to the Receiver and Liahona Academy for Youth.
- (h) The execution and delivery of the Liahona Second Deed of Trust by Virgin Properties to the Receiver, in form and content acceptable to the Receiver and Virgin Properties.
- (i) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of Summerset insuring the validity and priority of the Liahona Second Deed of Trust.
- (j) Liahona Academy for Youth executes a Lease Subordination, Attornment and Non-Disturbance Agreement in favor of the Receiver in form and content acceptable to the Receiver and Liahona Academy for Youth.
- (k) The execution and delivery of the Chateau Deed of Trust by Sheree Vowell to the Receiver, in form and content acceptable to the Receiver and the Vowells.
- (l) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of the Receiver insuring the validity and priority of the Chateau Deed of Trust.
- (m) The execution and delivery of releases in favor of the Receiver Released Parties, in form and content acceptable to the Receiver in his sole and absolute opinion and judgment, by TODCO Services, LLC, COPO Administration, LLC, SomeBeach, LLC and Twenty Five Main, LLC.
- (n) The execution and delivery of grant deeds, in form and content acceptable to the Receiver in his sole and absolute opinion and judgment, transferring



title to the real properties identified in paragraphs 7(a) through 7(d), inclusive, and paragraph 7(h) to the Receiver, with the vesting of such deeds to be in the name of I Works, Inc., et al. Receivership QSF by Robb Evans of Robb Evans & Associates LLC as Receiver, if requested by the Receiver.

- (o) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of the Receiver insuring title in the Receiver and/or the receivership estate as to the real properties identified in paragraphs 7(a) through 7(d), inclusive, and paragraph 7(h) to the Receiver as to which title is being transferred pursuant to paragraph 11 above.

28. Effective Date of Agreement. The "Effective Date" of this Agreement shall be the date on which each of the following events have occurred: (a) the Court in the FTC Action enters an order approving the Agreement; and (b) all Conditions Precedent are satisfied. Notwithstanding the preceding sentence, paragraph 24 of this Agreement shall be effective and binding upon the execution hereof by the Receiver and the Todd Vowell Parties.

29. Time is of Essence. Time is of the essence with respect to any act, payment, or performance under this Agreement.

30. 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:

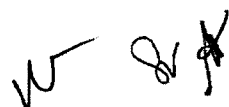
If to the Receiver: Robb Evans & Associates LLC
11450 Sheldon Street
Sun Valley, CA 91352-1121
Attention: Brick Kane, President and Chief Operating Officer

with copies to: McKenna Long & Aldridge LLP
300 South Grand Avenue, 14th Floor
Los Angeles, CA 90071
Attention: Gary Owen Caris, Esq.

If to the Todd Vowell Parties:

Todd Vowell
491 North Bluff Street, #306
St. George, Utah 84770

with a copy to: Hutchison & Steffen, LLC
Peccole Professional Park



10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89145
Attn: Joseph S. Kistler, Esq.

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.

31. Opportunity for Consultation with Counsel. Each of the parties hereto has had an opportunity to consult with legal counsel of its/his/her own choice with respect to the advisability of making the settlement and granting the releases provided herein, and with respect to the advisability of executing this Agreement, and prior to the execution of this Agreement each of the parties hereto reviewed it, had the opportunity to make any desired changes, and signed the Agreement to indicate that each has approved the Agreement as to its form and content. Each of the parties hereto and each of their legal and other advisors have made such investigation of the facts pertaining to the Agreement, and all of the matters pertaining thereto, as each of them deem necessary. This Agreement has been carefully read by, the contents hereof are known by, and it has been signed freely by each person executing this Agreement.

32. Neutral Interpretation. This Agreement is the product of the joint negotiations between the parties hereto. The interpretation and/or enforcement of this Agreement is not to be interpreted more strongly in favor of one party or the other.

33. 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:

(a) Each party executing this Agreement has the full legal right, power and authority to enter into and perform this Agreement. This Agreement 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 Agreement in a representative capacity has been duly authorized to do so by all appropriate actions.

(b) Except as expressly stated in this Agreement, no party hereto or any other person has made any statement or representation to any party to this Agreement regarding the facts relied upon by them in entering into this Agreement, and no party hereto has relied upon any statement, representation, or promise of any other person or entity in executing this Agreement except as expressly stated in this Agreement.

(c) The terms of this Agreement are contractual and not a mere recital.

34. Integration/Modification in Writing. This Agreement 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 Agreement. 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.

35. 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.

36. Survival of Agreement. All covenants, representations, warranties and agreements contained in this Agreement shall survive the execution of this Agreement by the parties hereto, the delivery of documents and any performance on account of the obligations set forth herein.

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

38. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Court in the FTC Action has sole jurisdiction to interpret this Agreement and resolve any disputes hereunder.


39. Headings. The headings of paragraphs of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

40. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be original, and all of which together shall constitute the same agreement. Signatures may be delivered by electronic transmission and shall have the same effect and enforceability as original signatures.

41. No Unnamed Third Party Beneficiaries. There are no unnamed third party beneficiaries to this Agreement. Without limiting the generality of the preceding sentence, this Agreement shall not affect any of the Receiver's rights and claims against the Jason Vowell Parties.

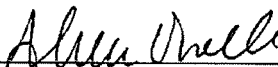
42. Further Assurances. The parties agree that they shall execute and deliver such additional documents or instruments necessary or appropriate in order to effectuate the terms and provisions of this Agreement as may reasonably be requested by any other party to this Agreement.

Dated: November 11, 2013




TODD VOWELL, An Individual

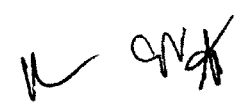
Dated: November 11, 2013



SHEREE VOWELL, An Individual
ALPHA YANKEE, LLC

Dated: November 11, 2013

By: 



Dated: November 11, 2013

Its: Manager

C2 HOLDINGS, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

CAPITAL ENERGY CORPORATION

By: [Signature]
Its: President

Dated: November 11, 2013

CERBERUS MANAGEMENT, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

CHATEAU CIRCLE, LLC

By: [Signature]
Its: manager

Dated: November 11, 2013

CHOKER BLOCK, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

COMMERCE FINANCIAL, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

DIGITAL CURRENCY, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

DREAMLAND CAPITAL, LLC

By: [Signature]

[Handwritten marks]

Dated: November 11, 2013

Its: Managers

EPAYMENT SOLUTIONS, LLC

By: [Signature]

Its: Managers

Dated: November 11, 2013

EXECUTIVE SERVICE CENTER, LLC

By: [Signature]

Its: Managers

Dated: November 11, 2013

FISHHOOK PARTNERS, LLC

By: [Signature]

Its: Managers

Dated: November 11, 2013

FLATLINE INVESTMENTS, LP

By: [Signature]

Its: Manager of General Partner

Dated: November 11, 2013

FLYING HIGH ENTERPRISES, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

IC DEVELOPMENT, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

KATTS, LLC

By: [Signature]

Its: Managers

Dated: November 11, 2013

KINGFISH MANAGEMENT, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

KOMBI CAPITAL, LP

By: [Signature]

[Handwritten mark]

Dated: November 11, 2013

Its: Manager of General Partner

LIAHONA HOLDINGS, LP

By: [Signature]
Its: Manager of General Partner

Dated: November 11, 2013

MARKET MASTERY TRADING, LLC

By: [Signature]
Its: Manages

Dated: November 11, 2013

MASTERY MERCHANT, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

OMAHA EIGHT, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

PAYDIRT CAPITAL, INC.

By: [Signature]
Its: President

Dated: November 11, 2013

PAYDIRT MANAGEMENT, INC.

By: [Signature]
Its: President

Dated: November 11, 2013

PAYDIRT PROPERTIES, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

PAYDIRT, LP

By: [Signature]
Its: Manager of General Partner

Dated: November 11, 2013

POWDER MONKEYS, LLC

By: [Signature]

[Handwritten mark]

[Handwritten mark]

Dated: November 11, 2013

Its: Manager

SCUD RUNNER, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013:

SILVERNIX HOLDINGS, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

SRLA ASSOCIATION, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

SRLA, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

SUMMERSET RANCH, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

TAGGART MANAGEMENT, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

TJJ PROPERTIES, LLC

By: [Signature]

Its: Manager

Dated: November 11, 2013

TLV ENTERPRISES, INC.

By: [Signature]

Its: President

Dated: November 11, 2013

TREADSTONE PARTNERS, LP

By: [Signature]

[Handwritten initials]

Dated: November 11, 2013

Its: Manager of General Partner

TRIPLE PLAY GROUP, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

TRIPLE SEVEN, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

WOODSVIEW HOLDINGS, LLC

By: [Signature]
Its: Manager

Dated: November 11, 2013

MONEY MASTER FOR LIFE

By: [Signature]
Its: Owner

Dated: November 11, 2013

ONLINE WEIGHT LOSS

By: [Signature]
Its: owner

Dated: November 11, 2013

TRIPLE SEVEN, INC.

By: [Signature] POA for Jason Vowell
Its: President

Dated: November 11, 2013

T. VOWELL SOLE PROPRIETORSHIP
CAPITAL HOLDING

By: [Signature]
Its: Owner

Dated: November , 2013

ROBB EVANS OF ROBB EVANS &
ASSOCIATES LLC

By: [Signature]
Its: Deputy to the Receiver

LA 18074346.6

[Handwritten Signature]

EXHIBIT 2

Settlement Agreement

Robb Evans of Robb Evans & Associates LLC (“Receiver”) on one hand, and Virgin Properties, LLC (“Virgin Properties”), Liahona Academy for Youth, LLC (“Liahona Academy for Youth”), and Executive Car Sales, Inc. (“Executive Car Sales”) (Virgin Properties, Liahona Academy for Youth, and Executive Car Sales are collectively referred to herein as the “Virgin Properties Group”) enter into this Settlement Agreement (“Agreement”) deemed to be executed as of November 21, 2013 with reference to and in consideration of the following facts:

RECITALS

A. On January 13, 2011, the Receiver was appointed as temporary receiver for I Works, Inc. and other related and affiliated entities and over the assets of Jeremy Johnson pursuant to the Temporary Restraining Order issued January 13, 2011 in the action entitled Federal Trade Commission v. Jeremy Johnson, etc., et al., Case No. 2:10-cv-02203-MMD-GWF pending in the United States District Court for the District of Nevada (“FTC Action”).

B. On February 10, 2011, the Court in the FTC Action issued a Preliminary Injunction Order (“Preliminary Injunction”) which appointed the Receiver as permanent receiver for I Works, Inc. and other Corporate Defendants as defined in the Preliminary Injunction, including their subsidiaries, affiliates, successors and assigns, and over the assets of Jeremy Johnson.

C. On May 30, 2012, the Receiver brought its Motion for Order Clarifying Preliminary Injunction Order and For Further Instructions Regarding Scope of Receivership Defendants Under Preliminary Injunction Order and Report of Receivership Financial Reconstruction and Granting Relief From Local Rule 66-5 Pertaining to Notice to Creditors (“Motion to Clarify”). On March 25, 2013, the Court in the FTC action issued the Order Granting Motion for Order Clarifying Preliminary Injunction Order and For Further Instructions Regarding Scope of Receivership Defendants Under Preliminary Injunction Order and Report of Receiver’s Financial Reconstruction and Granting Relief From Local Rule 66-5 Pertaining to Notice to Creditors After Hearing (“Clarifying Order”). Under the Clarifying Order, among other things, the Court clarified and confirmed that the receivership estate in the FTC Action includes, as property of the receivership estate, the assets of Todd Vowell and Sheree Vowell (the “Vowells”) as well as the entities listed on Exhibit A to the Clarifying Order, many of which the Receiver contends are entities nominally owned and controlled, in whole or in part, directly or indirectly, by Todd Vowell and the assets titled to those entities.

D. The Motion to Clarify also sought an order providing that the Virgin Properties Group, and each of them, and their assets are property of the receivership estate. Pursuant to the Clarifying Order, the Court ordered the Receiver to meet and confer with the Virgin Properties Group in an attempt to resolve the Motion to Clarify with respect to the Virgin Properties Group.

Handwritten initials, possibly 'JA', and a small mark resembling a cross or a stylized 'X' in the bottom right corner of the page.

E. Pursuant to the Clarifying Order and based on requests by the Receiver, the Virgin Properties Group has provided numerous documents to the Receiver and responded to numerous inquiries and requests for information and explanations. In addition, the Virgin Properties Group has complied with all aspects of the Clarifying Order, to the satisfaction of the Receiver. After reviewing the documents, information and explanations provided to the Receiver by the Virgin Properties Group, and based on the Receiver's extensive investigation and settlement discussions, the parties to this Agreement have reached a consensual resolution of their disputes and differences.

F. Subject to Court approval in the FTC Action, the Receiver is concurrently entering into a settlement agreement (the "Vowell Settlement") with the Vowells and various entities the Receiver contends are nominally owned or controlled in whole or in part, directly or indirectly, by Todd Vowell as more specifically identified in the Vowell Settlement (the parties to the Vowell Settlement other than the Receiver are referred to herein as the "Todd Vowell Parties").

G. Todd Vowell has an indirect, majority ownership interest in a boys academy operated by Liahona Academy for Youth. Liahona Academy for Youth operates the Liahona Boys Academy at the real property commonly known as 1055 East Highway 9, Virgin, Utah ("Liahona Property"). Liahona Academy for Youth is the tenant on the Liahona Property, and Virgin Properties is the owner of the Liahona Property and the landlord of the Liahona Property. Todd Vowell also holds an indirect two-thirds ownership interest in Virgin Properties.

H. Summerset Ranch, LLC ("Summerset") is the holder of a first priority deed of trust on the Liahona Property securing a promissory note in its favor executed by Virgin Properties, Todd Vowell, Jason Vowell and Clayton AhQuin, Jr. ("Summerset Note"). Pursuant to the Clarifying Order, Summerset and the Summerset Note are part of the receivership estate. Therefore, all payments due under the Summerset Note are to be paid to the receivership estate as the holder of the Summerset Note, and any default under the Summerset Note may permit the Receiver to initiate foreclosure proceedings under the first priority deed of trust against the Liahona Property securing the Summerset Note. The Receiver contends that the Summerset Note is in default in that the monthly payment due as of June 30, 2013 was not made, along with all monthly payments due under the Summerset Note thereafter.

I. The Receiver further contends that the Virgin Properties Group, and each of them, constitute receivership property and receivership defendants pursuant to the Preliminary Injunction and the Motion to Clarify. The Virgin Properties Group, and each of them, disputes the Receiver's contention.

J. Under the Vowell Settlement, the Vowells are obligated to pay to the Receiver on behalf of the receivership estate a settlement payment in the amount of \$525,000.00 which will be reflected in a promissory note to be executed by them in favor of the Receiver ("Vowell Settlement Note"). The Vowells have agreed to cause the Vowell Settlement Note to be secured by a second deed of trust on their residence and by a second deed of trust on the Liahona Property. Virgin Properties is willing to pledge the Liahona Property to secure the Vowell Settlement Note with a second deed of trust on the Liahona Property in connection with the resolution of the parties' disputes as set forth in this Agreement. As set forth in the Vowell

Settlement, the Receiver has agreed to issue a reconveyance of the second deed of trust on the Liahona Property when the Receiver has timely received payments of principal under the Vowell Settlement Note totaling \$350,000.

K. Virgin Properties has requested, and the Receiver is willing to grant, a modification of the payment terms of the Summerset Note, subject to and in consideration of the terms and conditions of this Agreement.

L. The Receiver and the Virgin Properties Group desire to resolve their disputes and differences pursuant to the provisions of this Agreement, as set forth hereinbelow.

NOW THEREFORE, with reference to the facts set forth above and in consideration of the mutual covenants and promises of the parties set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, the parties hereto stipulate and agree as follows:

1. Recitals. The Recitals are true and correct and incorporated into this Agreement in their entirety.

2. Pledge of Collateral for Vowell Settlement Note. In consideration of the terms and conditions of this Agreement, including but not limited to the Receiver's release of the receivership estate's beneficial ownership claims to Virgin Properties and the Liahona Property, Virgin Properties agrees to execute and deliver to the Receiver a second priority deed of trust on the Liahona Property ("Liahona Second Deed of Trust"). The Liahona Second Deed of Trust shall be junior only to a first priority deed of trust securing the Summerset Note which will be modified as more particularly set forth herein ("Modified Summerset Note") with a principal balance of \$468,310.96 as of July 1, 2013 and to a senior lien for ordinary and current real property taxes. The Liahona Second Deed of Trust shall be in form and content acceptable to the Receiver and Virgin Properties. Among other provisions, the Liahona Second Deed of Trust shall include an agreement by Virgin Properties that the Receiver shall be entitled to foreclose on the collateral for the Vowell Settlement Note in any order the Receiver may choose, that Virgin Properties waives any rights or claims for marshalling of the collateral for the Vowell Settlement Note and that Virgin Properties waives rights, claims and defenses otherwise available to a borrower or guarantor in connection with the Receiver's rights and claims under the Vowell Settlement Note and the Receiver's enforcement thereof to the maximum extent permitted by applicable law.

3. Summerset Note, Payment and Modification Thereof. Virgin Properties acknowledges and confirms that the Summerset Note is valid and enforceable in accordance with its terms and that the obligors of the Summerset Note are presently in default thereunder based on their failure to pay the monthly payment due as of June 30, 2013 and all subsequent monthly payments due thereunder. Virgin Properties shall pay the Receiver, as Receiver for Summerset, the sum of \$9,832.97 upon the Effective Date of this Agreement, representing one unpaid monthly payment due under the Summerset Note as of June 30, 2013. Concurrent with the execution of this Agreement, Virgin Properties, Todd Vowell and Clayton AhQuin, Jr. shall execute and deliver to the Receiver as Receiver for Summerset a modified note (the "Modified Summerset Note") in form and content acceptable to the Receiver and Virgin Properties. Virgin

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Properties agrees that all payments due under the Modified Summerset Note shall be due and payable to the Receiver, as Receiver for Summerset. The Modified Summerset Note shall include, among other terms, the following provisions:

- (a) The Modified Summerset Note shall be dated and effective as of July 1, 2013.
- (b) The principal balance of the Modified Summerset Note shall be \$468,310.96.
- (c) Interest shall accrue on the Modified Summerset Note at the rate of 5% per annum from July 1, 2013.
- (d) Monthly payments of principal and interest in the fixed sum of \$5,000 shall be paid on the Modified Summerset Note commencing on the first day of the month following the passage of 30 days after the Effective Date of this Agreement and continuing on the first day of each month thereafter, with a final payment maturity date of December 31, 2014, at which time all unpaid principal and interest shall be paid in full.
- (e) Accrued interest due under the Modified Summerset Note shall be paid in full upon the Effective Date of this Agreement, comprised of interest which has accrued from July 1, 2013 until the date of execution of this Agreement.

4. Collateral for the Modified Summerset Note. Virgin Properties acknowledges and confirms that the Summerset Note is presently secured by a valid and enforceable first priority deed of trust encumbering the Liahona Property. Virgin Properties agrees that the Modified Summerset Note shall be collateralized by, at the Receiver's option, the existing first priority deed of trust on the Liahona Property or a modified first priority deed of trust on the Liahona Property (the existing first priority deed of trust or a modified first priority deed of trust on the Liahona Property being referred to herein as the "Liahona First Deed of Trust"). Virgin Properties agrees to execute and deliver to the Receiver, if requested by the Receiver, such additional documents or instruments to reflect that the Liahona First Deed of Trust secures the Modified Summerset Note, including without limitation a modification of the Liahona First Deed of Trust or a modified first deed of trust in form and content acceptable to the Receiver and Virgin Properties.

5. No Merger. The parties acknowledge and agree that the obligations in favor of the Receiver secured by the Liahona First Deed of Trust are separate and distinct from the obligations secured by the Liahona Second Deed of Trust and that if the Receiver were to acquire title to the Liahona Property through foreclosure upon the Liahona Second Deed of Trust, such title interest shall not merge with the interests held by the Receiver under the Modified Summerset Note and the Liahona First Deed of Trust, and that the obligations of the Liahona First Deed of Trust shall remain separate, distinct and enforceable by the Receiver pursuant to the terms of the Modified Summerset Note and the Liahona First Deed of Trust.

6. Withdrawal of Lis Pendens. Promptly after the Effective Date of this Agreement, the Receiver shall withdraw the lis pendens the Receiver previously recorded against the Liahona Property as Instrument No. 20120019780 in Washington County, Utah.

7. Quitclaim of Summerset Membership Interest. Concurrently with the execution of this Agreement, Liahona Academy for Youth shall execute and deliver to the Receiver on behalf of the receivership estate a quitclaim of all right, title and interest Liahona Academy for Youth may have, or may have had, in Summerset in form and content acceptable to the Receiver and Liahona Academy for Youth.

8. Liahona Academy for Youth Lease. Liahona Academy for Youth acknowledges and confirms that it is the lessee under that certain Commercial Lease Agreement dated as of October 1, 2013 under which Virgin Properties is the lessor ("Liahona Lease"), pursuant to which Liahona Academy for Youth is obligated to make monthly lease payments of \$10,000 per month to Virgin Properties commencing November 1, 2013 and pursuant to which the lease term shall expire on December 31, 2015. Concurrent with the execution of this Agreement, Liahona Academy for Youth shall execute and deliver two Subordination, Non-disturbance and Attornment Agreements ("Liahona SNDAs") in form and content acceptable to the Receiver and Liahona Academy for Youth which shall provide, among other things, that the Liahona Lease is valid and enforceable in accordance with its terms, and that there are no defaults, events of default or other facts or circumstances that would give rise to any right of offset, deduction or non-payment of the monthly lease payments due thereunder. One of the Liahona SNDAs shall be in favor of Summerset Ranch, LLC as the beneficiary of the modified Liahona First Deed of Trust and one shall be in favor of the Receiver as the beneficiary of the Liahona Second Deed of Trust.

9. Representations and Warranties of Virgin Properties Group. The Virgin Properties Group, and each of them, represents and warrants as follows:

- (a) As of the execution of this Agreement, the Virgin Properties Group, and each of them, have no known receivership property in their possession, custody or control.
- (b) After the execution of this Agreement, the Virgin Properties Group, and each of them, shall not knowingly take into their possession, custody or control any property which constitutes receivership property under the Preliminary Injunction or Clarifying Order.

10. Full Disclosure of Receivership Property. Notwithstanding the general release in favor of the Virgin Properties Group hereafter set forth, in the event the Virgin Properties Group, or any of them, breach any representation or warranty set forth in paragraph 9 above, the Receiver may pursue any and all rights and claims against the Virgin Properties Group for the purpose of recovering from them all such receivership property under the Preliminary Injunction, and/or the value thereof, and/or all damages proximately caused by such breach of representation or warranty, including all legal fees and costs incurred as a result of such breach, by way of direct action or application for order to show cause why they should not be held in contempt of court, or any other appropriate legal or equitable claim, cause of action or claim for relief.

11. Receiver's Relinquishment of Rights and Claims to Virgin Properties Group. As of the Effective Date of the Agreement, the Receiver waives and relinquishes its rights and claims asserted in the Motion to Clarify to have the Virgin Properties Group, and each of them, and their assets determined to constitute Receivership Defendants and receivership property under the Preliminary Injunction. The foregoing waiver and relinquishment shall not limit or impair in any way all rights and claims of the Receiver under the Summerset Note, the Modified Summerset Note, the Liahona First Deed of Trust, the Liahona Second Deed of Trust and the Vowell Settlement Note secured by the Liahona Second Deed of Trust.

12. General Release in Favor of the Receiver and the Receivership Estates. Excepting only the obligations imposed or created by this Agreement, and effective upon the Effective Date of this Agreement, the Virgin Properties Group, and each of them, do hereby forever relieve, release and discharge the Receiver, the receivership estate created in the FTC Action, and Robb Evans & Associates LLC, and each of them, and the parents, subsidiaries, affiliates, predecessors, successors and assigns, officers, directors, members, employees, agents, associates, partners, past or present attorneys, representatives and administrators of Robb Evans and Robb Evans & Associates LLC, and each of them, jointly and severally (individually and collectively the "Receiver Released Parties"), 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 Virgin Properties Group, and each of them, had, has or may have against them from the beginning of time to the Effective Date of this Agreement, including but not limited to claims arising out of, related to, or pertaining to any of the facts set forth in the Recitals to this Agreement, the FTC Action, the receivership estate created in the FTC Action and the receivership property under the Preliminary Injunction and/or Clarifying Order (collectively, the "Virgin Properties Group Claims").

13. Effect of General Release/Waiver of Claims. The Virgin Properties Group, and each of them, expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, 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.

The Virgin Properties Group, and each of them, expressly waive and release any rights or benefits which each of them have or may have under Section 1542 of the Civil Code of the State of California, and any similar statute, code, law or regulation of any state, territory, commonwealth or possession of the United States, or the United States, to the full extent that they may waive all such rights and benefits pertaining to the Virgin Properties Group Claims. The Virgin Properties Group, and each of them, acknowledge that they are aware they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true pertaining to the Virgin Properties Group Claims. Nevertheless, it is the intention of the Virgin Properties Group, and each of them, through this Agreement, to fully, finally and forever release all of the Virgin Properties Group Claims. The



releases herein given shall be and remain in effect as a full and complete release of the Virgin Properties Group Claims notwithstanding the discovery or existence of any such additional or different claims or facts relative thereto.

14. No Assignment of Released Claims. The Virgin Properties Group, and each of them, represent and warrant that they are the sole and lawful owners of all right, title and interest in and to each of the Virgin Properties Group Claims and that they have not heretofore assigned or transferred, or purported to assign or transfer to any individual, partnership, corporation, firm, estate or entity any of the Virgin Properties Group Claims. The Virgin Properties Group, and each of them, hereby indemnify, defend and hold harmless the Receiver Released Parties from and against all claims based upon, arising out of, or in connection with, any assignment or transfer, or purported assignment or transfer, of any of the Virgin Properties Group Claims.

15. General Release in Favor of Virgin Properties Group.

A. Excepting only the obligations imposed or created by this Agreement, and contingent and effective upon the full, complete and timely payment and performance of all obligations described in, imposed or created by this Agreement without default, including without limitation the payment in full of the Modified Summerset Note and the payment and performance of all obligations of the Liahona First Deed of Trust and the Liahona Second Deed of Trust, the Receiver relieves, releases and discharges Virgin Properties 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 Receiver had, has or may have against the Virgin Properties from the beginning of time to the Effective Date of this Agreement, including but not limited to claims arising out of, related to, or pertaining to any of the facts set forth in the Recitals to this Agreement, the FTC Action, the receivership estate created in the FTC Action, and the receivership property under the Preliminary Injunction and/or Clarifying Order (collectively the "Receiver Virgin Claims").

B. Excepting only the obligations imposed or created by this Agreement, including without limitation the Liahona SNDAs to be executed by Liahona Academy for Youth pursuant to paragraph 8 of this Agreement, the Receiver relieves, releases and discharges Liahona Academy for Youth and Executive Car Sales, and each of them, 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 Receiver had, has or may have against Liahona Academy for Youth and Executive Car Sales, and each of them, from the beginning of time to the Effective Date of this Agreement, including but not limited to claims arising out of, related to, or pertaining to any of the facts set forth in the Recitals to this Agreement, the FTC Action, the receivership estate created in the FTC Action, and the receivership property under the Preliminary Injunction and/or Clarifying Order (collectively the "Receiver Liahona/Executive Claims"). The Receiver Virgin Claims and the Receiver Liahona/Executive Claims are hereinafter referred to collectively as the "Receiver Claims."

16. Effect of General Release/Waiver of Claims. The Receiver expressly waives any and all rights under Section 1542 of the Civil Code of the State of California, 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.

The Receiver expressly waives and releases any rights or benefits which he has or may have under Section 1542 of the Civil Code of the State of California, and any similar statute, code, law or regulation of any state, territory, commonwealth or possession of the United States, or the United States, to the full extent that he may waive all such rights and benefits pertaining to the Receiver Claims. The Receiver acknowledges that he is aware that he may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those claims presently unknown or unsuspected, or facts in addition to or different from those that he now knows or believes to be true pertaining to the Receiver Claims. Nevertheless, it is the intention of the Receiver through this Agreement, to fully finally and forever release all of the Receiver Claims. The releases herein given shall be and remain in effect as a full and complete release of the Receiver Claims notwithstanding the discovery or existence of any such additional or different claims or facts relative thereto.

17. No Assignment of Released Claims. The Receiver represents and warrants that he is the sole and lawful owner of all right, title and interest in and to each of the Receiver Claims and that he has not heretofore assigned or transferred, or purported to assign or transfer to any individual, partnership, corporation, firm, estate or entity any of the Receiver Claims. The Receiver hereby indemnifies, defends and holds harmless the Virgin Properties Group, and each of them, from and against all claims based upon, arising out of, or in connection with, any assignment or transfer, or purported assignment or transfer, of any of the Receiver Claims.

18. Motion for Order Approving Agreement. Within the later of 20 days after the execution of this Agreement by the Receiver and the Virgin Properties Group and the execution of the Vowell Settlement by all parties thereto, the Receiver shall bring a motion on regular notice in the FTC Action seeking an order approving this Agreement.

19. Conditions Precedent to the Effectiveness of this Agreement. The following are each conditions precedent to the effectiveness of this Agreement ("Conditions Precedent"):

- (a) The execution and delivery of the Vowell Settlement by all parties thereto.
- (b) The execution and delivery of the Vowell Settlement Note to the Receiver.
- (c) The execution and delivery of the Modified Summerset Note by Virgin Properties, Todd Vowell and Clayton AhQuin, Jr. to the Receiver, as Receiver for Summerset.
- (d) The execution and delivery of a modified Liahona First Deed of Trust by Virgin Properties to the Receiver, if requested by the Receiver, in form and content acceptable to the Receiver and Virgin Properties.

- (e) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of Summerset insuring the validity and priority of the Liahona First Deed of Trust.
- (f) The execution and delivery by Liahona Academy for Youth of the Liahona SNDAs in favor of Summerset and in favor of the Receiver, in form and content acceptable to the Receiver and Liahona Academy for Youth.
- (g) The execution and delivery of the Liahona Second Deed of Trust by Virgin Properties to the Receiver, in form and content acceptable to the Receiver and Virgin Properties.
- (h) Satisfactory title insurance, in the Receiver's sole and absolute opinion and judgment, is obtained in favor of Summerset insuring the validity and priority of the Liahona Second Deed of Trust.

20. Effective Date of Agreement. The "Effective Date" of this Agreement shall be the date on which each of the following events have occurred: (a) the Court in the FTC Action enters an order approving the Agreement; and (b) all Conditions Precedent are satisfied.

21. Time is of Essence. Time is of the essence with respect to any act, payment, or performance under this Agreement.

22. 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 the Receiver: Robb Evans & Associates LLC
11450 Sheldon Street
Sun Valley, CA 91352-1121
Attention: Brick Kane, President and Chief Operating Officer

with copies to: McKenna Long & Aldridge LLP
300 South Grand Avenue, 14th Floor
Los Angeles, CA 90071
Attention: Gary Owen Caris, Esq.

If to the Virgin Properties Group:

As to Virgin Properties:

Virgin Properties, LLC
Attn.: Todd Vowell
491 North Bluff Street, #306
St. George, Utah 84770

As to Liahona Academy for Youth:

Liahona Academy for Youth, LLC
Attn.: Todd Vowell
491 North Bluff Street, #306
St. George, Utah 84770

As to Executive Car Sales:

Executive Car Sales, Inc.
Attn.: Todd Vowell
491 North Bluff Street, #306
St. George, Utah 84770

with a copies to: Snow, Jensen & Reece
Attn: Curtis M. Jensen and V. Lowry Snow
912 West 1600 South, Ste. B200
St. George, Utah 84770

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.

23. Opportunity for Consultation with Counsel. Each of the parties hereto has had an opportunity to consult with legal counsel of its/his/her own choice with respect to the advisability of making the settlement and granting the releases provided herein, and with respect to the advisability of executing this Agreement, and prior to the execution of this Agreement each of the parties hereto reviewed it, had the opportunity to make any desired changes, and signed the Agreement to indicate that each has approved the Agreement as to its form and content. Each of the parties hereto and each of their legal and other advisors have made such investigation of the facts pertaining to the Agreement, and all of the matters pertaining thereto, as each of them deem necessary. This Agreement has been carefully read by, the contents hereof are known by, and it has been signed freely by each person executing this Agreement.

24. Neutral Interpretation. This Agreement is the product of the joint negotiations between the parties hereto. The interpretation and/or enforcement of this Agreement is not to be interpreted more strongly in favor of one party or the other.

25. 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:

(a) Each party executing this Agreement has the full legal right, power and authority to enter into and perform this Agreement. This Agreement 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 Agreement in a representative capacity has been duly authorized to do so by all appropriate actions.

(b) Except as expressly stated in this Agreement, no party hereto or any other person has made any statement or representation to any party to this Agreement regarding the facts relied upon by them in entering into this Agreement, and no party hereto has relied upon any statement, representation, or promise of any other person or entity in executing this Agreement except as expressly stated in this Agreement.

(c) The terms of this Agreement are contractual and not a mere recital.

26. Integration/Modification in Writing. This Agreement 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 Agreement. 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.

27. 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.

28. Survival of Agreement. All covenants, representations, warranties and agreements contained in this Agreement shall survive the execution of this Agreement by the parties hereto, the delivery of documents and any performance on account of the obligations set forth herein.

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

30. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Court in the FTC Action has sole jurisdiction to interpret this Agreement and resolve any disputes hereunder.

31. Headings. The headings of paragraphs of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

32. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be original, and all of which together shall constitute the same agreement. Signatures may be delivered by electronic transmission and shall have the same effect and enforceability as original signatures.

33. No Unnamed Third Party Beneficiaries. There are no unnamed third party beneficiaries to this Agreement. Without limiting the generality of the preceding sentence, this Agreement shall not affect any of the Receiver's rights and claims against Jason Vowell and any

entity owned or controlled, directly or indirectly by Jason Vowell, including without limitation, CECJ Enterprises, LLC, Global Media 7, LLC, Jason Vowell Sole Prop. Gigs, Kingston Enterprises, LLC, Lift Off Financial, LLC, Moneymaker Strategies, LLC, Phoenix Rising, LLC, Robin V Foundation, Inc., Scam Victim Help.com, LLC, Spyglass Enterprises, LLC, Spyglass Holdings, LLC, Valentino Holdings, LLC, Valentino Properties, LLC, Vanquish Enterprises, LLC and Wealth Matters, LLC.

34. Further Assurances. The parties agree that they shall execute and deliver such additional documents or instruments necessary or appropriate in order to effectuate the terms and provisions of this Agreement as may reasonably be requested by any other party to this Agreement.

Dated: November 21, 2013

VIRGIN PROPERTIES, LLC

By: [Signature]
Its: Manager

Dated: November 21, 2013

LIAHONA ACADEMY FOR YOUTH, LLC

By: [Signature]
Its: Manager

Dated: November 21, 2013

EXECUTIVE CAR SALES, INC.

By: [Signature]
Its: President

Dated: November 21, 2013

ROBB EVANS OF ROBB EVANS & ASSOCIATES LLC

By: [Signature]
Its: President & Chief Operating Officer

LA 18078054.4

[Handwritten initials]