

SUPERIOR COURT OF WASHINGTON FOR CLARK COUNTY

In re:

Case No. 19-2-01458-06

RECEIVER’S NOTICE OF PROPOSED SETTLEMENT WITH MACGREGOR B. HALL AND LISA M. HALL

AMERICAN EAGLE MORTGAGE 100, LLC; AMERICAN EAGLE MORTGAGE 200, LLC; AMERICAN EAGLE MORTGAGE 300, LLC; AMERICAN EAGLE MORTGAGE 400, LLC; AMERICAN EAGLE MORTGAGE 500, LLC; AMERICAN EAGLE MORTGAGE 600, LLC; AMERICAN EAGLE MORTGAGE MEXICO 100, LLC; AMERICAN EAGLE MORTGAGE MEXICO 200, LLC; AMERICAN EAGLE MORTGAGE MEXICO 300, LLC; AMERICAN EAGLE MORTGAGE MEXICO 400, LLC; AMERICAN EAGLE MORTGAGE MEXICO 500, LLC; AMERICAN EAGLE MORTGAGE MEXICO 600, LLC; AMERICAN EAGLE MORTGAGE I, LLC; AMERICAN EAGLE MORTGAGE II, LLC; and AMERICAN EAGLE MORTGAGE SHORT TERM, LLC.

Clyde A. Hamstreet & Associates, LLC, the duly appointed general receiver herein (the “Receiver”), gives this notice in accordance with paragraph 1 of the Order Establishing Procedures for Seeking Approval of Proposed Settlements dated March 5, 2021 (the “Settlement Procedures Order”).

The Receiver proposes to enter into a Settlement Agreement (the “Agreement”)

1 with MacGregor B. Hall and Lisa M. Hall (collectively, “Hall”), in order to resolve the case
2 known as *Clyde A. Hamstreet & Associates, LLC v. MacGregor B. Hall et al.*, Clark County
3 Superior Court Case No. 20-2-01768-06 (the “Litigation”).

4 The following information regarding the proposed settlement is provided pursuant
5 to the Settlement Procedures Order:

6 1. **Description of the Relationship.** On May 10, 2019, the Receiver was
7 appointed as the general receiver for the above-captioned Washington limited liability companies
8 (the “Pools”) pursuant to the terms of the Order Appointing General Receiver dated May 10,
9 2019 (as amended to date, the “Receivership Order”). The Receiver contends that the Pools are
10 insolvent and have been insolvent since at least January 1, 2007. In the Litigation, the Receiver
11 has alleged that, after January 1, 2007, the Pools made cash transfers to MacGregor B. Hall of
12 \$50,000.00 and Lisa M. Hall of \$188,778.78 and that such transfers should be avoided and
13 judgment entered in favor of the Receiver for such amounts under RCW 19.40.041(1)(a).

14 2. **Relationship to the Pools, American Equities, Inc., or Ross Miles.**
15 Other than Hall’s investments in the Pools, the Receiver is unaware of any relationship between
16 the Pools, American Equities, Inc., or Ross Miles and Hall.

17 3. **Amount to Be Received by the Receiver.** Hall will pay the Receiver
18 \$100,378.78 (the “Settlement Amount”). The Receiver believes that settlement for this amount
19 is fair and reasonable under the circumstances. Hall has alleged certain defenses in the
20 Litigation, and an award of this amount to the Receiver is within the range of potential outcomes
21 were the matter to go to trial.

22 4. **Summary of the Material Terms and Conditions of the Settlement.**
23 The material terms and conditions of the settlement, as set forth more fully in the Agreement,
24 include the following:

25 a. Payment to be made by Hall to the Receiver by wire transfer in
26 three installments, commencing with an installment of \$33,459.60 on the first day of the month

1 after entry of an order of Clark County Superior Court approving the Agreement (the “Initial
2 Due Date”), and continuing with the second installment of \$33,459.59 on the first day of the
3 month three months after the Initial Due Date and the third installment of \$33,459.59 on the first
4 day of the month six months after the Initial Due Date until paid in full;

5 b. Release to be granted by Hall of the Receiver, the Pools, and the
6 Estate (as defined in the Receivership Order), along with any and all of the Receiver’s present
7 and former members, managers, employees, attorneys, and other agents, subject to the
8 limitations set forth in the Agreement, upon court approval;

9 c. Release to be granted by the Receiver of Hall, along with any and
10 all of their present and former transferees, employees, attorneys, and other agents subject to the
11 limitations set forth in the Agreement, on the first business day following the 91st day after the
12 date on which the Settlement Amount is paid in full by Hall to the Receiver, unless a petition for
13 relief under any chapter of title 11 of the United States Code is filed by or against Hall, or either
14 of them, on or prior to such business day;

15 d. Hall will be deemed to have filed a proof of unsecured claim for
16 the Settlement Amount, subject to allowance and treatment pursuant to further order of the court
17 in this proceeding;

18 e. The Receiver to move to dismiss the Litigation without prejudice
19 within five business days after court approval, to be treated as with prejudice upon the Receiver’s
20 release of Hall; and

21 f. Agreement to become effective only upon court approval.

22 YOU ARE NOTIFIED that unless a creditor or other party in interest notifies the
23 Receiver and the Receiver’s attorneys, in writing within 14 calendar days after the date of this
24 notice, that such party objects to the proposed settlement, the Receiver will apply for an *ex parte*
25 order approving the settlement described above. Objections to the proposed settlement must
26 refer to this notice and be delivered or sent, so as to be actually received by the Receiver within

1 14 calendar days after the date of this notice, as follows:

2 AEM Receiver
3 c/o Miller Nash Graham & Dunn LLP
4 Attn: John R. Knapp, Jr.
5 2801 Alaskan Way, Suite 300
6 Seattle, Washington 98121
7 Email: john.knapp@millernash.com
8 Email: AEMReceiver@Hamstreet.net

9 DATED this 23rd day of April, 2021.

10 MILLER NASH GRAHAM & DUNN LLP

11 /s/ John R. Knapp, Jr.
12 John R. Knapp, Jr., P.C., WSB No. 29343

13 Attorneys for Receiver
14 Clyde A. Hamstreet & Associates, LLC