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15 *Attorneys for the Receiver/Special Counsel Debtors*

16 UNITED STATES BANKRUPTCY COURT
17 DISTRICT OF ARIZONA

18 In re:
19 AMERICAN NATIONAL MORTGAGE
20 PARTNERS, LLC,
21 Debtor.

In Proceedings Under
Chapter 11

Case Nos: 03-03803 PHX RJH
03-03799 PHX RJH

**NOTICE OF PROPOSED SETTLEMENT
WITH RANDY C. KIESEL, CPA, P.C.,
RANDY C. KIESEL and PATRICIA A.
KIESEL**

22 In re:
23 ANMP 74TH ST., LLC,
24 Debtor.

25 **NOTICE IS HEREBY GIVEN** that the Reorganized Debtors have, out of an abundance
26 of caution, filed their proposed *Settlement Agreement and Release of their claims against Randy*
27 *C. Kiesel, CPA, P.C., Randy C. Kiesel and Patricia A. Kiesel* (the "Settlement"), on the terms set
28 forth on Exhibit "A" hereto, for the sum of \$50,000.00.

Any objection(s) to the Settlement shall be in writing, filed with the Court within ten (10)
days of service of this Notice and served on Counsel for the Reorganized Debtors at the following
addresses:

Lawrence E. Wilk
JABURG & WILK, P.C.
3200 N. Central Ave., #2000
Phoenix, AZ 85012
lew@jaburgwilk.com

1 If a timely Objection is filed, the Court will set a hearing on the matter as soon as the
2 Court's Calendar permits. If no Objection is filed, the court will enter an Order approving the
3 Motion without further notice.

4 The *Settlement Agreement and Release* is on file with the Court and can be viewed at: the
5 following sites: www.americannationalrecivership.com and/or www.2beam.com/ANMP.

6 DATED this 5th day of July, 2006.

JABURG & WILK, P.C.

/s/ 006510

Lawrence E. Wilk
Jonathan P. Ibsen
Special Counsel for the Debtors

10 COPY of the foregoing mailed
11 this 5th day of July, 2006.

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Court Appointed Receiver

/s/Janet Forster

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Exhibit "A"

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Agreement"), among Randy C. Kiesel, Randy C. Kiesel, CPA, P.C., Patricia A. Kiesel and James C. Sell as Receiver and on behalf of the Debtor Entities in the pending Bankruptcy Case No. 03-03799, effective upon satisfaction of the conditions precedent set forth below, is a full compromise and settlement of claims pursuant to the terms and conditions set forth herein.

THIS AGREEMENT SHALL BE OF NO EFFECT, AND NO PARTY WILL BE BOUND BY ANY OF ITS PROVISIONS, UNTIL AND UNLESS IT IS APPROVED BY THE UNITED STATES BANKRUPTCY COURT, FOR THE DISTRICT OF ARIZONA, IN THE PENDING BANKRUPTCY CASE NO. 03-03799.

ARTICLE I RECITALS.

1.1. Randy C. Kiesel ("Randy") was, at all relevant times, an employee of Randy C. Kiesel, CPA, P.C., (the "Corporation") and married to Patricia A. Kiesel ("Patricia") (the Corporation, Randy and Patricia are collectively referred to as "Kiesel").

1.2. In or about 1998, Kiesel was engaged to provide certain accounting services, including but not limited to, the examination of certain financial statements for six entities affiliated through common ownership and/or management, including, but not limited to, Creative Financial Funding, LLC, American National Mortgage Partners, LLC, Secura Mortgage Management, LLC, Secura Innovative Investment, Inc., Valley Financial Funding, LLC and Secura Fund Arizona, LLC (collectively the "Clients").

1.3. On March 10, 2003, ANMP 74th St, LLC ("74th St.") Case No. 03-3799, and American National Mortgage Partners, LLC ("ANMP"), Case No. 03-03803, each filed for bankruptcy relief.

1.4. On March 25, 2003, the Arizona Corporation Commission filed a lawsuit in Maricopa County Superior Court, cause number CV2003-005724 against numerous parties, including the Clients, requesting various forms of relief, including the appointment of a receiver on behalf of the defendant entities (the "Receivership Proceeding").

1.5. James C. Sell (the "Receiver") was subsequently appointed as the receiver of the entity defendants in the Receivership Proceeding, with the court in the Receivership Proceeding assigning to the Receiver all rights by all of the investor for each of the entity defendants (such entities and their respective investors collectively referred to as the "Receivership Entities"), and thereafter the Bankruptcy Court granted him relief from stay, and included the Debtor entities as Receivership Entities.

1.6. On or about June 18, 2003, the Receiver, filed the "Receiver's Interim Report," which alleged, among other things, that Kiesel had not complied with the appropriate standard of care in performing professional services for the Clients.

1.7. Thereafter on or about February 27, 2004, the Receiver commenced a series of lawsuits concerning Kiesel, beginning with a claim against Robert Guccione and others in Maricopa County Superior Court, Cause Number CV2004-003803 (the "Guccione Action"). Two subsequent actions filed by the Receiver in Maricopa County Superior Court Cause Numbers CV2004-013037 and CV2005-003832 were then consolidated with the Guccione lawsuit (the consolidated action being referred to as the "State Court Lawsuit").

1.8. The Receiver subsequently sought and obtained an order in the Receivership Proceeding, permitting the Receiver to pursue claims against various third parties, including Kiesel.

1.9. Thereafter, the Receivership Entities, along with the two pending debtors in Bankruptcy, were Substantively Consolidated as Debtors in the pending 74th St. Bankruptcy Case. All such persons and entities hereinafter being referred to as the "Debtors."

1.10. On March 2, 2005, the Debtors and Receiver commenced a lawsuit before the United States District Court for the District of Arizona, Cause No. CV05-0684 against various third parties, including Kiesel (the "Federal Court Lawsuit").

1.11. On March 3, 2005, the Debtors filed an Adversary Proceeding against Randy and Patricia, Case No. 05-00171 (the "Adversary Proceeding"), seeking the recovery of certain sums paid by ANMP for accounting services.

1.12. The Federal Court Lawsuit was subsequently dismissed over the objection of the Receiver, with leave to file an amended complaint. No amended complaint has been filed at this time.

1.13. After Motion, the Debtors amended the Complaint in the State Court Lawsuit to assert claims against parties who had not been previously joined, including but not limited to Kiesel. Kiesel has not appeared or otherwise filed an answer in the State Court Lawsuit.

1.14. Kiesel, with respect to the claims made in each lawsuit, has denied all wrongdoing, but nevertheless wishes to buy peace, avoid costly and prolonged litigation, and is willing to effect a settlement, subject to the terms and conditions set forth below.

1.15. Such a compromise is in the best interests of the Debtors as it will eliminate the risks associated with protracted litigation and realize monies for the Debtors' Estates.

1.16. The Debtors have agreed to affect a full compromise and settlement of any and all claims which each of them may have, or claim to have against Kiesel, their employees and agents, subject to the terms and conditions set forth below.

ARTICLE II AGREEMENT.

Based on the foregoing Recitals, all of which are incorporated by reference, the Debtors and Kiesel hereby warrant, represent and agree as follows:

2.1. The Recitals set forth in Article I above are contractual in nature, and shall constitute a basis for determining the intent of the parties to this Agreement.

2.2. The Debtors agree to accept the total sum of \$50,000.00 (the "Settlement Proceeds"), to be paid by Kiesel in exchange for a complete release of any and all claims, as set forth in Section 2.3 below.

2.3. The Settlement Proceeds shall be paid to the Debtors within Ten (10) days after the Bankruptcy Court's order approving this Settlement becomes final and non-appealable.

2.4. The Debtors will then file a dismissal of any and all pending claims against Kiesel.

2.5. In consideration of the payment of the Settlement Proceeds identified in paragraph 2.2 above, the Debtors, the Receiver and Kiesel hereby release and forever discharge each other from any and all liability, rights, claims, demands, actions, or causes of action of any kind or nature each may have against the other, their employees, agents, independent contractors, or their respective marital communities. The Parties, by this Agreement, intend to release all liability, rights, claims, demands, actions, or causes of action of any kind whatsoever against each other, as well as all other heirs, successors and assigns, together with all other persons, corporations, partnerships or firms whatsoever of the Parties, which may in any way be connected with the above referenced Parties, and the causes of actions, actions or transactions. Kiesel further acknowledges and agrees that the release set forth herein is intended to release the Receiver and the Debtors from any claims or causes of action which may subsequently be made against Kiesel by the other defendants in the State Court Lawsuit arising as a result of the above referenced actions.

2.6. The Parties acknowledge and agree that they have been represented by counsel in this matter, and have conducted an independent investigation regarding the facts and circumstances regarding any claim or claims that they have or may have, as well as the terms and conditions of this Agreement.

2.7. In the event that Court Approval of this Agreement is not granted, the Parties retain any and all claims and defenses that existed prior to entering into the terms and provisions of this agreement.

2.8. Upon issuance of an Order approving this Agreement Kiesel waives any and all rights in the Bankruptcy Proceeding, including but not limited to, the right to object to the administrative expenses sought by the professionals of the Debtors.

2.9. The Parties acknowledge and agree that the consideration paid and accepted pursuant to the terms of this Agreement is not to be considered an admission of wrongdoing or liability on the part of Kiesel, said liability being expressly denied, but that said payment is being made in compromise and in full settlement of a disputed claim.

2.10. The Parties expressly warrant and represent that they have not made any assignment or transfer of any kind or nature whatsoever of any part of any claim they have or may have had against any other party, and that the Parties are the sole and absolute owners of any and all legal and equitable interest in any such claim.

2.11. Nothing herein shall relieve Kiesel from any obligation to respond to any appropriate discovery request or order of any court.

ARTICLE III **MISCELLANEOUS PROVISIONS.**

3.1 The terms and conditions of this Agreement shall survive the execution hereof and shall remain in full force and effect thereafter.

3.2 This Agreement represents the entire understanding and agreement of the Parties and any representations, discussions, or negotiations between the Parties and their agents, or any third party, with respect to the subject matter hereof which have not been expressly addressed in this Agreement are not part of this Agreement, are not relied upon, and shall not be used in construing the terms and conditions set forth herein.

3.3 This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arizona.

3.4 Each party acknowledges their participation in the negotiating and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by all of the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

3.5 This Agreement shall not be changed, modified or terminated without the written consent of the parties hereto and subsequent Order of the Bankruptcy Court.

3.6 Any notice, request, instruction, correspondence, or other document to be given hereunder by any party hereto to another, shall be in writing and delivered personally to its intended recipient or mailed by registered or certified mail, postage prepaid, and return receipt requested, to the intended recipient, with said notice being effective five (5) days after mailing. Any party may send any notice, request, demand, claim or other communication hereunder to the intended recipient using any other means, including personal delivery, expedited courier, message service, facsimile, ordinary mail, or electronic mail, but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it is actually received by the intended recipient.

3.7 In the event of any dispute regarding the interpretation or enforcement of any of the terms and conditions of this Agreement, the prevailing party shall be entitled to recover all of its costs of enforcement, including reasonable attorneys' fees.

3.9 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, acknowledged and delivered on the date set forth below.

AMERICAN NATIONAL MORTGAGE PARTNERS, *ET AL*
Debtors and Debtors in Possession.

Date

6-28-06

Date

6-28-06

Date

6-28-06

Date

by James C. Sell

Randy C Kiesel

Randy Kiesel

Patricia A. Kiesel

Patricia A. Kiesel

RANDY C. KIESEL, CPA, P.C.

Randy C Kiesel, President

By Randy C. Kiesel, President