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Attorneys for Gil A. Miller as Court-Appointed Receiver

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

SECURITIES EXCHANGE COMMISSION,

Plaintiff,

vs.

MANAGEMENT SOLUTIONS, INC., a
Texas Corporation; WENDELL A.
JACOBSON; and ALLEN R. JACOBSON

Defendants.

**ORDER GRANTING STIPULATED
MOTION TO APPROVE
SETTLEMENT AGREEMENT WITH
JACOBSON PARTIES**

Case No. 2:11-cv-01165-BSJ

Judge Bruce S. Jenkins

Gil A. Miller, as the Court-appointed Receiver in this case, filed a Stipulated Motion to Approve Settlement Agreement with Jacobson Parties (the "Motion" (CM/ECF No. 2873)).

No objections to the Motion were filed. The Court conducted a hearing on the Motion on October 26, 2015, at 10:00 a.m. The Receiver and his counsel David K. Broadbent and Doyle S. Byers appeared. Daniel J. Wadley appeared on behalf of the Securities and Exchange Commission. Gregory N. Hoole appeared on behalf of the MSI Investor Group. The following appeared on behalf of what is collectively referred to as the "Jacobson Parties": John T.

Anderson appeared on behalf of Evan K. Jacobson, Hally Jacobson, Preston Jacobson, McKay Jacobson, Tanner Jacobson, Jeniel Jacobson, Britni Gabriel, and the nine Sage Canyon Entities¹ (the “Evan Group”); David C. Wright appeared on behalf of Gene and Laraine Jacobson; and Barry N. Johnson appeared on behalf of Melba Jacobson, Cami Jacobson, Greg and Jenny Bailey, Brandon and April Jacobson, Scott and Ellen Daley, Brett and Emily Lovell, and Red Castle Inc. Retirement Trust. No objections to the Motion were filed or raised at the hearing. All counsel that appeared each affirmatively expressed their respective clients’ approval of the proposed settlement.

Having considered the Motion, the information and arguments of counsel presented at the hearing, and good cause appearing, the Court hereby grants the Motion and ORDERS as follows:

1. The terms of the approved settlement are as follows:
 - a. Evan Jacobson, through his agent Southtowne Farms, LLC, will close on the purchase of the property known as Allred Farms as originally contemplated in the Receiver’s Motion to Confirm a Private Sale of Property Known as Allred Farms, and to Approve Sale Free and Clear of Liens with Valid Liens to Attach to Proceeds (CM/ECF No. 2345), the Real Estate Purchase Contract attached as Exhibit A thereto, and the Court’s order approving such sale (CM/ECF No. 2511). The Real Estate Purchase Contract will be amended, including to extend the Settlement Date to be within 14 days from the entry of this order, and Evan Jacobson

¹ Sage Canyon Management, Inc.; Sage Canyon Cabin, LLC; Sage Canyon Creek, LLC; Sage Canyon Meadows, LLC; Sage Canyon Oaks, LLC; Sage Canyon Park, LLC; Sage Canyon Pines, LLC; Sage Canyon Ridge, LLC; and Sage Canyon View, LLC.

agrees to cause his agent to close the purchase of the Allred Farms property within that timeframe;

- b. Evan Jacobson will pay the receivership estate an additional \$576,165.00 within 14 days from the entry of this order;
- c. The Receiver will transfer the following properties to Gene Jacobson within 90 days from the entry of this order:
 - i. The remainder of the real property known as 'Circle J Farms,' which includes: (i) the 'Ag Land' consisting of approximately 147.56 acres, Sanpete County Parcel Numbers 21190, 21221, 21256, and 21221X; (ii) the 'West Farm' consisting of approximately 86.39 acres, Sanpete County Parcel Numbers 21213, 21217, 21219, 21220, 21240, 21214X, and 21218X; and (iii) the 'Turkey Farm' consisting of approximately 49.32 acres, Sanpete County Parcel Numbers 21222, 21225, 21222X, and 21222X1;
 - ii. The property known as D&D Farms consisting of approximately 427.39 acres, Sanpete County Parcel Numbers 21260, 21261, 21262, 21284, and 21298;
 - iii. 488 North 100 West, Fountain Green, Utah, consisting of approximately 0.26 acres, Sanpete County Parcel Number 22025;

- iv. 468 North 100 West, Fountain Green, Utah, consisting of approximately 0.26 acres, Sanpete County Parcel Number 18139X1;
 - v. 355 North State, Fountain Green, Utah, consisting of approximately 0.58 acres, Sanpete County Parcel Number 18127X;
 - vi. 365 North State, Fountain Green, Utah, consisting of approximately 0.47 acres, Sanpete County Parcel Number 18130X;
 - vii. 475 North State, Fountain Green, Utah, consisting of approximately 1.06 acres, Sanpete County Parcel Number 18136;
 - viii. Pine Creek Ranch Lot 53, located in Mt. Pleasant, Utah, consisting of approximately 1.05 acres, Sanpete County Parcel Number 32202; and
 - ix. All equipment, machinery, water rights, and water shares owned or controlled by the Receiver located on or connected with the foregoing properties in Sanpete County;
- d. The Receiver will pay Gene Jacobson up to an additional \$80,000.00 for payment of his professional fees within 14 days from the entry of this order;
- e. The Jacobson Parties each hereby releases and waives any and all claims, demands, actions, causes of action, damages, costs, expenses, and other rights of any nature whatsoever, whether known or unknown, presently existing or arising in the future, against the Receiver and his agents,

attorneys, or associates, including without limitation: (i) the claims asserted in the Evan Group Litigation; (ii) the Jacobson Parties' Claims submitted to the Receiver as part of the claims process in this case, which shall be deemed withdrawn; (iii) those arising out of or in any way relating to the above-captioned case or any of the facts alleged in the pleadings therein, and any other complaint or claim; and (iv) any right to make any claim for payment in the above-captioned case, whether as an investor, creditor, lender, or otherwise. The foregoing does not apply to the portions of Scott and Ellen Daley's claim (Claim Number 0179) and Red Castle Inc. Retirement Trust's claim (Claim Number 0166) that were acknowledged by the Receiver in the Claims Analysis Report filed for approval by the Court (*see* Motion for Approval of Claims Analysis Report at CM/ECF No. 2522). The Receiver agrees that Scott and Ellen Daley and Red Castle Inc. Retirement Trust each may retain any distributions the Receiver has already made for their respective claims and may participate in any future distributions based on the amounts as scheduled in the Claims Analysis Report for their respective claims, but Scott and Ellen Daley and Red Castle Inc. Retirement Trust each agree to waive and withdraw their respective claims for amounts in excess of the amounts as scheduled by the Receiver in the Claims Analysis Report;

f. The Receiver hereby releases and waives any and all claims, demands, actions, causes of action, damages, costs, expenses, and other rights of any

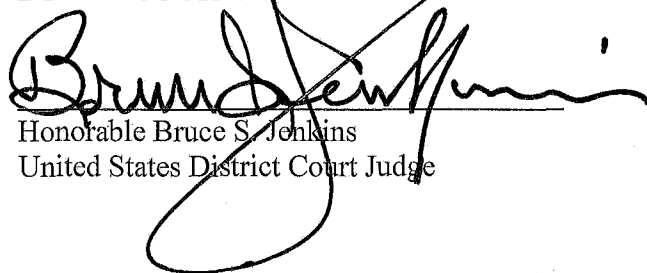
nature whatsoever, whether known or unknown, presently existing or arising in the future, against each of Jacobson Parties, including without limitation, those claims asserted in the Evan Group Litigation and those claims arising out of or in any way relating to the above-captioned case or any of the facts alleged in the pleadings therein, and any other complaint or claim;

- g. The Jacobson Parties waive any right to participate in the receivership proceedings following the entry of an order approving this settlement and the transfer of the assets noted above; and
- h. The Jacobson Parties and the Receiver agree that this Court shall have sole and exclusive jurisdiction over all claims and disputes arising under or relating to this settlement, and such shall be governed by the laws of the State of Utah.

2. The terms of the approved settlement are appropriate relief, fair and reasonable, and in the best interests of the receivership estate.

DATED this 30 day of October, 2015.

BY THE COURT:



Honorable Bruce S. Jenkins
United States District Court Judge

APPROVED AS TO FORM:

HOLLAND & HART LLP

/s/ Doyle S. Byers
David K. Broadbent
Doyle S. Byers
*Attorneys for Court-Appointed Receiver,
Gil A. Miller*

SECURITIES AND EXCHANGE COMMISSION

/s/ Daniel J. Wadley
Daniel J. Wadley
*Attorneys for Plaintiff
(Signed by Filing Attorney with permission of Daniel J. Wadley)*

HOOLE & KING, LC

/s/ Gregory N. Hoole
Gregory N. Hoole
*Attorneys for MSI Investor Group
(Signed by Filing Attorney with permission of Gregory N. Hoole)*

ANDERSON & KARRENBERG

/s/ John T. Anderson
John T. Anderson
*Attorneys for Evan Group
(Signed by Filing Attorney with permission of John T. Anderson)*

MABEY WRIGHT & JAMES, LLC

/s/ David C. Wright

David C. Wright

Attorneys for Gene and Laraine Jacobson

(Signed by Filing Attorney with permission of David C. Wright)

BENNETT TUELLER JOHNSON & DEERE, LLC

/s/ Barry N. Johnson

Barry N. Johnson

Attorneys for Melba Jacobson, Cami Jacobson, Greg and Jenny Bailey, Brandon and April Jacobson, Scott and Ellen Daley, Brett and Emily Lovell, and Red Castle Inc. Retirement Trust

(Signed by Filing Attorney with permission of Barry N. Johnson)

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