

COMMISSIONERS
BOBSTUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH



# JODI JENIGH Executive Director PATRICIA L. BARFIELD

### ARIZONA CORPORATION COMMISSION

PATRICIA L. BARFIELD Director Corporations Division

Date 11/07/2014

BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME LLC 2819 S 73RD DR PHOENIX, AZ 85043

Case caption: PATRICK LUND V. JOSEHINE DUAH et al,

Dear Sir or Madam:

Case number: CV2014-054244

Enclosed is a copy of the following document(s) that were served upon the Arizona Corporation Commission on 11/07/2014 as agent for BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME LLC:

Court: MARICOPA COUNTY SUPERIOR COURT

$\boxtimes$	Summons
	Complaint
	Subpoena
	Subpoena Duces Tecum
	Default Judgment
	Judgment
	Writ of Garnishment
	Motion For Summary Judgment
	Motion for
$\boxtimes$	Other CERTIFICATE RE: COMPULSORY ARBITRATION
	_

Lynda B. Griffin

Custodian of Records

Initials JAB

ho¦erely,

File number L-1646023-6

**COMMISSIONERS BOB STUMP - Chairman GARY PIERCE BRENDA BURNS BOB BURNS** SUSAN BITTERSMITH



JODI JERICH **Executive Director** 

PATRICIA L. BARFIELD Director, Corporations Division

### **CERTIFICATE OF MAILING**

Date: 11/7/2014

I. JEFFREY A BARKER am an employee of the Arizona Corporation Commission ("ACC"). I hereby certify that on the 07TH day of NOVEMBER, 2014, I received on behalf of the ACC service of the following documents upon the ACC as agent for BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME LLC. Case caption: PATRICK LUND v. JOSEHINE DUAH et al. Case number: CV2014-054244 MARICOPA COUNTY SUPERIOR COURT Court:

	Cumana			Default Judgmenst
$\boxtimes$	Summo	ons		Default Judgment
	Compla	int		Judgment
	Subpoe	na		Writ of Garnishment
	Subpoe	na Duces Tecum		
	Motion	For Summary Judgment		
	Motion	for		
$\boxtimes$	Other	CERTIFICATE RE: COMP	ULSORY AR	BITRATION

I hereby certify that on the 07TH day of NOVEMBER, 2014, I placed a copy of the above listed documents in the United States Mail, postage prepaid, addressed to

#### BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME LLC

at its last known place of business as follows:

2819 S 73RD DR PHOENIX, AZ 85043

### OR

I hereby certify that I was unable to mail the above listed documents to

because that entity is not a registered corporation or limited liability company in the State of Arizona, and the Arizona Corporation Commission has no record of its known place of business.

I declare and certify under penalty of perjury that the foregoing is true and correct.

Executed on this date: 11/07/2014 dhey a. Barlo

Rec07, revised 12/05/2013

Patrick Lund, pro per P.O. Box 25805 2 Scottsdale, Arizona 85255 Telephone: 480,525,3913 3 Facsimile: 480.522.3055 4 Plaintiff in pro per 5 6 SUPERIOR COURT OF ARIZONA 7 MARICOPA COUNTY 8 9 PATRICK LUND, an individual; Case No. CV 2014-054244 10 Plaintiff. SUMMONS 11 if you would like legal advice from a lawyer. JOSEHINE DUAH, an individual, 12 contact the Lawyer Referral Service at BEAUTIFUL BEGINNINGS ASSISTED 602-257-4434 LIVING HOME, LLC, an Arizona Limited 13 Liability Company, 14 gro.eteywalacconam.www Sponsored by the Defendants. 15 Maricopa County Bar Association 16 THE STATE OF ARIZONA TO THE DEFENDANT: 17 BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME, LLC. 18 Statutory Agent: Dannett Gardiner 19 7121 W. Bell Road, Suite 130 Glendale, AZ 85308 20 YOU ARE HERENY SUMMONED and required to appear and defend, within the 21 time applicable, in the action in this Court. If served within Arizona, you shall appear and defend within 20 days after the service of the Summons and Complaint Upon you, exclusive of the day 22 of service. If served out of the State of Arizona - whether by direct service, by registered mail or certified mail, or by publication - you shall appear and defend within 30 days after the service of the Summons and Complaint Upon you is complete, exclusive of the day of service. Where 23 process is served upon the Arizona Director of Insurance as an insurer's attorney to receive service of legal process against it in this state, the insurer shall not be required to appear, answer 24 or plead until expiration of 40 days after date of such service upon the Director. Service by 25 registered of certified mail with the State of Arizona is complete 30 days after the date of filing the receipt and affidavit of service with the Court. Service by publication is complete 30 days after the date of first publication. Direct service is complete when made. Service upon the 26 Arizona Motor Vehicle Superintendent is complete 30 days after filing the Affidavit of Compliance and return receipt or Officer's Return. R.C.P. 4; A.R.S §§ 20-222, 28-502, and 28-. 27 28

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2	YOU ARE HEREBY NOTIFIED that in case of your failure to appear and defend within the time applicable, judgment by default may be rendered against you for the relief demanded in the Complaint.
3	The Complaint
4 5	YOU ARE CAUTIONED that in order to appear and defend, you must file an Answer or proper response in writing with the Clerk of the Court, accompanied by the necessary filing fee, within the time required, and you are required to serve a copy of any Answer or response upon the Defendant's attorney. B.C.P. 10(4) A.P.F. 210 221 in Taylor and Answer or
6 7	Requests for reasonable accommodation for persons with disabilities must be made to the division assigned to the case by parties at least 3 judicial days in advance of a scheduled court proceeding.
8	The name and address of plaintiff is:
9	Patrick Lund.
10	P.O. Box 25805 Scottsdale, Arizona 85255
11	480.525.3913
12	SIGNED AND SEALED this date:
13	,
14	Clerk
15	
16	By
17	· · · · · · · · · · · · · · · · · · ·
18	CUPY
19	COPY  OCT 3 0 2014
20	MICHAEL K IT THE
21	G. SHAMON CLERK DEPUTY CLERK
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1 Patrick Lund, pro per P.O. Box 25805 2 Scottsdale, Arizona 85255 Telephone: 480.525.3913 3 Facsimile: 480.522.3055 4 5 Plaintiff in pro per 6 7 SUPERIOR COURT OF ARIZONA 8 MARICOPA COUNTY 9 PATRICK LUND, an individual; 10 Case No. Plaintiff. 11 (Contract; Conversion) 12 ٧. JOSEHINE DUAH, an individual, 13 BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME, LLC, an Arizona Limited 14 Liability Company, 15 Defendants. 16 17 18 19 Plaintiff alleges as follows: 20 1. 21 22 23 2. 24 25 26

COPY

OCT 3 0 2014

MICHAEL K. JEANES, CLERK G. SHAMON DEPUTY CLERK

CV2014-054244

For his complaint against Defendants, JOSEHINE DUAH, an individual, BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME, LLC, an Arizona Limited Liability Company,

- Plaintiff is an individual residing in Scottsdale, Arizona, and is the assignee and owner of all claims of Tailfeather Partners, LLC, an Arizona Limited Liability Company which maintains its principal place of business in Scottsdale, Arizona, contained herein.
- Defendant, JOSEHINE DUAH, ("JD"), is an individual residing in Maricopa County, and a Member of BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME, LLC, ("BB"). JD and BB shall be referred to as Defendants. BB is an Arizona Limited Liability Company conducting a care home facility located at 2819 S. 73rd Drive, Phoenix, Arizona, licensed by the State of Arizona, license number AL847H, ("Facility").

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- 3. On or about August 27, 2014, Plaintiff's assignor and Defendants entered into a series of agreements attendant to the sale of the Facility for \$83,000.00. All agreements were signed at the escrow office handling the close, with all parties and defendant's broker present. Escrowed closed, and Plaintiff's assignor paid all moneys required by escrow to close on September 2, 2014.
- 4. In addition to escrow instructions, Defendants, negotiated and signed the following agreements: a) Bill of Sale, attached as Exhibit "A; b) Management Agreement, attached as Exhibit "B"; c) Consulting Agreement, attached as Exhibit "C". The agreements provide, iter alia, that defendants were to 1) pay over to plaintiff's assignor each month all the revenue generated from the Facility; 2) guaranty monthly revenue of \$12,468.75 per month for one year; 3) cooperate and not interfere with the licensing of Plaintiff's assignee, and 4) honor an option to purchase another adjacent care facility owned by Defendants at 7312 S. 73<sup>rd</sup> Street on the same terms.
- 5. Plaintiff's assignor paid all monies and performed all obligations required of it under the agreements, except where such performance was rendered impossible or impracticable due to the actions of Defendants. However, Defendants' breached the agreements by intentionally and completely ignoring the agreements and failing to honor the terms thereof. Indeed, such failure to comply includes the intentional and planned conversion of the checks attached hereto as Exhibit "D".
- 6. As a result of the actions of Defendants alleged herein, now due and owing to Plaintiff the sum of \$295,000.00, plus interest at the legal rate.
- Plaintiff's assignor has demanded the amounts due it, but Defendants failed to pay, and continue to pay the sums due as alleged herein.
- 8. Pursuant to the terms of the agreements, Plaintiff is entitled to attorneys fees incurred as a result of the breaches of the agreements.

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1	9.	All conditions precedent to the duty of defendant to pay said sums to Plaintiff have
2	been prefo	rmed or have occurred.
3	WHERFO	RE, Plaintiff prays for judgment against Defendants, jointly and severally, as follows:
4		Project Jensent against Detendants, Johnty and Severally, as follows:
5	1.	For damages in the amount of \$295,000.00, plus interest at the legal rate;
6	2.	For conversion damages;
7	. 3	For attorney's fees and costs of suit herein incurred; and
8	4.	For such other and further relief as the court deems just and proper.
9		
10	DATED.	
11	DATED: (	October 28, 2014 By: Patrick Lund, Plaintiff
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### Exhibit "A" (Bill of Sale)

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### Bill of Sale

This BILL OF SALE (this "Agreement") dated as of August 31, 2014, is made and entered into by and between Josephine Duah and Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability Company, with principal offices located at 2819 73rd Drive, Phoenix, AZ 85043, ("Sellers"), and Tailfeather Partners LLC, an Arizona Limited Liability Company, with principal offices located at 9915 E. Bell Road, Suite 114, Scottsdale, AZ 85255, ("Buyer"). Sellers and Buyer shall sometimes be referred to herein as Parties.

### Recitale

- A. Sellers have been operating a adult residential care facility commonly known as Beautiful Beginnings, (hereinafter referred to as the "Business"), operating under license number AL8474H, located at 2819 73rd Drive, Phoenix, AZ.
- B. The Parties have agreed to a sale of the Facility pursuant to a Purchase Agreement and Addendums, collectively the "Sale Documents".

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, it is agreed as follows:

### Agreements

In consideration of the premises and the mutual covenants, and agreement set forth in the Purchase Agreement, the parties hereby agree as follows:

- 1. Definitions. Capitalized terms used in this agreement and not otherwise defined herein shall have the meaning ascribed thereto in the Sale Documents.
- 2. Sale of Assets. Sellers, in accordance with the and subject to the terms of the Sale Documents, hereby sells, conveys, assigns, transfers and delivers to Buyer and Buyer, in accordance with and subject to the Sale Documents, hereby purchases and acquires from Sellers, all of Seller's right, title and interest of every kind and nature, in and to the BUSINESS, including all of the furniture and furnishings, equipment, (See Exhibit "A"), work in progress, fixtures, customer and prospect lists, vendor, supplier, and manufacturer information, books, records, goodwill, inventory, trademarks, intellectual property, website IP address, toil-free telephone number(s), trade names, all tangible an intangible assets of the "BUSINENESS." FURTHERMORE, Sellers warrant that he, she, or it are the lawful owner of said personal property and herby certifies, under oath, that he, she or the have good right to sell the same as aforesaid, and that the above described property is free and clear of all claims, lines and other encumbrances whatsoever, EXCEPT, as specified herein. Sellers further agree to warrant and defend same against the lawful claims and demand of all persons whomsoever. Sellers warrant and represent that the income and expense figures attached hereto as Exhibit "B" are accurate and reflect the current and past



status of the Business. Sellers are aware that Buyer is relying on the accuracy and veracity of Exhibit "B".

- 3. Counterparts. This Agreement is executed pursuant to the Sale Documents and may be executed in counterparts, each of which as two executed shall be deemed to be an original but both of which together shall constitute one and the same instrument, A facsimile signature shall be acceptable as an original for all purposes.
- 4. Blnding effect. This Agreement shall inure to the benefit of and shall be binding upon Buyer and Seller, and their respective successors and assigns, but shall not create any right of subrogation or other right on the part of any other person.
- 5. Amendment, Waiver or Termination. This Agreement cannot be amended, waived or terminated by a writing signed by the parties hereto;
  - (i) Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA.

IN WHITNESS WHEREFORE, Buyer and Seller have caused this Bill of Sale to be executed individually or in their respective corporate names by their respective proper officers thereunto duly authorized, as of the date first written above.

"Sellers"

Dated: August 31, 2014

Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability

Signatures continue on next page

Tailfeather Partners LLC, an Arizona Limited Liability Company

Dated: August 31, 2914

By: Patrick Lund Its: Managing Member

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Exhibit "A" (Furniture and furnishings)



# EXHIBIT "A" EQUIPMENT LIST FOR: BEAUTIFUL BEGINNINGS LLC

LOCATED AT:2819 S. 73RD DRIVE, PHOENIX, AZ 85043 FOR DEPOSIT INTO ESCROW#

ROOM #1	DINING ROOM
1 - Bed	1 - TABLES
	4 - CHAIRS
ROOM #2	1 - DISHES/CUPS (SET)
1 - Desk	1 - SILVERWARE (SET)
	1 - COOKWARE (SET)
ROCK #3	1 - Protonname
1 - WASHER	1 - REFRIGERATOR
1 - DRYER	OUTSIDE
ROOM #4	1 - TABLE
2 - PICTURES	4 - CHAIRS
1 - SMALL TV STAND	
1 - LAMP	MISC
	(HOUSEWARE/CLEANING ITEMS)
ROOM #5	
1 - NIGHT STAND	
1 - DRESSER	
L - CHEST	
t Chest	
ROCH #6	
1 - TV STAND	
1 - IV STAND 1 - MIRROR	
T - MIKKOK	
ROOM #7	
2 - CHEST	
1 - TV STAND	
1 - PICTURE	
2 - TWIN BEDS	
CIVING ROOM	
1 - TARCE CEORS	
1 - LARGE SECTIONAL SOFA	
2 - MEDICINE CABINETS	
1 - FLAG SCREEN TV	
2 - PICTURES	
1 - MIRROR	
DATE: 8 27 14	
DATE: OIXTII	DATE: Q OF IN

9 9 1 1	
DATE: 8/27/14  DUAL SEILER APPROVAL	DATE: 8.84, 14
SELLER APPROVAL	PURCHASER APPROVAL

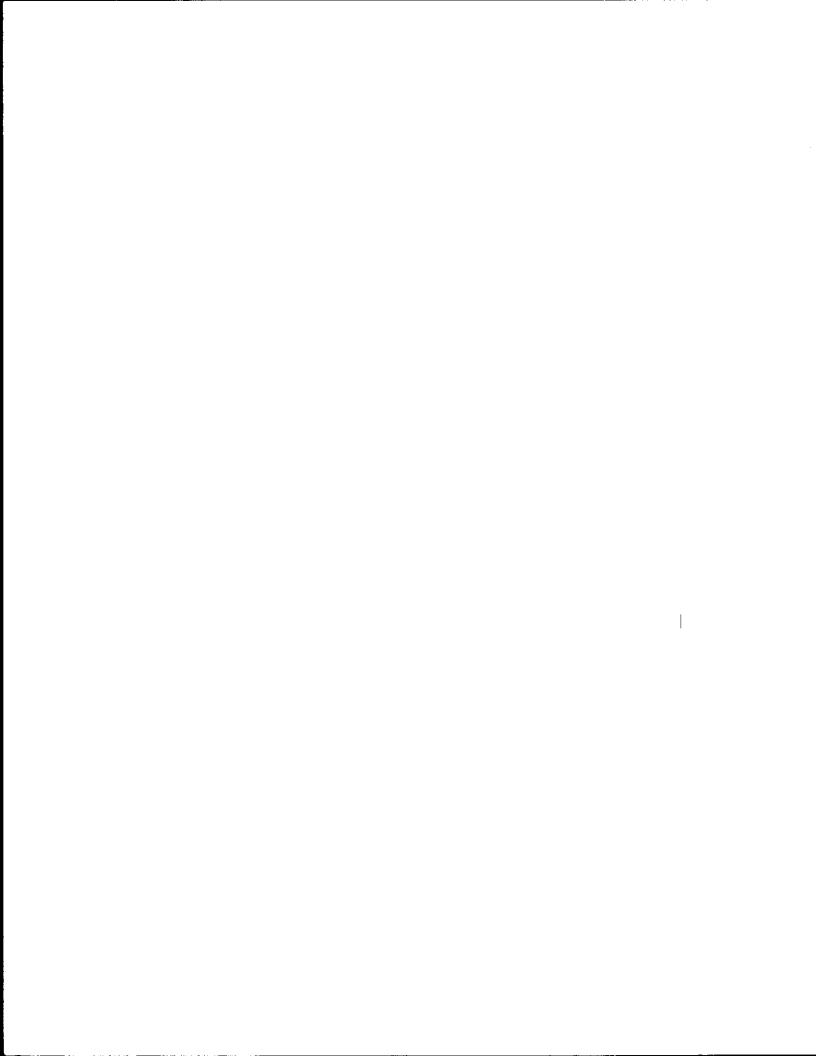


Exhibit "B" (Income and Expense)

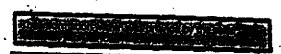


### Secutiful Beginnings Overview of Income & Expenses

3

9 10

	Monthly	Cigarette
Cifrent Population	Rempi	Money - Allow.
Michael Burns	1,800.00	250.00
Larry Long Jacob Olszawski	2,700.00	-
Wenter Minish	2,500.00	207.00
Helina Othes	2,200,00	181.00
Christi Munoz	2,600.00	
John Frank	2,400.00	300.00
William Lynn	2,600.00	143,00
Open	1,320.00	7
Open	•	•
Total	-	<u> </u>
	18,630.00	1,873.00
Average (18,620.00 / 8 )		
Annual (votostron), \$ }	2,327.50	171.63
Projected Income Pull		
* **	28,273.00	1,716.76
- flut income - Transportation	1.500.00	-,
income	•	
Projected Rentel Moome	Manthly	Antical
Projected Transportation	28,275.00	279,300.00
Projected Allowence	1,500.00	18,000.00
Total Revenue	1,715.25	20,585.00
		\$17,895.00
Expenses	_	
Lette - 2019 5 73cd		
14464 - 7312 W COCKE	1,365.00	16,880.00
	1,195.00	24,340,00
Auto Ibpenses		
- Pagi		
- Van Reggel - Est.	300.00	3,600.00
	\$00.00	6,000.00
Accounting & Payroli		
	200.00	2,400.00
Bank Charges	95.44	
• .	85,00	420.00
Stainess License		
- 2819 578rd	56.67	
-7312 W Cortes	56.67	- CANADA
	3047	20.00
Cable, Internet, Phone		
-2819 5 73rd	280.00	3 353 44
- 7912 W Cortex	100.00	
Cigitrette Costs		1,200.00
And some childle	1,726.25	20,585.00
Care Plans - Reimburged		
	"1 - Nurse fines re	imburged
Referral Fees - Betimpted		
·	\$00.00	6,000.00



DISCLAIMER: The information contained herein is provided by Seller and has not been audited, verified, or investigated by Sroker or Agent. Buy is advised and expected to investigate and verify all representations regarding subject business/property to his full satisfaction. This offering is subject to prior sale. Buyer tully understands that Broker is agent for Seller.





# Exhibit "B" (Management Agreement)

### **MANAGEMENT AGREEMENT**

This Management Agreement ("Agreement"), is made and entered into by and between Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability Company, with principal offices located at 2819 73rd Drive, Phoenix, AZ 85043, ("Provider"), and Tailfeather Partners LLC, an Arizona Limited Liability Company, with principal offices located at 9915 E. Bell Road, Suite 114, Scottsdale, AZ 85255, ("Manager"). Provider and Manager shall sometimes be referred to herein as Parties.

### **RECITALS**

- a. Provider has been operating a adult residential care facility commonly known as Beautiful Beginnings, (hereinafter referred to as the "Facility"), operating under license number AL8474H, located at 2819 73rd Drive, Phoenix, AZ, (hereinafter referred to as the "Property").
- b. The Parties have agreed to a sale of the Facility pursuant to a Purchase Agreement and Addendums, collectively the "Sale Documents".
- c. Between the Effective Date and the Closing as defined in the Sale Documents, the Parties have agreed that Manager will manage the Facility while the licensing and due dillgence process reflected therein is completed as required by the State of Arizona and the Parties.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, it is agreed as follows:

### 1. TERM.

The term of this Agreement shall begin on August 29, 2014 ("Effective Date") and continue until Manager is granted state licensing to operate the Facility or in accordance with the terms set forth in paragraph 6, below.

## 2. MANAGEMENT RESPONSIBILITY.

Commencing on the Effective Date and continuing until terminated in accordance herewith (hereinafter referred to as the "Management Period") Provider hereby engages Manager and Manager hereby accepts such engagement and agrees to provide management, consulting, advisory and supervisory services to Licensee in connection with the operation of the Facility upon the terms and conditions set forth in this Agreement; provided, however, Provider has and retains under this Agreement the ultimate responsibility for the operational decisions of the Facility. By entering into this Agreement, Provider does not delegate to Manager any powers, duties or responsibilities that it is prohibited by law from delegating. Provider also retains such other authority as shall not have been expressly delegated to Manager pursuant to this Agreement. Subject to the foregoing, Manager shall provide the following services:

- a) full management responsibility for the collection of resident fees, operation of the Facility including replacing residents and filling any open beds, and agrees to assume and discharge all responsibilities in connection with properly operating and maintaining the Facility in accordance with the regulations and standards required of a facility so licensed;
- b) Staffing, including all professional staff requirements;

c) Invoicing and collection services;

d) Processing and payment of all accounts payable;

e) Payroll processing, including processing of payroll taxes, etc;

f) All care as required under the regulations and standards for a residential care facility:

g) Payment of all insurance, taxes, operating costs, etc;.

- h) Management of all employees and staff, including the administrator, with full hiring and firing control, and establishing staffing schedules and wage structures and personnel policies for all employees and the administration of the same;
- i) Purchasing all supplies and other items necessary for the efficient operation of the Facility;
- j) Complying with all statutes and regulations of governmental authorities applicable to the operation of the Facility;
- k) Providing all necessary bookkeeping and accounting for the operation of the Facility;
- I) Manager shall manage the Facility so as to provide compliance with all statutes and regulations pertaining thereto and shall use its best efforts to provide the highest and best standard of residential care. Manager shall use his best efforts to avoid any citations or complaints against the Facility or Provider's license by any governmental authority or any resident with regard to care or the operation and maintenance of the Facility.

### 3. PAYMENT OF EXPENSES.

All expenses incurred from and after the Effective Date in the operation of the Facility which accrue during the Management Period, including, but not limited to, personnel salaries, the cost of supplies and equipment for the Facility, utilities, and all other items as listed in paragraph 2 above, shall be paid by Manager.

### 4. RELATIONSHIP OF THE PARTIES

The relationship of the parties shall be that of independent contractor/contractor and all acts performed by Manager during the term hereof as Manager of the Facility shall be deemed to be performed in its capacity as an independent contractor pursuant to the Agreement. Nothing contained in this Agreement is intended to or shall be construed to give rise to or create a partnership or joint venture between Provider, its successors and assigns on the other hand.

# 5. CONTINUED RESPONSIBILITY OF PROVIDER.

It is understood that during the Management Period, Provider shall, to the extent required by Arizona law, remain as the responsible licensee of the Facility. Manager shall develop and implement such operational policies and procedures as may be

appropriate for the effective operation of the Facility, including but not limited to all policies and procedures necessary to ensure the ongoing licensure of the Facility. Notwithstanding the above, it is recognized that under the terms of this Agreement, Manager shall be in exclusive charge of the day to day operations and maintenance of the Facility and of residential care.

#### 6. PROVIDER'S INSPECTION

Manager acknowledges and agrees that during the term of this Agreement, to the extent required by Arizona law, Provider is ultimately responsible for the care provided to the residents of the Facility and for the compliance of the Facility with applicable law. Accordingly, during the term hereof, Provider may enter and inspect the Facility at any time provided Provider coordinates such inspections with the onsite administrative personnel at the Facility in order to minimize any disruption of Manager's day to day operations of the Facility and to ensure that such inspections do not violate resident rights to privacy under state or federal resident rights laws. In addition, Provider shall have the right to inspect and/or audit all books and records pertaining to the operation of the Facility.

In the event that any violation of any statute or regulation applicable to the operation or maintenance of the Facility or to residential care occurs during the term of this Agreement, whether such violation may result in the imposition of penalties, fines, court, or administrative orders, or license revocation as to Provider or the Facility, then and in such event, Manager shall immediately notify Provider of said violation(s) and, after contesting such violation(s), upon demand of Provider, Manager shall pay all expenses and/or fines incurred by Manager and Provider because of such violation(s). In addition, Manager shall pay, upon demand of Provider, all damages and/or liabilities to third parties which Provider may be subject by reason of any such final violation(s).

Provider may join Manager in contesting said violation(s), after upon providing Manager with notice of same, and Manger's approval thereof.

Provider agrees to be responsible for and to correct violations, if any, based on facts which existed prior to the Effective Date of this Agreement.

## 5. MANAGEMENT COMPENSATION.

During the term of this Agreement, Manager shall be entitled to all revenue of any nature generated directly or indirectly from the Facility.

The parties agree that Manager shall have no interest in any accounts receivables arising from services rendered prior to the effective date of this Agreement. From and after term of this Agreement, Manager is the sole owner of any and all revenue collected and any account receivables arising from services rendered in any nature form the Facility.

# 6. TERMINATION OF MANAGEMENT AGREEMENT.

This Agreement is to be terminated upon the occurrence of one or more of the following events:

- a. Manager obtaining provisional or permanent state licensing to operate the Facility;
- b. Pursuant to a notice of termination as provided in paragraph 8 of this Agreement;
- c. By written agreement of the Parties.

#### 7. ASSIGNMENT.

Neither party will assign this Agreement to any other party or parties, without the prior written consent of the other party.

#### 8. DEFAULT.

In the event that either party fails to observe or perform any of the covenants or provisions of this Agreement, or under the terms of the Sale Documents, and such failure shall continue for a period of thirty (30) days after written notice thereof from one party to the other, the dispute shall be immediately submitted to arbitration or mediation by an agreeable mediator of the parties choice. If the parties cannot agree on a mediator, then each party shall choose a mediator, and those two mediators shall choose a third, who shall conduct the proceedings. However, if the nature of Manager's default in performance of any of the covenants or provisions of this Agreement or of the Sale Documents is such that more than thirty (30) days are reasonably required for its cure, Manager shall not be deemed in default if it commences such cure within said thirty (30) day period and thereafter diligently prosecutes said cure to completion. This provision shall not apply to default in the payment of any sums due from Manager to Provider pursuant to the terms of any of the Sale Documents.

## 9. INDEMNIFICATION.

Each party agrees to indemnify and save the other harmless of and from any and all losses, claims or demands that may be made against the other arising out of Manager's operation of the Facility during the period of this Agreement, or Provider's operation prior thereto, and during the term of this Agreement should such claims arise due to actions existing before the Effective Date hereof. Such indemnification shall include reasonable attorneys' fees incurred in defense of any losses, claims or

# 10. MISCELLANEOUS.

A) ARBITRATION AND LEGAL EXPENSES. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Maricopa County in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If any arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged or actual dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees

and other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled.

- B) EXPENSES. Each of the parties shall pay their respective costs and expense incurred or to be incurred by it in negotiating and preparing this Agreement and in closing and carrying out the transaction contemplated herein.
- C) NOTICES. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed, registered or certified mail, postage prepaid, and property addressed as follows: TO MANAGER: Tailfeather Partners LLC, 9915 E. Bell Road, Suite 114, Scottsdale, AZ 85255; TO PROVIDER: Beautiful Beginnings, LLC, an Arizona Limited Liability Company, with principal offices located at 2819 73rd Drive, Phoenix, AZ 85043; or at such other address as either party may by like notice designate to the other in writing.
- D) APPLICABLE LAW. This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona.
- E) <u>COUNTERPARTS</u>. This Agreement may be executed simultaneously 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.
- F) <u>EFFECT OF CAPTIONS</u>. The captions of paragraphs and subparagraphs of this Agreement have been inserted solely for the purposes of convenience and reference, and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

# 11. MANAGEMENT CHECKING ACCOUNT:

On or before the closing anticipated in the sale Documents, the parties shall open a joint checking account ("Account"), in the name of Provider, or other name determined by the parties, for purposes of depositing all revenue generated or checks received during the Management Period and to be distributed those deposits as reflected in this Agreement. Manager has authority to deposit said checks and revenue and distribute proceeds from the Account without further approval or notice to Provider. The parties shall close the Account upon termination of the Agreement.

## 12. AUTHORIZATION:

In order to facilitate the successful management defined herein, Provider shall execute the Authorization attached hereto as Exhibit 1 allowing Manager to access resident and facility information with state and medical agencies. Said Authorization shall expire at termination of this Agreement.

Signatures follow on the next page....

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DATE 8 27/14	
"Provider"	
Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability Company  By: Josephine Duah  Its:	/
DATE	
Tailfeather Parties LLC  By: Rick Lund	
Its: Managing Mambas	

# Exhibit "C" (Consulting Agreement)

#### CONSULTING AGREEMENT

This Consulting Agreement ("Agreement"), is made and entered into by and between Josephine Duah, individually and on behalf of Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability Company, with principal offices located at 2819 73rd Drive, Phoenix, AZ 85043, ("Consultant"), and Tailfeather Partners LLC, an Arizona Limited Liability Company, with principal offices located at 9915 E. Bell Road, Suite 114, Scottsdale, AZ 85255, ("Buyer"). Consultant and Buyer shall sometimes be referred to herein as Parties.

#### RECITALS

- a. Consultant has been operating a adult residential care facility commonly known as Beautiful Beginnings, (hereinafter referred to as the "Facility"), operating under license number AL8474H, located at 2819 73rd Drive, Phoenix, AZ, (hereinafter referred to as the "Property").
- b. The Parties have agreed to a sale of the Facility pursuant to a Purchase Agreement and Addendums, collectively the "Sale Documents".
- c. As part of the consideration reflected in the Sale Documents, the Parties have agreed that Consultant shall assist and consult as reflected herein.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, it is agreed as follows:

#### 1. TERM.

The term of this Agreement shall begin on August 29, 2014 ("Effective Date") for 12 months, ("End Date").

# 2. CONSULTANT GUARANTY.

a. From and after the Effective Date, and through the End Date, Consultant shall Guaranty Facility revenue, based on the 5 beds currently occupied at closing, (exclusive of agency provided stipends, e.g. cigarette money) of \$12,468.75 for each month, commencing September 1, 2014;

#### 3. CONSULTANT DUTIES.

From and after the Effective Date, and through the End Date, Consultant shall commit sufficient time and resources to provide the following services to Buyer:

- a. Provide training and introductions to revenue providers, including, but not limited to government agencies;
- b. Provide licensing procedure assistance as need until licensing for Buyer is achieved with the State of Arizona;
  - c. Assist in care giver introductions and duty allocation and authorization;
  - d. Assist in name changes with vendors, etc.;

#### e. Other tasks as agreed.

#### 4. PAYMENT.

After the initial 90 day period hereof, the parties shall agree on Consulting Fees, including referral fees as appropriate.

#### 5. RELATIONSHIP OF THE PARTIES

The relationship of the parties shall be that of independent contractor/contractor and all acts performed by Consultant during the term hereof shall be deemed to be performed in its capacity as an independent contractor pursuant to the Agreement. Except as otherwise stated in the Sale Documents, nothing contained in this Agreement is intended to or shall be construed to give rise to or create a partnership or joint venture between Consultant, its successors and assigns on the one hand, and Buyer, its successors and assigns on the other hand.

#### 6. TERMINATION.

This Agreement is to be terminated upon the occurrence of the End Date.

#### 7. ASSIGNMENT.

Neither party will assign this Agreement to any other party or parties, without the prior written consent of the other party.

#### 8. DEFAULT.

In the event that either party fails to observe or perform any of the covenants or provisions of this Agreement, or under the terms of the Sale Documents, and such failure shall continue for a period of five (5) days after written notice thereof from one party to the other, the dispute shall be immediately submitted to arbitration or mediation by an agreeable mediator of the parties choice. If the parties cannot agree on a mediator, then each party shall choose a mediator, and those two mediators shall choose a third, who shall conduct the proceedings. However, if the nature of the default in performance of any of the covenants or provisions of this Agreement or of the Sale Documents is such that more than thirty (30) days are reasonably required for its cure, neither party shall not be deemed in default if it commences such cure within said thirty (30) day period and thereafter diligently prosecutes said cure to completion.

#### Signatures follow:

DATE 8/27/14

#### "Consultant"

Josephine Duah, individually and on behalf of Beautiful Beginnings Assisted Living Home, LLC, an Arizona Limited Liability Company

Josephine Duah

By: Josephine Duah

He.

DATE 8-27-14

"Buyer"

Tailfeather Paytners LLC

By: Rick Lund

Its: Managing Member

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# Exhibit "D" (Converted Checks)



ARIZONA DEPARTMENT OF VETERANS' SERVICES

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Beautiful Beginnings Assisted Living 7312 W Cordes Road THE: ORDER PHOENIX, AZ 85043

DOLLARS\$ \*161,00\*\*\*

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ARIZONA DEPARTMENT DE VETERANS SERVICES

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MICHAEL K. JEANES, CLERK G. SHAMON DEPUTY CLERK

Plaintiff in pro per

Patrick Lund, pro per P.O. Box 25805

Scottsdale, Arizona 85255

Telephone: 480,525,3913

Facsimile: 480.522.3055

SUPERIOR COURT OF ARIZONA

MARICOPA COUNTY

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PATRICK LUND, an individual;

Case No.

CV2014-054244

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Plaintiff,

CERTIFCATE RE: COMPULSARY ARBITRATION

11 v.

JOSEHINE DUAH, an individual, BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME, LLC, an Arizona Limited Liability Company,

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Defendants.

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Plaintiff, hereby states that its complaint seeks an award that exceeds the limits set by Local Rule for compulsory arbitration and that therefore, this case is not subject to arbitration under the Arizona Rules of Civil Procedure.

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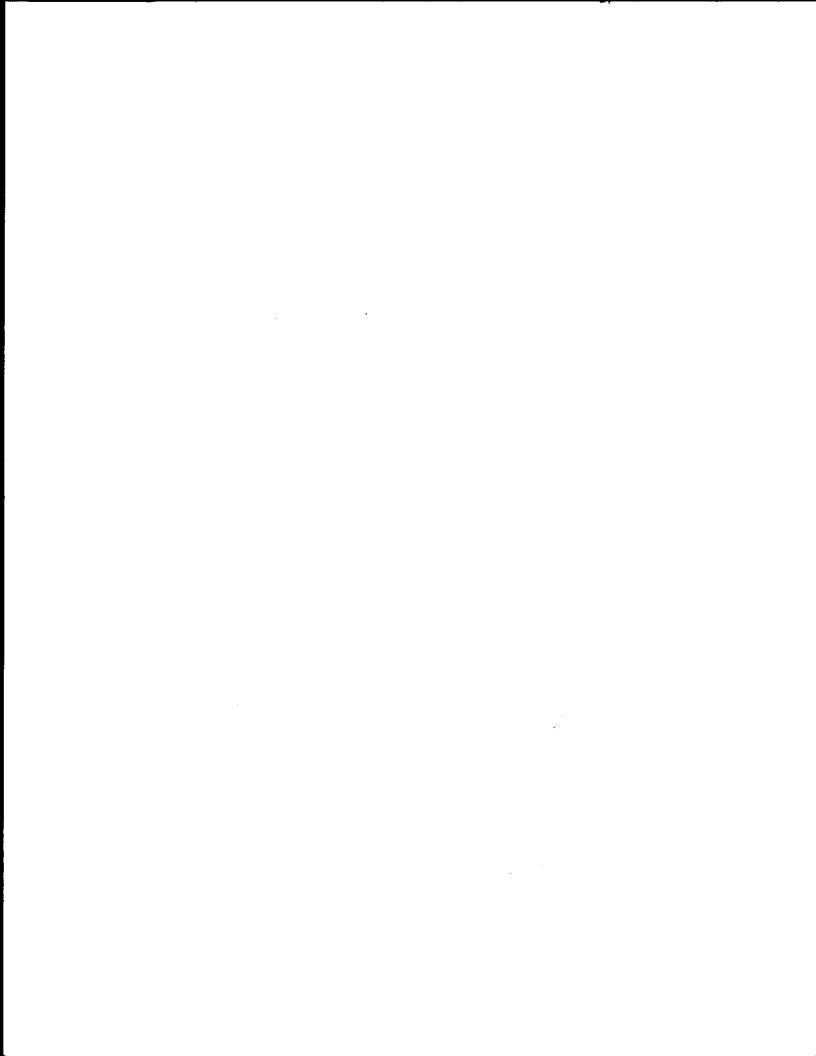
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Dated this 28th day of October, 2014.

Patrick Lund, Plaintiff



## Corporate Inquiry

11/07/2014 State of Arizon File Number: L-1646023-6 Corp. Name: BEAUTIFUL BEGINNINGS AS	a Public Access System	9:02 A
Domestic Address 2819 S 73RD DR	Second Address	
PHOENIX, AZ 85043		
Agent: DANNETT GARDINER Status: APPOINTED 11/24/2010 Mailing Address: 7121 W BELL RD STE 130	Domicile: County: Corporation Type: Life Period: Incorporation Date:	MARICOPA DOMESTIC L.L.C. PERPETUAL 11/24/2010
GLENDALE, AZ 85308 Agent Last Updated: 04/13/2011 *** SEE COMMENTS *** Business Type:	Approval Date: Last A/R Received: Date A/R Entered: Next Report Due:	

Valley-Wide Process Server

14215 N. 20<sup>th</sup> Way
Phoenix, Az 85022
(602) 262-2555

IN THESUPERIOR COURT FOR THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA
PATRICK LUND,

Plaintiff(s),

vs.

DECLARATION OF DUE DILIGENCE

JOSEHINE DUAH an individual,
BEAUTIFUL BEGINNINGS ASSISTED
LIVING HOME, LLC.

D

IN THESUPERIOR COURT FOR THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

DECLARATION OF DUE DILIGENCE

BY PRIVATE PROCESS SERVER

DIVING HOME, LLC.

John Cox upon his oath and personal knowledge states as follows:

- 1. I am over twenty one years of age, suffer no legal disabilities and I am licensed in Maricopa County as a private process server;
- 2. On October30, 2014 at 4:15 p.m., November 3, 2014 at 2"50 p.m., November 4, 2014 at 10:34 a.m., I attempted/caused to be attempted delivery to BEAUTIFUL BEGINNINGS ASSISTED LIVING HOME LLC., at the address of their statutory agent DANNETT GARDINER at 7121 W. Bell Rd. #130 in Glendale, Arizona the Summons; Complaint; Certificate of Compulsory Arbitration filed with/issued by this Honorable Court in this matter and was unable to effect delivery;
- 3. Was told by another suite that unit #130 is property manager;
- 4. Defendant nor statutory agent listed in building directory;
- 5. On 10/30/14 at 4:15 p.m. statutory agent Dannett Gardiner was unavailable for service and there is no one else there authorized to accept service:
- 6. 11/3/14 at 2:50 p.m. statutory agent Dannett Gardiner was unavailable for service and there is no one else there authorized to accept service;
- 7. 11//14 at 10:34 a.m. statutory agent Dannett Gardiner was unavailable for service and there is no one else there authorized to accept service;
- 8. The fee for this service was \$60.00.

I swear under penalty of perjury pursuant to	o A.R.C.P.	80(i) this 4th	day of (	October,	2014	that the
foregoing is true and correct.			$\sim$			

John Cox

#### CORPORATIONS DIVISION RECORDS SECTION 1300 West Washington

Phoenix, Arizona 85007-2929

User Id: JBARKER

Check Batch:

Invoice No.: 4620426

ATTN:

Invoice Date: 11/07/2014 Date Received: 11/07/2014

Customer No.:

(CASH CUSTOMER)

Quantity Description	Amount
1 SERVICE OF PROCESS L-1646023-6 BEAUTIFUL BEGINNINGS ASSISTED LIVING HOM	\$25.00
Total Documents: \$ PAYMENT CREDIT CARD 8295	25.00 \$25.00
Balance Due: \$	0.00