

EXHIBIT “1”

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement (the "Agreement") is made and entered into effective as of the date this Agreement is fully executed (the "Effective Date") by and between Daniel A. Hepner ("Trustee Hepner"), the Chapter 7 Trustee appointed for the bankruptcy estate of Linda Marie Graham (Case Number 16-22532-CDP) and Shelley D. Krohn ("Trustee Krohn"), the Chapter 7 Trustee appointed for the bankruptcy estate of Robert C. Graham, Ltd. fdba Rob Graham & Associates fdba Lawyerswest (Case Number BK-S-16-16655-BTB). Trustee Hepner and Trustee Krohn shall collectively be referred to herein as the "Parties," or individually, as a "Party." This Agreement is made with respect to the following facts:

RECITALS

WHEREAS, on December 15, 2016, an *Involuntary Bankruptcy Petition* [ECF No. 1]¹ (the "Involuntary Petition") was filed against Robert C. Graham, Ltd. fdba Rob Graham & Associates fdba Lawyerswest (the "Debtor") pursuant to 11 U.S.C. § 303 in the United States Bankruptcy Court for the District of Nevada (the "Nevada Bankruptcy Court").

WHEREAS, an Involuntary Petition was filed by the Estate of Michael B. Macknin, the Sharona Dagani Trust, and the Margueritte Owens Revocable Trust (collectively, the "Petitioning Creditors") following allegations that Robert C. Graham ("Mr. Graham") misappropriated funds in the Debtor's IOLTA Account.

WHEREAS, on December 16, 2016, the Petitioning Creditors filed a *Motion to Appoint Interim Trustee in Involuntary Case* [ECF No. 3] (the "Interim Trustee Motion"), which sought authority to appoint an interim trustee to take possession of property and to manage the business operations and assets of the Debtor.

WHEREAS, on December 21, 2016, the Bankruptcy Court entered an *Order on Trustee Motion and Order for Relief Under Chapter 7* [ECF No. 21] (the "Order for Relief"). The Order for Relief provided that the Debtor had consented to the filing of a bankruptcy petition and that the filing of the bankruptcy case was effective as of December 15, 2016 (the "Petition Date").

WHEREAS, the Order for Relief further required that the Office of the United States Trustee (the "U.S. Trustee") appoint an Interim Chapter 7 Trustee pursuant to 11 U.S.C. § 701.

WHEREAS, on December 22, 2016, Victoria L. Nelson (the "Former Trustee") was appointed as the Chapter 7 Trustee in the Debtor's bankruptcy case [ECF No. 22].

¹ All references to "ECF No." are to the numbers assigned to the documents filed in the bankruptcy case captioned *In re Robert C. Graham, Ltd. fdba Rob Graham & Associates fdba Lawyerswest* (Case Number BK-S-16-16655-BTB), currently pending before the United States Bankruptcy Court for the District of Nevada, as they appear on the docket maintained by the clerk of the court.

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WHEREAS, on December 31, 2016, Linda Marie Graham ("Ms. Graham"), the then spouse of Mr. Graham, initiated the bankruptcy case captioned *In re Linda Marie Graham* (Case Number 16-22532) (the "Colorado Bankruptcy Case") by filing a voluntary petition under Chapter 7 of the Title 11 of the United States Code in the United States Bankruptcy Court for the District of Colorado (the "Colorado Bankruptcy Court").

WHEREAS, on December 31, 2016, Trustee Hepner was appointed as the Chapter 7 Trustee in the Colorado Bankruptcy Case.

WHEREAS, on July 2, 2014, and prior to the filing of the Involuntary Petition and the Colorado Bankruptcy Case, Mr. Graham and Ms. Graham acquired the real property located at 5803 Old Legacy Drive, Fort Collins, Colorado 80525 (the "Property"). On or about December 5, 2016, Mr. Graham quitclaimed his interest in the Property to Ms. Graham.

WHEREAS, Ms. Graham scheduled the Property as an asset in her bankruptcy case.

WHEREAS, on January 19, 2018, after the death of the Former Trustee, Shelley D. Krohn ("Trustee Krohn") was appointed as the successor Chapter 7 Trustee in the Debtor's bankruptcy case [ECF No. 296].

WHEREAS, Trustee Krohn contends that the Debtor's bankruptcy estate has an interest in the Property.

WHEREAS, Trustee Hepner disputes Trustee Krohn's contention that the Debtor's bankruptcy estate has an interest in the Property.

WHEREAS, on August 22, 2017, Trustee Hepner filed a motion to sell the Property with the Colorado Bankruptcy Court (the "Sale Motion").

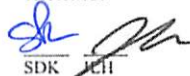
WHEREAS, the Sale Motion sought to sell the Property to Gregory Thomas Fieldson and Sara Jane Fieldson for the purchase price of \$890,000.00.

WHEREAS, Ms. Graham, Trustee Hepner, and the Former Trustee entered into a stipulation (the "Homestead Stipulation"), which resolves a dispute as to Ms. Graham's claimed homestead exemption.

WHEREAS, the Homestead Stipulation provides for the payment of \$8,000.00 to Ms. Graham in full settlement of her claim to a homestead exemption in the Property.

WHEREAS, the Stipulation is subject to court approval in both Ms. Graham's bankruptcy case and the Debtor's bankruptcy case.

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WHEREAS, on September 7, 2017, the Colorado Bankruptcy Court entered an order approving the Sale Motion (the "Order").

WHEREAS, the Order approved the sale of the Property and authorized Trustee Hepner to pay the following from the proceeds of the sale:

- a. The amount owed on the first deed of trust to FirstBank;
- b. The federal tax lien in the amount of \$69,095.23;
- c. The agreed amount of Ms. Graham's homestead exemption of \$8,000.00 upon entry of orders approving the Homestead Stipulation by both the Colorado Bankruptcy Court and the Nevada Bankruptcy Court;
- d. Customary costs of sale, including the 4.5% commission on the purchase price, to Shawna Lowell and Dynamic Real Estate;
- e. Unpaid homeowner's association fees in the estimated amount of \$2,800.00;
- f. Prorated real estate taxes in the estimated amount of \$4,800.00; and
- g. Reimbursement to Ms. Graham for expenses incurred to preserve the Property, including trash service and utility payments, up to the maximum amount of \$1,800.00.

WHEREAS, the Parties mutually desire to enter into this Agreement, and the terms and implications of the Agreement have been openly and mutually negotiated and agreed to as set forth herein.

WHEREAS, the terms and conditions have been fully explained to each Party by their respective counsel of choice. The Parties certify that they have been afforded a reasonable opportunity to consider this Agreement, and the Parties have carefully read and fully understand all of the provisions and effects of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements, understandings, undertakings, representations, warranties and promises, and subject to the conditions hereinafter set forth, and intending to be legally bound thereby, the Parties covenant and agree as follows:

AGREEMENT

1. Sale of the Old Legacy Drive Property. The Parties agree to resolve the dispute concerning the Old Legacy Drive Property according to the following terms:

- a. The "net proceeds" from the sale of the Old Legacy Drive Property shall be divided between Trustee Krohn and Trustee Hepner as follows: (a) Trustee Krohn shall receive fifty percent (50%) of the net proceeds from the sale of the Colorado Property; and (b) Trustee Hepner

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shall receive fifty percent (50%) of the net proceeds from the sale of the Colorado Property.

- b. The term "net proceeds" will be defined as the amount actually realized from the sale of the Property after deducting all costs associated with the sale including, but not limited to, the pay-off of properly perfected secured liens, Ms. Graham's allowed homestead exemption in the amount of \$8,000.00, broker and escrow fees, the expenses incurred by Ms. Graham to preserve the Property during the pendency of the bankruptcy case up to a maximum amount of \$1,800.00, and attorney fees incurred by Trustee Hepner in obtaining an order authorizing the sale of the Property in the amount of \$1,487.00.
- c. The net proceeds total \$7,942.97, thereby entitling Trustee Krohn and Trustee Hepner to the payment of \$3,971.48 each.

2. Release by Trustee Krohn. Trustee Krohn, on behalf of the Debtor's bankruptcy estate and any entity owned or controlled by Trustee Krohn in her capacity as such, whether now or hereafter, hereby fully releases and discharges Trustee Hepner from any and all claims concerning the Property.

3. Release By Trustee Hepner. Trustee Hepner, on behalf of Ms. Graham's bankruptcy estate and any entity owned or controlled by Trustee Hepner in his capacity as such, whether now or hereafter, hereby fully releases and discharges Trustee Krohn from any and all claims concerning the Property. The release provided by Trustee Hepner herein shall also include the waiver of a right to file a proof of claim in the Debtor's bankruptcy case for any amounts paid under this Agreement to Trustee Krohn, including but not limited to, the right to file a proof of claim pursuant to 11 U.S.C. § 502(h).

4. Reservation of Rights. Notwithstanding anything to the contrary contained in this Agreement, the Parties expressly reserve unto themselves any claims or causes of action, whether at law or in equity, arising out of the non-performance of this Agreement by a Party.

5. Bankruptcy Court Approval. This Agreement is contingent on bankruptcy court approval pursuant to Federal Rule of Bankruptcy Procedure 9019 from the both the Nevada Bankruptcy Court and the Colorado Bankruptcy Court.

Trustee Krohn shall take all necessary and appropriate action to prepare and file a motion for the approval of the settlement as documented by this Agreement by the Nevada Bankruptcy Court pursuant to Federal Rule of Bankruptcy Procedure 9019. Trustee Krohn shall use her best efforts to obtain approval of the motion including, without limitation,

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defending it against any objections. Any order issued by the Nevada Bankruptcy Court granting the motion shall incorporate this Agreement as part of its terms.

Trustee Hepner shall take all necessary and appropriate action to prepare and file a motion for the approval of the settlement as documented by this Agreement by Colorado Bankruptcy pursuant to Federal Rule of Bankruptcy Procedure 9019. Trustee Hepner shall use his best efforts to obtain approval of the motion including, without limitation, defending it against any objections. Any order issued by the Colorado Bankruptcy Court granting the motion shall incorporate this Agreement as part of its terms.

In the event either the Colorado Bankruptcy Court or the Nevada Bankruptcy Court fails to approve this Agreement, the parties shall be released from the terms thereof and shall be free to pursue their respective rights with respect to the matters which are the subject of this Agreement pursuant to the provisions of the Bankruptcy Code and applicable non-bankruptcy law.

6. Entire Agreement. This Agreement constitutes the entire agreement of the Parties and supersedes all prior agreements, statements and representations with respect to the matters resolved herein.

7. Successors Bound. This Agreement is binding upon and inures to the benefit of the heirs, successors and assigns of the Parties.

8. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Nevada and the United States Bankruptcy Code.

9. Bankruptcy Court Jurisdiction. In the event of a dispute concerning this Agreement, the Parties agree and consent to the jurisdiction of the United States Bankruptcy Court for the District of Nevada

10. Independent Counsel. The Parties represent and warrant that they have been advised that they should be represented by counsel of their own choosing in the preparation and analysis of this Agreement, and that they have read this Agreement and believe that they are fully aware of and understand the contents hereof and its legal effect. The Parties further represent and warrant that they have entered into this Agreement voluntarily.

11. Countersigned And Faxed Signatures. It is understood and agreed that signatures or copies sent by facsimile transmission or countersigned documents are fully enforceable as originals signed by the Parties.

12. Attorney's Fees. In the event of any litigation among the Parties, including any appeals, in connection with or arising out of this Agreement, the prevailing Party shall recover all of its costs and expenses, including experts' fees, and attorneys' fees actually incurred, which shall be determined and fixed by the court as part of the judgment. The Parties covenant and Agree that they intend by this section for the prevailing Party to recover for all attorneys' fees actually incurred by the prevailing Party at the attorneys' then existing normal

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hourly rate and that this section shall constitute a request to the court that such rate or rates be deemed reasonable.



13. Time of the Essence. Time is of the essence of this Agreement, and in all the terms, provisions, covenants and conditions hereof.

14. Severability. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions contained herein and any present or future statute, law, ordinance or regulation, the latter shall prevail, but the provision of this Agreement which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the statute, law, ordinance or regulation.

15. Further Assurances. Each of the Parties shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder to carry out the intent of the Parties.

16. Modifications or Amendments. No amendment, change or modification of this Agreement shall be valid, unless in writing and signed by all of the Parties.

17. Non-Waiver. No waiver by any Party hereto of a breach of any provision of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other provision hereof.

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

19. Number and Gender. In this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the others whenever the context so requires.

20. Captions and Headings. The captions and headings appearing at the commencement of the sections hereof are descriptive only and for convenience in reference.

21. Costs and Expenses. Each of the Parties shall pay all of its own costs and expenses in connection with the Action, including, but not limited to, legal fees, accounting fees, and any other costs and expenses incurred or to be incurred by it or them in negotiating and preparing this Agreement. Nothing in this section is meant to alter or otherwise diminish a Party's ability to recover attorneys' fees and costs incurred in enforcing the terms of this Agreement as set forth in Section 14.

22. Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on

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any persons or entities other than the Parties and their respective successors and assigns, nor is anything in this Agreement except as provided herein intended to relieve or discharge the obligation or liability of any third parties to any Party to this Agreement, nor shall any provision give any third parties any right of subrogation or action over or against any Party to this Agreement.

23. Notices. Any and all notices and demands by any Party to any other Party, required or desired to be given hereunder shall be in writing and shall be validly given only if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or if made by Federal Express or other delivery service which keeps records of deliveries and attempted deliveries, or if made by facsimile machine with electronic confirmation of receipt (receipt of which is acknowledged or if a copy thereof is promptly delivered by a delivery service which keeps records of deliveries and attempted deliveries). Service shall be conclusively deemed made on the first business day delivery is attempted, and addressed as follows:

To Trustee Krohn:

Shelley D. Krohn, Chapter 7 Trustee
c/o Jacob L. Houmand, Esq.
Kyle J. Ortiz, Esq.
Houmand Law Firm, Ltd.
9205 West Russell Road
Building 3, Suite 240
Las Vegas, Nevada 89148
Telephone 702.720.3370
Facsimile: 702.720.3371

To Trustee Hepner:

Daniel A. Hepner, Chapter 7 Trustee
950 Spruce Street, Suite 1C
Louisville, Colorado 80027
Telephone: 303.444.5141
Facsimile: 303.444.9253

Any Party may change its address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the other Parties, which notice of change of address shall not become effective, however, until the actual receipt thereof by the other Parties.

24. No Admission. Each of the Parties hereto acknowledges and agrees that the terms of this Agreement are contractual and that the agreements herein contained and the consideration given hereunder is to compromise and settle the Trustee Claims and to avoid litigation. Accordingly, the Parties hereto acknowledge and agree that no statement made herein or payment, release, or other consideration given hereunder shall be construed as an admission by any Party of any kind or nature whatsoever.

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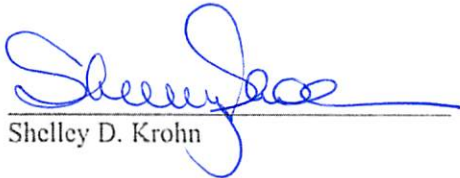

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25. Interpretation. This Agreement is the result of negotiations among the Parties who have each negotiated and reviewed its terms. No Party shall be deemed to be the drafter for purposes of interpreting any ambiguity or uncertainty in this Agreement against that Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date executed on the signature page below.

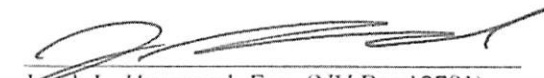
Executed this 8th day of March, 2018.

Shelley D. Krohn, Chapter 7 Trustee


Shelley D. Krohn

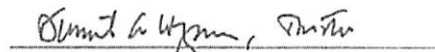
Executed this 7th day of March, 2018.

Counsel for Shelley D. Krohn,
Chapter 7 Trustee


Jacob L. Houmand, Esq. (NV Bar 12781)
Kyle J. Ortiz, Esq. (NV Bar No. 14252)
Houmand Law Firm, Ltd.
9205 West Russell Road
Building 3, Suite 240
Las Vegas, Nevada 89148

Executed this 7th day of March, 2018.

Daniel A. Hepner, Chapter 7 Trustee


Daniel A. Hepner

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