

Robert J. Maynes, ISB No. 6905  
Steven L. Taggart, ISB No. 8551  
MAYNES TAGGART PLLC  
P. O. Box 3005  
Idaho Falls, ID 83405  
Telephone: (208) 552-6442  
Facsimile: (208) 522-1334  
Email: mayneslaw@hotmail.com  
Email: staggart101@gmail.com

*Debtor's counsel*

UNITED STATES BANKRUPTCY COURT

DISTRICT OF IDAHO

In the Matter of:

LEED CORPORATION (THE),

Debtor.

Case No. 10-40743 JDP

Chapter 11

**STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND  
SETTLEMENT AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS,  
CROSS-CLAIMS, AND/OR THIRD-PARTY CLAIMS  
IN ADVERSARY CASE NO. 10-08086 JDP**

COME NOW the Debtor and Debtor-in-possession, The Leed Corporation, by and through its attorney, Robert J. Maynes, Esq., Robert and Kathi Meyers, their agents, and business entities, if any, by and through their attorney, John S. Ritchie, Esq., Mitchell R. and Laura P. Campbell, and their respective businesses, by and through their attorney, Scott R. Learned, Esq. and Lon E. Montgomery, by and through his attorney, Aaron J. Tolson, Esq. and hereby enter into this STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND SETTLEMENT AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, AND/OR THIRD-PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP as follows:

**STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND SETTLEMENT  
AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, AND/OR THIRD-  
PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP**

RECITATIONS

WHEREAS, on April 29, 2010, the Debtor-in-possession (“Debtor”) filed its Chapter 11 petition and continues as the Debtor-in-possession;

WHEREAS, the Debtor’s Third Amended Plan currently proposes to treat the claims of the Adversary Defendants as follows:

CLASS SC25: Class SC25 consists of the contested secured claims or interests, and unsecured claims or interests of the Defendants named in Adversary Case No. 10-08086 JDP, namely Robert and Kathi Meyers, Mitch and Laura Campbell and affiliated business entities and persons. Pending a final determination of the adversary proceeding, including a final resolution of any and all appeals, no payments shall be made to members of this class. The Net Rents received with respect to the real property in which the Defendants assert an interest shall be placed in the Debtor’s Litigation Reserve Account pending further order of the Court or stipulation of the parties. Any settlement between the members of this class and the Debtor shall, upon Court approval, constitute a further modification of this Plan, as will the final determination of the adversary proceeding. *Each secured creditor in this class shall retain the lien securing the claim to the same extent, validity and priority as existed on the petition date, if at all, until the allowed secured claims have been paid as provided herein.*

WHEREAS, upon conclusion of lengthy, contested evidentiary hearings on confirmation, in an oral decision announced on May 7, 2012 the Court denied confirmation of the Debtor’s Third Amended Plan of Reorganization, and subsequently entered its Order Denying Confirmation and Order to Show Cause (Docket No. 616), allowing the Debtor until June 1, 2012 to file an amended plan and corresponding brief, to be heard concurrently with the Court’s Order to Show Cause why this case should not be dismissed or converted on June 20, 2012;

WHEREAS, the June 1, 2012 plan amendment deadline and June 20, 2012 hearing were continued to June 29, 2012 and July 9, 2012, respectively, pursuant to Court order; and

WHEREAS, in an effort to reduce the ongoing legal expense associated with the disputes between the Parties and in light of the Court’s ruling denying confirmation of the Third Amended Plan, the Parties have determined it to be in their mutual best interest to amicably settle the issues existing between them as set forth herein below.

**THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS:**

In exchange for the following plan modifications and dismissal of all claims set forth in the various pleadings filed in Adversary No. 10-8086 JDP, Robert and Kathi Meyers, their agents, and business entities, if any, and Mitchell R. and Laura P. Campbell, and their respective businesses (collectively, the “Adversary Defendants” or “Claimants”) hereby agree to withdraw any and all objections to the Debtor’s proposed chapter 11 plan of reorganization, and further agree to vote in favor of the Debtor’s plan as modified herein:

1. WITHDRAWAL OF CLAIM NO. 84 AND WAIVER/RELINQUISHMENT OF INTEREST IN 605 W. 14<sup>TH</sup> STREET, GOODING, ID: Adversary Defendants hereby waive and relinquish any right, title or interest in that certain real property commonly known as 605 W. 14<sup>th</sup> Street, Gooding, Idaho, which pursuant to the Debtor’s Disclosure Statement is valued at \$102,000.00. Upon the Effective Date, Claim No. 84 filed by Robert and Kathi Meyers with regards to the 605 W. 14<sup>th</sup> Street, Gooding, Idaho property shall be deemed withdrawn, with prejudice. Within ten (10) days of the Confirmation Date, Robert and Kathi Meyers shall cause a Deed of Reconveyance with respect to 605 W. 14<sup>th</sup> Street, Gooding, Idaho to be recorded and provide a copy of the recorded Deed of Reconveyance to the Debtor.

2. CLAIM TREATMENT FOR CLAIM NO. 67/CLAIM RELATED TO DESERT ROSE SUBDIVISION: Upon the Effective Date Robert and Kathi Meyers, their agents, and business entities, if any, hereby agree to set the amount of their secured claim (Claim No. 67) related to the Desert Rose Subdivision, Phases II, III and IV, as set

forth in Claimants Meyers' current mortgage on file with the Lincoln County Recorder's Office, at \$300,000.00 (the "Stipulated Balance"), payable as follows:

a. For a period of five (5) years from the Effective Date no interest shall accrue on the Stipulated Balance;

b. For a period of five (5) years from the Effective Date no payments shall be required; however, a balloon payment for the then remaining balance of the Stipulated Balance shall be due and payable on the fifth (5<sup>th</sup>) anniversary of the Effective Date;

c. For the period of five (5) years beginning on the Effective Date, Debtor shall sell lots in Desert Rose Subdivision, Phases II, III and IV, as Debtor deems advisable, and Robert and Kathi Meyers, their agents, and business entities, if any, hereby agree to release their existing lien on each of the improved lots (the 5 Phase II lots) for \$20,000.00 and on each of the unimproved lots (the 58 Phases III and IV lots) for \$10,000.00, with the Stipulated Balance being reduced accordingly, as such lots may be sold. Nothing herein shall be construed as creating a lien beyond that which is provided in the mortgage of record as of the petition date; and

d. Robert and Kathi Meyers, their agents, and business entities, if any, hereby agree, upon the Effective Date, to waive any and all interest, fees or charges, including attorney's fees to which they may have been otherwise entitled, pursuant to 11 U.S.C. § 506 or applicable state law or pursuant to the prepetition agreements of the parties.

3. LITIGATION RESERVE BALANCE: The existing balance of the Debtor's Litigation Reserve Account (Magic Valley Bank Account No. -0735), including

STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND SETTLEMENT AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, AND/OR THIRD-PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP

all rents deposited into the account for rents received up to and including June 30, 2012 shall, upon Court approval of this Stipulation or the Effective Date whichever first occurs, be paid by the Debtor to the property taxing authority to satisfy the real property taxes due and owing for tax year 2011 and preceding tax years on any properties in which the Adversary Defendants assert an interest, including those properties being surrendered pursuant to Paragraph 4 below. Any balance remaining in the Litigation Reserve Account after payment of the property taxes, if any, shall be the Debtor's free and clear of any claim or interest of the Adversary Defendants. Any balance in the Litigation Reserve Account attributable to rents received on or after July 1, 2012 shall belong to the Adversary Defendants, respectively. Beginning July 1, 2012, the Adversary Defendants shall insure their respective interests in the properties being surrendered pursuant to Paragraph 4.

4. SURRENDER OF ESTATE'S INTEREST IN CERTAIN REAL PROPERTY: An effect of confirmation shall be that the Debtor surrenders the real property identified below to the Adversary Defendants in full satisfaction of their respective claims, as set forth herein:

No.		Property Address	Treatment
38	Campbell	141 Syringa Loop	SURRENDER
65	Alternative Funding Retirement Plan, LLC	305 and 307 E. 6 <sup>th</sup> St.	SURRENDER
66	Meyers	303, 305 and 307 E. C Street	SURRENDER
69	Meyers	305 and 307 E. 6 <sup>th</sup> St.	SURRENDER
70	Meyers	112 E. Syringa Loop	SURRENDER
71	Meyers	152 E. Syringa Loop	SURRENDER
72	Meyers	182 E. Syringa Loop	SURRENDER
73	Meyers	191 E. Syringa Loop	SURRENDER
74	Meyers	South Park Lot, S. Beverly St.	SURRENDER
75	Meyers	205 E. 6 <sup>th</sup> St.	SURRENDER

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76	Meyers	207 E. 6 <sup>th</sup> St.	SURRENDER
77	Meyers	525 N. Fir St.	SURRENDER
78	Meyers	527 N. Fir St.	SURRENDER
79	Meyers	531 N. Fir St.	SURRENDER
80	Meyers	Lot 10, Blk. 2, Riverview Sub.	SURRENDER
81	Meyers	318 N. Date St.	SURRENDER
82	Meyers	301 E. 6 <sup>th</sup> St.	SURRENDER
83	Meyers	303 E. 6 <sup>th</sup> St.	SURRENDER
85	Meyers	201/203 E. 6 <sup>th</sup> St.	SURRENDER

With respect to 303, 305 and 307 E. C Street, 305 and 307 E. 6<sup>th</sup> Street and 112 E. Syringa Loop, within ten (10) business of the Confirmation Date the Debtor shall deed these properties to the Robert and Kathi Meyers via Quitclaim Deed.

5. WAIVER OF ALL UNSECURED CLAIMS: Adversary Defendants hereby waive any and all unsecured claims, including deficiency claims, if any, that Adversary Defendants have or could have asserted as a part of this bankruptcy case, including, but not limited to any deficiency related to any real property surrendered pursuant to the Debtor's plan and this stipulation.

6. RELEASE OF LIEN (418 N. Date and 516 N. Birch): With respect to the certain parcels of real property commonly known as 418 N. Date Street and 516 N. Birch, both located in Shoshone, Idaho, the Adversary Defendants acknowledge and agree that their lien hold position is wholly unsecured in light of senior encumbrances. As such, the Adversary Defendants hereby agree to execute Lien Release(s), reasonably satisfactory to the Debtor within ten (10) days of the Effective Date, with respect to both parcels waiving any right, title or interest which the Adversary Defendants might have asserted against such properties.

7. DISMISSAL OF ADVERSARY PROCEEDING: In exchange for the plan treatment contained herein, the withdrawal of any and all objections to confirmation filed by the Adversary Defendants, and the ballots, if any, submitted by the Adversary Defendants being deemed to be amended to accept the plan (as modified by this stipulation), the parties to the Adversary Proceeding, Adv. No. 10-08080 JDP shall dismiss, in its entirety, i.e. all claims, counterclaims, cross-claims, third-party claims, etc., with prejudice, upon the Effective Date.

8. MUTUAL RELEASES. The Parties hereto do hereby release, remise, and forever discharge each other, their attorney, accountants, respective businesses and the businesses' respective officers, directors, members, agents, administrators, executors, personal representatives, successors and assigns, and any other members or agents of any party from any and all claims, demands, rights, or causes or action of whatsoever kind or nature which any party hereto has ever had, may now have, or may hereafter have whether known or unknown, foreseen or unforeseen, from the beginning of time until the execution of this agreement, expressly including but not limited to any and all claims arising from and a part of the disputes described hereinbefore. The release language contained herein shall apply to all businesses owned by the Parties. The Parties further agree that this settlement resolves all outstanding, threatened and/or future matters between these Parties with regards to the above captioned bankruptcy case, including any and all motions, objections or other pleadings.

9. NO RELIANCE. The Parties hereto represent that they have not relied on any statement of any other party or any expert, agent or attorney of any other party in electing to make this compromise and settlement. The Parties hereto further

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PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP



acknowledge that they are represented by legal counsel, or had the opportunity to consult with legal counsel of their own choosing, and have been fully advised concerning this agreement, the amount of settlement, and the obligations of all Parties contained therein.

10. COSTS/ATTORNEY'S FEES. The Parties hereto agree that each party shall bear their own costs and attorney's fees incurred as a part of the foregoing described disputes.

11. NO ADMISSION OF LIABILITY. The settlement and release made effective hereby is the compromise settlement and release of each party by and with each other party, and neither this release nor any payments made pursuant thereto shall be construed as an admission of liability of any party, the same being hereby denied, unless expressly provided herein.

12. INTEGRATION. All Parties declare that no promises, inducements nor agreements not herein expressed have been made to any other party, and that this agreement contains the entire agreement between the Parties hereto after all offsets and credits and the terms of this release agreement are contractual and not a mere recital.

13. COURT APPROVAL CONTINGENCY. The Parties agree that the terms of this agreement are expressly contingent on Court approval of this agreement as part and parcel of the Debtor's Fourth Amended Plan, or amendments thereto. In the event the Court fails or refuses to approve this agreement, then the terms hereof shall not be binding upon the Parties and shall be of no further force and effect, with all Parties free to pursue their claims as currently constituted. The Parties shall use their mutual, best efforts to obtain Court approval. The Parties agree that such approval may be accomplished through the plan confirmation process.



14. ENFORCEMENT/ATTORNEY'S FEES AND COSTS. If it becomes necessary to employ legal or other services to secure performance of any obligation created by this agreement, the prevailing party in such action shall be entitled to recover the costs of such services, including reasonable attorney's fees and costs.

15. SEVERABILITY. Subsequent to Court approval, if any one or more of the provisions contained in this agreement shall be held illegal or unenforceable by a court, no other provisions shall be affected by this holding. Subsequent to Court approval, the Parties intend that in the event one or more provisions of this agreement are declared invalid or unenforceable, the remaining provisions shall remain enforceable and this agreement shall be interpreted by a court in favor of survival of all remaining provisions.

16. CHOICE OF LAW/VENUE. Any and all disputes under this agreement shall be resolved and governed by the laws of the State of Idaho. Any legal action on this agreement shall be heard by the United States Bankruptcy Court for the District of Idaho.

17. DRAFTSMANSHIP. This agreement is the result of extensive negotiations between sophisticated business entities and/or individuals. As such, the Parties agree that this agreement shall not be construed against either Party on the basis of draftsmanship.

18. TIME. Time is of the essence in the performance of each and every term and provision in this agreement by the Parties.

19. COMPETENCY. All Parties signatory hereto represent that at the time of the execution of this agreement that they are of legal age and of sound mind. Further,

each signatory represents and warrants that they are fully authorized to enter into and execute this agreement.

The Parties hereto expressly represent that each has carefully read the foregoing and knows the contents thereof, and that they sign the same of their own free will, and hereby acknowledge that they have by this agreement fully compromised all their claims, demands, rights or causes of action against each other.

DATED: This 29 day of June, 2012.

THE LEED CORPORATION  
Debtor/Debtor-in-possession

By: [Signature]  
President

On this 29<sup>th</sup> day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Lon E. Montgomery, President of The Leed Corporation, the Debtor-in-possession, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same.

MARILYN WALKER  
NOTARY PUBLIC  
STATE OF IDAHO

[Signature]  
Notary Public for Idaho  
Residing at Lewisville, Idaho  
Commission Expires: 7/22/2014

DATED: This 29<sup>th</sup> day of June, 2012.

By: [Signature] *see following attached signature page RJM*  
Robert J. Meyers

On this \_\_\_ day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Robert J. Meyers, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same.

DATED: This 28 day of June, 2012.

By: Robert J. Meyers  
Robert J. Meyers

On this 28 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Robert J. Meyers, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same.

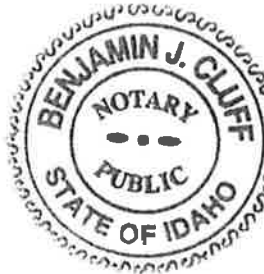


Benjamin J. Cluff  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 3/29/13

DATED: This 28 day of June, 2012.

By: Kathi Meyers  
Kathi Meyers

On this 28 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Kathi Meyers, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that she executed the same.

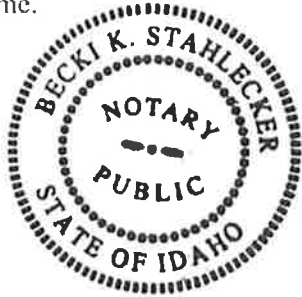


Benjamin J. Cluff  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 3/29/13

DATED: This 28 day of June, 2012.

By: Mitchell R. Campbell  
Mitchell R. Campbell

On this 28 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Mitchell R. Campbell, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same.



Becki K. Stahlecker  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 1-28-2014

DATED: This 28 day of June, 2012.

By: Laura P. Campbell  
Laura P. Campbell

On this 28 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Laura P. Campbell, known or identified to me to be the person whose name is subscribed above, and acknowledged to me that she executed the same.



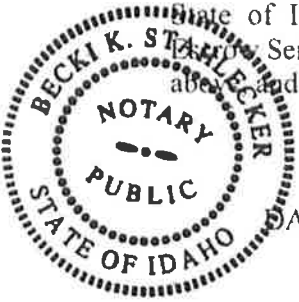
Becki K. Stahlecker  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 1-28-2014

DATED: This 20 day of June, 2012.

American Escrow Services, LLC, aka American Escrow Services, Ltd., American Escrow Services, American Escrow Service Profit Sharing, LLC, American Escrow Service Retirement Account, LLC, and American Escrow Retirement Plan, LLC

By: Mitchell R Campbell  
Its: Manager

On this 20 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Mitchell R. Campbell, Manager of American Escrow Services, LLC, known or identified to me to be the person whose name is subscribed above and acknowledged to me that he executed the same.



Becki K. Stahlecker  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 1-28-2014

DATED: This 20 day of June, 2012.

Alternative Funding, Ltd. aka Alternative Funding Retirement Plan, LLC

By: Mitchell R Campbell  
Its: Member

On this 20 day of June, 2012, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Mitchell R. Campbell, Member of Alternative Funding, Ltd., known or identified to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same.



Becki K. Stahlecker  
Notary Public for Idaho  
Residing at Twin Falls  
Commission Expires: 1-28-2014

APPROVED AS TO FORM AND CONTENT:

DATED: This 29<sup>th</sup> day of June, 2012.

MAYNES TAGGART, PLLC

By: Robert J. Maynes  
Robert J. Maynes, Esq.  
Counsel for The Leed Corporation

DATED: This \_\_\_ day of June, 2012.

TOLSON LAW OFFICE

By: \_\_\_\_\_  
Aaron J. Tolson, Esq.  
Counsel for Lon E. Montgomery

DATED: This 28 day of June, 2012.

COLEMAN, RITCHIE and CLUFF

By: Benjamin J. Cluff  
John S. Ritchie/Benjamin J. Cluff, Esq.  
Counsel for Robert and Kathi Meyers

DATED: This \_\_\_ day of June, 2012.

LEARNED LAW OFFICE

By: \_\_\_\_\_  
Scott R. Learned, Esq.  
Counsel for American Escrow Services  
and Alternative Funding

STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND SETTLEMENT  
AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, AND/OR THIRD-  
PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP

DATED: This 28th day of June, 2012.

LEARNED LAW OFFICE

By: 

\_\_\_\_\_  
Scott R. Learned, Esq.  
Counsel for American Escrow Services  
and Alternative Funding



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on June 29, 2012, I filed a copy of the attached STIPULATION FOR TREATMENT OF CLAIMS 38, 65-67 and 69-85 AND SETTLEMENT AGREEMENT RESOLVING CLAIMS, COUNTERCLAIMS, CROSS-CLAIMS, AND/OR THIRD-PARTY CLAIMS IN ADVERSARY CASE NO. 10-08086 JDP with the Court via CM/ECF and the following Parties are reflected as receiving the Notice of Electronic Filing as CM/ECF Registered Participants:

**PARTIES SERVED:**

Mary P Kimmel on behalf of U.S. Trustee US Trustee  
ustp.region18.bs.ecf@usdoj.gov

US Trustee  
ustp.region18.bs.ecf@usdoj.gov

And as otherwise noted on the Notice of Electronic Filing.

DATED: June 29, 2012

/s/ Robert J. Maynes  
ROBERT J. MAYNES