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JODI JERICH
Executive Director

PATRICIA L. BARFIELD
Director
Corporations Division

COMMISSIONERS
SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE



ARIZONA CORPORATION COMMISSION

Date FEBRUARY 04, 2015

IWM, LLC
15029 N. THOMPSON PEAK PARKWAY B111
SCOTTSDALE, AZ 85260

Dear Sir or Madam:

Enclosed is a copy of the following document(s) that were served upon the Arizona Corporation Commission on 02/02/2015 as agent for IWM, LLC:

Case caption: LOYD PARKER, an individual; JAMES AIKEN, an individual v. IWM, LLC and DOES 1-20,

Case number: CV2015-051117 Court: MARICOPA COUNTY, SUPERIOR COURT

- ☒ Summons
- ☒ Complaint
- ☐ Subpoena
- ☐ Subpoena Duces Tecum
- ☐ Default Judgment
- ☐ Judgment
- ☐ Writ of Garnishment
- ☐ Motion For Summary Judgment
- ☐ Motion for
- ☒ Other ORDER TO SHOW CAUSE

Sincerely,


Lynda B. Griffin
Custodian of Records

Initials LBG
File number L-1870660-0

COMMISSIONERS
SUSAN BITTER SMITH – Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE



JODI JERICH
Executive Director

PATRICIA L. BARFIELD
Director
Corporations Division

ARIZONA CORPORATION COMMISSION

CERTIFICATE OF MAILING

Date: **FEBRUARY 04, 2015**

I, **LYNDA GRIFFIN** am an employee of the Arizona Corporation Commission ("ACC"). I hereby certify that on the **3RD** day of **FEBRUARY, 2015**, I received on behalf of the ACC service of the following documents upon the ACC as agent for **IWM, LLC**.

Case caption: **LOYD PARKER, an individual; JAMES AIKEN, an individual v. IWM, LLC and DOES 1-20,**

Case number: **CV2015-051117**

Court: **MARICOPA COUNTY, SUPERIOR COURT**

- | | |
|--|--|
| <input checked="" type="checkbox"/> Summons | <input type="checkbox"/> Default Judgment |
| <input checked="" type="checkbox"/> Complaint | <input type="checkbox"/> Judgment |
| <input type="checkbox"/> Subpoena | <input type="checkbox"/> Writ of Garnishment |
| <input type="checkbox"/> Subpoena Duces Tecum | |
| <input type="checkbox"/> Motion For Summary Judgment | |
| <input type="checkbox"/> Motion for | |
| <input checked="" type="checkbox"/> Other ORDER TO SHOW CAUSE | |

I hereby certify that on the **4TH** day of **FEBRUARY, 2015**, I placed a copy of the above listed documents in the United States Mail, postage prepaid, addressed to

IWM, LLC

at its last known place of business as follows:

**15029 N. THOMPSON PEAK PARKWAY B111
SCOTTSDALE, AZ
85260**

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: **February 4, 2015**

(signature) _____

SUPERIOR COURT OF ARIZONA
COUNTY OF MARICOPA

1/29/15 **FILED** 2:59 p.m.
MICHAEL K. JEANES, Clerk
By K. Hartley
Deputy

LLOYD PARKER, an individual
JAMES AIKEN, an individual
Plaintiffs,

CV 2015-051117

ORDER TO APPEAR

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

(Return & Evidentiary
Hearing Set 2/9/15 at 10:30 a.m.)

All parties, whether represented by attorneys or not, must be present. If there is a failure to appear, the Court may make such orders as are just, including granting the relief requested by the party who does appear.

The Court has reviewed the Verified Complaint and Application for an Order to Show Cause Why a Receiver Should Not be Appointed (filed January 29, 2015). Plaintiff asks the Court to appoint a receiver without notice. Plaintiff seeks an expedited hearing.

IT IS ORDERED GRANTING Plaintiff's request for an expedited hearing and directing that all other relief sought shall abide the Evidentiary Hearing set below.

IT IS FURTHER ORDERED that Plaintiff file a verification supporting her "Request for Hearing" no later than September 2, 2014.

IT IS FURTHER ORDERED that a Return & Evidentiary hearing be held on the Application and that all parties shall appear as follows:

NAME OF JUDICIAL OFFICER: Hon. Michael D. Gordon

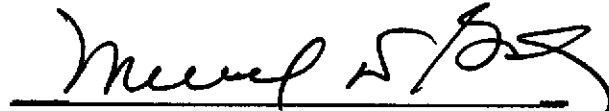
DATE AND TIME OF HEARING: February 9, 2015 at 10:30.m. (1 HOUR).

PLACE OF HEARING: Maricopa County Superior Court, Northeast Regional Court Center, 18380 N. 40th Street, Courtroom No. 108, Phoenix, Arizona 85032, Ct. # 108.

IT IS FURTHER ORDERED that a true and correct copy of this Order to Appear, and copies of related documents shall be served by Plaintiff on Defendant(s) no later than Wednesday, February 4, 2015 or as soon as practicable thereafter. Service shall be accomplished in a manner consistent with the Arizona Rules of Civil Procedure.

January 29, 2015

Date



Michael D. Gordon
Superior Court Judge

Requests for reasonable accommodation for persons with disabilities must be made to the office of the Judge or Commissioner scheduled to hear the case.

FILED

WOLFEK - JAMES C. JR.

1960

Richard A. Drake (025449)
DRAKE LAW FIRM PLC
14500 N. Northsight Blvd. Ste 208
Scottsdale, AZ 85260
Tel: (602) 441-4700
Fax: (602) 388-8979
rdrake@bdlawyers.com
Attorney for Plaintiffs

SUPERIOR COURT STATE OF ARIZONA

MARICOPA COUNTY

LOYD PARKER, an individual; JAMES
AIKEN, an individual,

Plaintiffs,

v.

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

Case No.: CV 2015-051117

SUMMONS

**If you would like legal advice from a lawyer,
contact the Lawyer Referral Service at
602-257-4434**

or

www.maricopalawyers.org

Sponsored by the
Maricopa County Bar Association

THE STATE OF ARIZONA TO THE DEFENDANT:

IWM, LLC

YOU ARE HEREBY SUMMONED and required to appear and defend, within the time applicable, in this 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 of service. If served out of the State of Arizona - whether by direct service, by registered 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 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 or plead until expiration of 40 days after date of such service upon the Director. Service by registered or certified mail within 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 Arizona Motor Vehicle Superintendent is complete 30 days after filing the Affidavit of Compliance and return receipt or Officer's Return. **RCP 4; A.R.S. §§ 20-222, 28-502, 28-503.**

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.

1 **YOU ARE CAUTIONED** that in order to appear and defend, you must file an Answer
2 or proper response in writing with the Clerk of this Court, accompanied by the necessary filing
3 fee, within the time required, and you are required to serve a copy of any Answer or response
4 upon the Plaintiffs' attorney. **RCP 10(d); A.R.S. §12-311; RCP 5.**

5 The name and address of plaintiff's attorneys is:

6 Richard A. Drake
7 **DRAKE LAW FIRM PLC**
8 14500 N. Northsight Blvd. Ste 208
9 Scottsdale, AZ 85260
10 Tel: (602) 441-4700
11 Fax: (602) 388-8979
12 rdrake@bdlawyers.com

13 **REQUESTS FOR REASONABLE ACCOMMODATION FOR PERSONS WITH**
14 **DISABILITIES MUST BE MADE TO THE DIVISION ASSIGNED TO THE CASE BY**
15 **PARTIES AT LEAST 3 JUDICIAL DAYS IN ADVANCE OF A SCHEDULED COURT**
16 **PROCEEDING.**

17 **SIGNED and SEALED this date:**

18 **COPY**
19 **CLERK OF THE SUPERIOR COURT**

20 JAN 29 2015



21 MICHAEL K. JEANES, CLERK
22 K. LEVRY
23 Deputy Clerk

Richard A. Drake (SBN 025449)
DRAKE LAW FIRM PLC
14500 N. Northsight Blvd. Ste 208
Scottsdale, AZ 85260
Tel: (602) 441-4700
Fax: (602) 388-8979
rdrake@bdlawvers.com
Attorney for Plaintiffs

COPY



JAN 29 2015

MICHAEL K. JEANES, CLERK
K. LAVERY
DEPUTY CLERK

**SUPERIOR COURT STATE OF ARIZONA
MARICOPA COUNTY**

CV 2015-051117

LOYD PARKER, an individual; JAMES
AIKEN, an individual,

Case No.: _____

Plaintiffs,

VERIFIED COMPLAINT

v.

**(Breach of Contract; Appointment of
Receiver)**

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

Plaintiffs, James Aiken and Loyd Parker, for their complaint against IWM, LLC, hereby
state and allege as follows:

PARTIES

1. Plaintiff Loyd Parker is an individual who at all times relevant herein has been
a resident of Maricopa County.

2. Plaintiff James Aiken is an individual who at all times relevant herein has been
a resident of Maricopa County.

3. Defendant IWM, LLC ("IWM") is an Arizona limited liability company
authorized to do business and doing business in Maricopa County, Arizona.

4. The fictitiously designated defendants DOES 1-20 have been so designated as
parties to this Complaint because Plaintiffs are currently unaware of their true identities. Once
the true identity of any fictitiously named defendant becomes known, the Plaintiffs will request
leave of the Court to amend their Complaint to reflect the true names of the individuals or
entities.

5. At all times relevant herein, Defendants are sued and were acting as principal, employer and/or the agent, servant and employee of said principal(s) or employer(s), and all of the acts performed by them, or their agents, servants and employees, were performed with the knowledge and under the control of said principal(s) or employer(s) and all such acts performed by such agents, servants and/or employers, were performed within the course and scope of their authority.

JURISDICTION & VENUE

6. Defendants have caused events to occur in Maricopa County, Arizona that have resulted in the courts of Arizona having jurisdiction over this cause of action under the Constitution of the State of Arizona Article 14 § 6, *Ariz. Rev. Stat.* § 12-123, and Rule 4.1(a), *Arizona Rules of Civil Procedure*.

7. The amount in controversy exceeds this Court's minimum jurisdiction.

8. Venue is proper in this Court pursuant to *A.R.S.* § 12-401.

STATEMENT OF FACTS

9. On or about August 10, 2013, Plaintiffs entered an agreement with Defendant IWM, via its agent Kurt Bloedorn, in which Plaintiffs agreed to invest money in IWM for the purchase and sale of various custom furniture. (the "Investment Agreement") (See **Exhibit A.**)

10. The custom furniture is manufactured in India and shipped to the United States in containers by sea vessel.

11. The containers are shipped to a Los Angeles area seaport and then its contents are transported by truck to Scottsdale, Arizona.

12. IWM leased a Scottsdale warehouse space for the local storage of the furniture until its sale to customers.

13. IWM has since abandoned the leased space and all of IWM's assets and inventory, upon information and belief, have been absconded and hidden by IWM's Manager Bloedorn. Plaintiff Parker has been forced to negotiate with the landlord in an attempt to mitigate his damages. (See **Exhibit B.**)

14. Plaintiff Loyd Parker personally guaranteed the lease.

1 15. Plaintiff Parker and IWM later agreed that Parker would be a 50% owner of
2 IWM LLC and IWM filed an amendment adding Parker to IWM as a 50% member. (See
3 **Exhibit C.**)

4 16. Parker grew concerned with his business dealings with Mr. Bloedorn after Mr.
5 Bloedorn failed to perform as agreed and made a number of representations to Mr. Parker that
6 were later confirmed to be untrue.

7 17. Mr. Parker began investigating the various filings relating to the parties and grew
8 concerned that Mr. Bloedorn was using multiple identities in his business transactions.

9 18. The parties' investment agreement lists Kurt Bloedorn as a party and "sole
10 member of IWM". (See **Exhibit A**, p. 1 ¶ 1). The investment agreement was drafted by Mr.
11 Bloedorn.

12 19. This representation is in clear contrast to IWM's Articles of Organization in
13 which the sole member listed is Kurt Markus, not Kurt Bloedorn. (See **Exhibit D.**)

14 20. Unbeknownst to Parker, and in violation of state law, Kurt Bloedorn a/k/a Kurt
15 Markus filed an amendment to IWM purportedly removing Parker as a member of IWM.
16 (**Exhibit E.**)

17 21. Parker was never advised of and never authorized Bloedorn a/k/a Markus' filing
18 purporting to remove him as a member of IWM, never gave consent to his removal as a
19 member of IWM, and was never paid anything for his interest.

20 22. As part of the agreement, plaintiff Parker was to have an IWM debit card to
21 access IWM's banking.

22 23. Without notice, Kurt Bloedorn a/k/a Kurt Markus, terminated Parker's debit card
23 and bank account access and usurped full control of IWM's banking.

24 24. Pursuant to the terms of the Investment Agreement, Plaintiffs have the following
25 material rights:

26 Upon advance notice and request, within forty-eight (48) hours, IWM shall allow
27 Investor to access to the company and financial records relevant to usage of Investor
28 funds for each respective container project. (**Exhibit A**, p. 2, ¶ 1(b).)

1 IWM shall consult with Investor on the product, acquisition, logistics, and
2 administration of each Project and Investor shall be kept informed of any and all
other relevant matters. (**Exhibit A**, p. 2, ¶ 1(c).)

3 IWM and Investor shall split net proceeds 50% to each party, after stated and
4 mutually agreed upon expenses, of each Project should the Company and Investor
5 be the only participants in the specified container project and this agreement.
(**Exhibit A**, p. 2, ¶ 1(d).)

6 Disbursement of due proceeds to Investor will occur every Monday after a full week
7 sales cycle identified as Monday through Sunday of a prior week. (**Exhibit A**, p. 2,
8 ¶ 1(e).)

9 Proceeds of all product sales will be tracked and accounted for and sales reports will
10 be submitted to Investor by report each Monday. (**Exhibit A**, p. 2, ¶ 1(e).)

11 25. Pursuant to the terms of the IWM Agreement, two shipping containers have been
12 received from overseas for which the furniture has been sold by IWM to its customers. (the
13 "First Two Containers.")

14 26. Currently, a third shipping container has arrived at port and is about to be
15 released to IWM. (the "Third Container.")

16 27. The Third Container is currently possessed by and is being forwarded by
17 Transworld Logistics and Shipping Services, Inc who will imminently release the container
18 contents to Kurt Bloedorn a/k/a Kurt Markus. (See **Exhibit F**.)

19 28. In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed
20 to provide access to the company and financial records within forty-eight hours as demanded
21 on multiple occasions by Plaintiff.

22 29. In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has
23 stopped and refused consulting and communicating with respect to IWM's operations,
24 product, acquisition, logistics, and administration of the Third Container.

25 30. In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed
26 to split the net proceeds of the First Two Containers with Plaintiffs and has refused to state,
27 disclose, or discuss the expenses related to the First Two Containers.
28

1 31. In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed
2 to disburse the due proceeds from the First Two Containers to Plaintiffs on any Monday since
3 the furniture has been sold.

4 32. In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed
5 to provide a sales report to Plaintiffs each Monday.

6 33. Additionally, plaintiff Parker has come to learn that Bloedorn a/k/a Markus has
7 terminated all services to the leased warehouse space and has vacated it leaving Parker liable
8 for the lease pursuant to his personal guaranty.

9 34. Plaintiff Parker has further learned that Bloedorn a/k/a Markus has taken
10 possession of all furniture from the warehouse and is attempting to sell the furniture on
11 Craigslist. (See **Exhibit G**.)

12 35. Upon information and belief, Bloedorn a/k/a Markus is selling the furniture
13 contrary to the parties' agreement and for his own benefit.

14 36. Parker and Bloedorn a/k/a Markus agreed that Parker's investment would be
15 secured with an interest in the furniture as evidenced by the Investment Agreement which
16 states "Investor shall also be entitled to request additional security in conjunction with any
17 additional investment." (**Exhibit A**, p. 3, ¶ 1.)

18 37. Upon information and belief, IWM executed a security agreement in favor of
19 Plaintiffs for the purposes of securing their investments in IWM by pledging the furniture and
20 its proceeds as collateral. (See **Exhibit H**.)

21 38. Upon information and belief, IWM retained the signed copy of the security
22 agreement and handed an unsigned copy to Plaintiffs unbeknownst to them.

23 39. Along with the security agreement, Bloedorn a/k/a Markus handed a UCC-1
24 Financing Statement to Plaintiffs evidencing the security interest.

25 40. Plaintiffs filed the UCC-1 Financing Statement with the Arizona Secretary of
26 State purportedly perfecting a lien in the furniture collateral. (See **Exhibit I**).

27 41. Pursuant to the terms of the Investment Agreement, plaintiff Aiken deposited
28 \$12,500 into IWM's bank account on September 30, 2013.

1 42. Pursuant to the terms of the investment Agreement, plaintiff Parker made the
2 following payments to IWM:

3	9/5/13	\$12,500	Initial Investment (Deposited in IWM acct)
	10/31/13	\$5,000	Deposited in IWM acct
4	3/3/14	\$2,000	Deposited in IWM acct
	3/17/14	\$5,000	Deposit - Cont #3
5	7/28/14	\$8,500	Deposited in IWM acct
6	8/5/14	\$2,700	Deposited in IWM acct
	11/28/14	\$24,321.36	Payment for Container #3; Deposited in IWM acct
7	TOTAL \$60,021.36		

8
9 43. In addition, plaintiff Parker has made the following other payments on behalf of
10 IWM:

11	10/8/14	\$2000	Oct rent Deposited in IWM acct
	1/7/15	\$1867.41	Jan Rent Paid to Landlord
12	1/12/15	\$3,930.84	Sea Freight
13	TOTAL \$7,798.25		

14 44. Plaintiffs have not received any payment whatsoever from Bloedorn a/k/a
15 Markus despite over a year having passed since their initial investments.

16 45. Contrary to law and Arizona Corporation Commission rules, Bloedorn a/k/a
17 Markus listed himself personally as IWM's statutory agent with an address of 15029 N
18 Thompson Peak Parkway, B111, Scottsdale, AZ 85260. (See **Exhibit J.**)

19 46. The physical address listed for IWM's statutory agent is a UPS store and not the
20 statutory agent's physical location as required. (See **Exhibit K.**)

21 47. As a result, IWM cannot be served at its designated agent location and will need
22 to be served through the Arizona Corporation Commission adding significant delay to the
23 process of service on IWM.

24 48. Bloedorn a/k/a Markus told Plaintiffs that they can "go ahead and sue an empty
25 shell company."

26 49. Upon information and belief, Bloedorn a/k/a Kurt Markus is working diligently
27 to obtain possession of the shipping container and its furniture contents to sell for his own
28

1 personal benefit leaving the Plaintiffs with no future recourse but “chasing an empty shell
2 corporation.”

3 50. Plaintiffs are entitled to recovery of their costs and attorney’s fees pursuant to
4 A.R.S. §§ 12-341, 12-341.01, *et. seq.*

5
6 **FIRST CLAIM FOR RELIEF**
7 **(Breach of Contract and Breach of Implied Covenant of Good Faith and Fair**
8 **Dealing)**

9 51. Plaintiffs re-allege all prior paragraphs and incorporate the allegations by
10 reference therein as though fully set forth herein.

11 52. IWM has breached multiple material provisions of the Investment Agreement
12 and has otherwise deprived Plaintiffs of the benefits that were expected to flow from it.

13 53. Despite multiple demand, IWM has failed to cure the multiple breaches.

14 54. Plaintiffs have been damaged as a direct result of IWM’s breaches in an amount
15 to be proven at trial.

16 55. IWM has a duty to mitigate its damages and not sell any further inventory for
17 the benefit of its Manager.

18 56. Plaintiffs are entitled to recovery of their costs and attorney’s fees pursuant to
19 A.R.S. §§ 12-341, 12-341.01, *et. seq.*

20 WHEREFORE, Plaintiffs request that Judgment be entered in its favor and against
21 IWM as follows:

- 22 A. For actual damages in an amount to be proven at trial;
- 23 B. For additional compensatory damages in an amount to be proven at trial;
- 24 C. For interest accruing on the actual and compensatory damages at the default
25 legal rate of 10% per annum until paid in full;
- 26 D. For Plaintiff’s reasonable attorney’s fees and costs incurred herein, which fee
27 shall be in the amount of \$5,000 in the case of default;
- 28 E. For interest on Plaintiffs’ attorneys’ fees and costs from the date of Judgment
until paid in full; and

1 F. Award such other further relief as this Court deems just and proper.

2
3 **SECOND CLAIM FOR RELIEF**
4 **(Application for Appointment of Receiver)**

5 57. Plaintiffs re-allege all prior paragraphs and incorporate the allegations by
6 reference therein as though fully set forth herein.

7 58. Defendant has defaulted under the terms of the Investment Agreement.

8 59. Upon information and belief, Bloedorn a/k/a Markus will obtain possession of
9 the Third Container and dispose of the inventory for his sole personal benefit.

10 60. IWM has breached the Investment Agreement by failing to provide reports and
11 any payments to Plaintiffs for over eighteen months.

12 61. Plaintiff Parker is a 50% member of IWM.

13 62. Bloedorn a/k/a, IWM's Manager, filed a document with the Arizona Corporation
14 Commission purporting to remove plaintiff Parker as a member of IWM.

15 63. IWM has abandoned its leased warehouse premises and Bloedorn a/k/a has
16 absconded with all of IWM's assets and inventory without disclosing its location to Plaintiffs.

17 64. IWM's statutory agent is a UPS postal location and not a physical location at
18 which the entity can be served.

19 65. As a consequence of Defendants' defaults and its Manager's actions, a receiver
20 is necessary to ensure that all inventory is preserved and Plaintiffs' member rights are properly
21 protected and preserved during the pendency of the litigation.

22 66. Plaintiffs are concerned that the inventory will be disposed of and the proceeds
23 therefrom retained and converted by IWM's manager for his personal benefit rather than the
24 benefit of IWM's creditors and members.

25 67. Pursuant to Rule 66, Ariz.R.Civ.P., and in light of the ongoing defaults by
26 Defendant, Plaintiff is entitled to the appointment of a receiver to protect and preserve the
27 assets and inventory and rights of plaintiff Parker as a member.
28

1 68. The appointment of a receiver is the only viable remedy available to protect
2 plaintiff Parker's member interests and interests of IWM's creditors.

3 69. The provisions of Rule 65, Ariz.R.Civ.P., are not applicable.

4 70. Plaintiff is requesting the appointment of a receiver without notice because if the
5 Manager for IWM is provided notice it will give him the incentive and time to move, liquidate
6 or transfer whatever inventory and assets of IWM remains.

7 71. All IWM's assets and inventory are small and easily moved or hidden and IWM
8 has already abandoned its leased warehouse location and is hiding inventory.

9 72. This is an action arising out of a written contract, and Plaintiff is entitled to
10 recover its reasonable attorneys' fees incurred herein 'pursuant to A.R.S. § 12-341.01.

11 73. In the event of default by Defendants, Plaintiff shall request attorneys' fees in
12 the sum of \$5,000.00 for the bringing of this action.

13 WHEREFORE, Plaintiffs request that Judgment be entered in its favor and against
14 defendant IWM, LLC as follows:

15 A. That the Court immediately order a hearing on the Appointment of Receiver;

16 B. That the Receiver be given the powers to contract, employ individuals and
17 entities, to sue, defend, and protect the assets and inventory of IWM in accordance with the
18 Order of the Court and under supervision of this Court;

19 C. That Hulke Consulting Group, LLC, (phone: 602-424-1908 | mobile: 602-380-
20 8723), by and through its principal, Donald Hulke be appointed as the Receiver of IWM, its
21 assets and inventory and related business, and that Defendant be ordered to turn over to the
22 Receiver all books, records and documents concerning the assets, inventory, and related
23 business, including but not limited to, all books and records concerning the Collateral,
24 including all banking and financial information and access and usernames and passwords to
25 all email accounts and any computerized logins;

26 D. That the Receiver be charged with the duty of collecting payment of income,
27 issues, profits, accounts receivable and any other amounts (the "proceeds") with respect to or
28 arising from the sale of the assets and inventory and the related business, and hold said

1 proceeds to be paid to Plaintiffs pursuant to the Investment Agreement, pursuant to further
2 Court Order;

3 E. That the Receiver be charged with the right to investigate potential claims and
4 causes of action, and initiate, maintain, prosecute and settle any legal action necessary to
5 protect the Collateral and related business;

6 F. That the Receiver be given the power to hold, manage and operate the assets and
7 inventory and related business;

8 G. That the Receiver be given the power, and granted full authority under
9 supervision of this Court to issue Receiver's Certificates for money borrowed for the purpose
10 of paying operating expenses;

11 H. That the compensation of the Receiver be set and the expense of the Receiver be
12 in accordance with the evidence presented with regular accountings and requests for payment
13 to be made to the Court;

14 I. That Defendant, and their agents and employees be ordered by the Court to
15 cooperate fully with the Receiver and refrain from and avoid doing anything, whatsoever,
16 which may interfere with the Receiver's duties and obligations;

17 J. That the current officers, directors, managers, members and shareholders shall
18 not have the authority to contract or act for, bind, control, operate, or execute any agreements
19 or documents;

20 K. The Court set no bond for the Receiver;

21 L. That the Clerk of the Court be ordered to deliver to Receiver a Certificate of
22 Appointment;

23 M. For Plaintiff s reasonable attorneys' fees and costs incurred herein, which fees
24 shall be in the amount of \$5,000.00 in the case of default;

25 N. For interest on Plaintiffs attorneys' fees and costs from the date of Judgment until
26 paid in full: and

27 //

28 //

1 //

2 //

3 O. For such other and further relief as the Court deems just and proper.

4 DATED this 29th day of January 2015.

5 **DRAKE LAW FIRM, PLC**

6
7 By: 
8 Richard A. Drake
9 *Attorney for Plaintiffs*

10

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VERIFICATION

I, Loyd Parker, am a Plaintiff in the foregoing Complaint, and hereby verify that I have read the Complaint; that the allegations contained therein are true to the best of my own knowledge except to those matters and things alleged on information and believe and that those matters and things, I believe them to be true.

DATED: 1/27, 2015



Loyd Parker

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Exhibit A

INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (this "Agreement") is dated as of August 10th, 2013 and is entered into by and among IWM, LLC, an Arizona limited liability company (the "Company" or "IWM"), Kurt Bloedorn, the sole member of the Company (the "Company Principal") and Loyd Parker (the "Investor"). The Company and the Company Principal are collectively referred to in this Agreement as the "Company Parties."

RECITALS

The Company was formed for the purpose of further developing, commercializing and operating the business concept identified below in "Investment Intent" section and includes any subsequent iteration of the business concept developed by the Company Parties (the "Business").

Investor desires to make an investment (the "Investment") in the amount of Twelve Thousand – Five Hundred Dollars (\$12,500) (the "Investment Amount") into the Company to facilitate such Business. The terms of this Investment are simplified from a traditional debt or equity investment. The Investor will not receive any equity in the Company in exchange for the initial Investment.

INVESTMENT INTENT

Upon formal execution of this agreement and transfer of funds, the Company will budget and purchase industrial style furniture by the container load, directly from manufacturers primarily in India, and secondarily in China and Indonesia. The Company will ship goods via road, rail and sea freight to end destination of Scottsdale, Arizona for both wholesale and retail re-sale through various sales channels. The comprehensive business concept is outlined in Schedule A ("Project Overview").

Outside of product purchase, funds will be utilized for reasonable and mutually agreed upon logistics, marketing, sales and other operating expenses as outlined in Schedule A document. In exchange for the Investment, the Company and Investor will share an equitable percentage of the net proceeds, after stated expenses, of all sold goods from various size regular imported container loads of goods as detailed and outlined Schedule B ("Container Product Analysis"). [Further, rights to participate in future container load projects by the Investor will be granted.] Participation in each container load of product will be considered a "Project". Each Project will be covered under separate written investment agreements.

AGREEMENT

The parties agree as follows:

1. **The Investment.** Investor will make the Investment in the Company in consideration for the rights and privileges set forth in this Agreement. Upon payment of all investment funds set out above, the Company shall adhere to the following terms and provisions:

- a. Investment proceeds can be forwarded by credit card payment via Paypal to enhance financial protection for Investor should the Company not perform to full legal standard of this agreement, and be found in material breach as per outlined in Section 4.3 of this Agreement.
- b. Upon advance notice and request, within forty-eight (48) hours, IWM shall allow Investor access to the Company and financial records relevant to usage of Investor funds for each respective container Project.
- c. IWM shall consult with Investor on the product, acquisition, logistics and administration of each Project and Investor shall be kept informed of any and all other relevant matters.
- d. IWM and Investor shall split net proceeds 50% to each party, after stated and mutually agreed upon expenses, of each Project should the Company and Investor be the only participants in the specified container Project and this Agreement.

IWM shall have the option of attaching one or several investor parties to a container load opportunity should it be financially advantageous. IWM will not add any third party investor to a container load opportunity without express written consent of the Investor to avoid any potential dilution of the 50% interest of a given Project. IWM shall only consider third party that enables the Company and Investor to achieve higher return on Investment (ROI) that the original forecasted 50% profit split of a given Project.

- e. Disbursements of due proceeds to Investor will occur every Monday after a full week sales cycle identified as Monday through Sunday of a prior week. Any processed credit cards sales from prior week of sales that roll past a Monday deposit date will be disbursed on the following Monday disbursement date, unless adequate company operating funds exist in the IWM business account to cover the full disbursement to Investor on the first Monday after the prior sales cycle.

Proceeds of all product sales will be tracked and accounted for and sales reports will be submitted to Investor by report each Monday.

- f. No portion of Company Principal's share of net proceeds shall vest and be disbursed to his personal bank account until Investor has recovered the principal of their investment in full.

2. **Subsequent Investment by Investor.** Investor acknowledges and agrees that, as opportunities arise, it may be advisable for the investment of additional capital with the Company or a Project that is deemed appropriate for future growth. Investor further agrees to hold himself reasonably available for the meeting of said needs for the Company and Investor's financial growth and best interests. The Company agrees not to make any unreasonable demands for additional capital upon Investor, and Investor agrees to consider the inherent needs of the Company and each Project in good faith. Investor shall also be entitled to request additional security in conjunction with any additional investment.

In the event the Investor makes any subsequent investment in the Company of a container Project, the specified investment amount shall be "rolled over" and deemed to be included in the amount of such subsequent investment on the same conditions of such investment.

3. **Transfer of Business Opportunities.** During the term of this container Project, the Company Parties agree that they will not sell, assign, transfer or otherwise convey business assets, interest or opportunity that is owned, held by or owed to the Company which is necessary for the operation of the Business or material to the value of the Company, without the Investor's prior written consent.

4. **Miscellaneous.**

4.1. **Legal Counsel.** The Company Parties acknowledge (1) that the Investor is represented by legal counsel, (2) that the Investor's legal counsel reviewed this Agreement, and (3) that the Company Parties been advised by to seek independent legal advice with respect to the transactions described in this Agreement and has had an adequate opportunity to seek legal counsel with respect to this transaction.

4.2. **Indemnification: Limitation of Liability.** The Company will indemnify and hold harmless the Investor and its members, managers, employees, agents and affiliates (each, an "Indemnified Person") from and against, and no Indemnified Person shall have any liability to the Company or its members, security holders or creditors for any damages, liabilities or expenses relating to or arising out of this Investment or otherwise.

4.3. **Jurisdiction.** This Agreement shall be deemed for all purposes to have been made in the State of Arizona and shall be governed by and construed under and in accordance with the laws of the State of Arizona. The parties agree to negotiate in good faith to resolve any disputes, disagreements, questions, claims, or similar matters in regard to this Agreement or any matter in regard to the relationship between the parties.

If such matters cannot be resolved by negotiations between the parties, such matters shall be resolved by mandatory arbitration by a single arbitrator in accordance with rules set by the arbitrator and judgment upon any award may be entered in any court of competent jurisdiction. The prevailing party shall be entitled to recover all expenses of arbitration, including reasonable attorney's fees. Venue of such arbitration shall be set in Scottsdale, Arizona. Either party may make a demand for arbitration by filing the demand in writing with the other party. This provision for arbitration shall be an absolute bar to any other legal proceedings between the parties hereto and the arbitrator's decision shall not be appealable.

IN WITNESS WHEREOF, the parties have each executed and delivered this Agreement as of the day and year first above written.

COMPANY:

IWM, LLC
15029 N. Thompson Peak Parkway, B111
Scottsdale, AZ 85260



Company Principal Name - Print



Company Principal Signature, personally and on behalf of IMW, LLC

INVESTOR:

Loyd Parker
13262 N. 75th Drive
Peoria, AZ 85381

Investor Name - Print

Investor Signature

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Exhibit B

LEASE ADDENDUM #1

THIS addendum, made and entered into this 23rd day of January 2015, by and between 7701 Gray LLC, an Arizona limited liability company ("Landlord") and IWM, LLC an Arizona Limited Liability Corporation ("Tenant") hereinafter respectively referred to as Landlord and Tenant, AMENDS the lease agreement made and entered into this 5th day of June, 2014, by and between 7701 Gray LLC, an Arizona limited liability company ("Landlord") and IWM, LLC an Arizona Limited Liability Corporation ("Tenant") hereinafter respectively referred to as Landlord and Tenant.

Exact location of premises: 7701 E Gray, Suite 101, Scottsdale, Arizona 85260, comprised of approximately 2,140 square feet.

Tenant and Landlord agree to void the lease provided:

- 1) Tenant removes all items from the suite and vacate the suite.
- 2) Tenant agrees to pay Landlord \$5,778 (3 x \$1,926) in certified funds.
- 3) Tenant agrees to forfeit the deposit.
- 4) Tenant signs this addendum and returns the original to the landlord.

Unless all 4 conditions are met by 5PM Friday, January 30th, 2015, this addendum is void and all other terms and conditions of the lease remain in effect.

LANDLORD:

7701 Gray LLC

By: _____

James Schillinger

Its: Managing Member

TENANT:

IWM, LLC

By: _____

Kurt Markus Bloedorn

Its: Owner, Manager, Member

By: _____

Loyd B Parker

Its: Owner

By: _____

Susan Parker

Its: Owner

Landlord Initials

Tenant Initials

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Exhibit C

AUG 11 2014

FILE NO. L1506600

DO NOT WRITE ABOVE THIS LINE, RESERVED FOR A.C.C. USE ONLY.

ARTICLES OF AMENDMENT
Read the Instructions FIRST

1. **ENTITY NUMBER** - give the exact name of the LLC as currently shown in A.C.C. records:

INM, LLC

2. **A.C.C. FILE NUMBER:** 04305004

Find the A.C.C. file number on the upper corner of that document OR on our website at: <http://www.azcc.com/azcc/records/records.asp>

CHECK THE BOX NEXT TO EACH CHANGE BEING MADE AND COMPLETE THE REQUESTED INFORMATION FOR THAT CHANGE.

3. ☐ **ENTITY NAME CHANGE** - type or print the **NEW** name of the LLC in the space below:

4. ☒ **MEMBER CHANGE (CHANGE IN MEMBERS)** - see Instructions 1-4-2-4 - Use one block per person - FOR MEMBERS CURRENTLY SHOWN IN A.C.C. RECORDS - (if the name of each member being changed, and below that provide any new information for that member (new name only or 904-000), then check all boxes that apply to indicate the change being made for that member. FOR NEW MEMBERS - in a separate block, fill the space in the NEW NAME block and give the address, and check the appropriate box. If more space is needed, complete and attach the **Additional Amendment for Members** form 1004.

MEMBER 1 (CURRENT) Name currently shown in A.C.C. records <u>Loyal Parker</u> NEW Name <u>13262 N. 75th Drive</u> Address 1 Address 2 (optional) <u>Florida</u> <u>AZ</u> <u>85061</u> City <u>UNITED STATES</u> State or Possession <u>US</u> Zip Country <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Add as 20% or more member <input type="checkbox"/> Name change <input type="checkbox"/> Add as less than 20% member <input type="checkbox"/> Remove member		MEMBER 2 (CURRENT) Name currently shown in A.C.C. records NEW Name Address 1 Address 2 (optional) City <u>UNITED STATES</u> State or Possession <u>US</u> Zip Country <input type="checkbox"/> Address change <input type="checkbox"/> Add as 20% or more member <input type="checkbox"/> Name change <input type="checkbox"/> Add as less than 20% member <input type="checkbox"/> Remove member	
MEMBER 3 (CURRENT) Name currently shown in A.C.C. records NEW Name Address 1 Address 2 (optional) City <u>UNITED STATES</u> State or Possession <u>US</u> Zip Country <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Add as 20% or more member <input type="checkbox"/> Name change <input type="checkbox"/> Add as less than 20% member <input type="checkbox"/> Remove member		MEMBER 4 (CURRENT) Name currently shown in A.C.C. records NEW Name Address 1 Address 2 (optional) City <u>UNITED STATES</u> State or Possession <u>US</u> Zip Country <input type="checkbox"/> Address change <input type="checkbox"/> Add as 20% or more member <input type="checkbox"/> Name change <input type="checkbox"/> Add as less than 20% member <input type="checkbox"/> Remove member	

2. ☐ **MANAGER CHANGE (CHANGE IN MANAGERS)** - One per block per person - FOR MANAGERS CURRENTLY SHOWN IN A.C.C. RECORDS - At the name of each manager being changed, and below that provide any new information for that manager (last name, first name, address), then check all boxes that apply to indicate the change being made for that manager. FOR NEW MANAGERS - In a separate block, put the name in the NEW Name block and give the address, and check the appropriate box. If more space is needed, complete and attach the Attachment Attachment for Managers form L043.

Name currently shown in A.C.C. RECORDS				New name currently shown in A.C.C. RECORDS			
NEW NAME				NEW NAME			
Address 1 (optional)				Address 2 (optional)			
City		State		City		State	
Country		Country		Country		Country	
<input type="checkbox"/> Address change	<input type="checkbox"/> Add as manager	<input type="checkbox"/> Add new change	<input type="checkbox"/> Add as manager	<input type="checkbox"/> Name change	<input type="checkbox"/> Remove manager	<input type="checkbox"/> Name change	<input type="checkbox"/> Remove manager

3. ☐ **MANAGEMENT STRUCTURE CHANGE - ALL INFORMATION LATE** - check only one box below and follow instructions:
☐ **CHANGE TO MANAGER-MANAGED LLC** - complete and attach the Manager Structure Attachment form L043. The filing will be rejected if it is submitted without the attachment.
☐ **CHANGE TO MEMBER-MANAGED LLC** - complete and attach the Manager Structure Attachment form L043. The filing will be rejected if it is submitted without the attachment.

7. ☐ **STATUTORY AGENT CHANGE - NEW AGENT APPOINTED - ALL INFORMATION LATE**

7.1 REQUIRED - give the name (can be an individual or a corporation) and physical or street address (not a P.O. Box) in Arizona of the NEW statutory agent:		7.2 OPTIONAL - mailing address in Arizona of NEW Statutory Agent (can be a P.O. Box)	
Newly appointed agent:			
Address (optional)		Address (optional)	
Address 1		Address 1	
Address 2 (optional)		Address 2 (optional)	
City	State	City	State

7.3 REQUIRED - the Statutory Agent Acceptance form P002 must be submitted along with these Articles of Amendment.

8. ☐ **STATUTORY AGENT ADDRESS CHANGE - ADDRESS OF CURRENT STATUTORY AGENT - complete 8.1 and/or 8.2:**

8.1 NEW physical or street address (not a P.O. Box) in Arizona of the existing statutory agent:		8.2 NEW mailing address in Arizona of the existing statutory agent (can be a P.O. Box):	
Address (optional)		Address (optional)	
Address 1		Address 1	
Address 2 (optional)		Address 2 (optional)	
City	State	City	State

9. ☐ **ARTS/DRAWN KNOWN PLACE OF BUSINESS ADDRESS CHANGE**

9.1 Is the NEW Arizona known place of business address the same as the street address of the secretary agent?

- ☐ Yes - go to number 10 and continue
☐ No - go to number 9.2 and continue

9.2 If you answered "No" to number 9.1, give the NEW physical or street address (not a P.O. Box) of the known place of business of the LLC in Arizona:

Address		
Address 1		
Address 2 (optional)		
City	State or Province	Zip
Country		

10. ☐ **DURATION CHANGE** - check one to indicate the NEW duration or life period of the LLC:

- ☐ Perpetual
☐ The LLC's life period will end on this date: _____ (enter 9 date - mm/dd/yy)
☐ The LLC's life period will end upon the occurrence of this event: _____ (describe an event)

11. ☐ **ENTITY TYPE CHANGE** - If changing entity type, check one and follow instructions:

- ☐ Changing to a PROFESSIONAL LLC - number 12 must also be completed.
☐ Changing to a NON-PROFESSIONAL LLC (professional LLC becoming a regular LLC).

12. ☐ **PROFESSIONAL SERVICES CHANGE** - describe the NEW type of professional services the professional LLC will render:

13. ☐ **OTHER AMENDMENT** - If an amendment was made that was not addressed by the check boxes on this form, then you must attach to these Articles of Amendment a complete copy of the LLC's written amendment.

STATEMENTS: By checking the box marked "I accept" below, I acknowledge under penalty of perjury that this document together with any attachments is submitted in compliance with Arizona law.

☒ **I ACCEPT**

Kurt Madison
 Agent

06/03/14
 Date (mm/dd/yy)

REQUIRED - check only one and fill in the corresponding blank if signing for an entity:

<input checked="" type="checkbox"/> This is a member-managed LLC and I am signing individually as a manager or I am signing for an entity member-manager: Kurt Madison	<input type="checkbox"/> This is a manager-managed LLC and I am signing individually as a manager or I am signing for an entity member-manager:
---	---

Filing Fee: \$50.00 (regular processing) Expedited processing - add \$35.00 to filing fee. All fees are non-refundable - see instructions.	Mail: Arizona Corporation Commission - Corporate Filings Section 1300 W. Washington St., Phoenix, Arizona 85007 Fax: 602-542-4380
--	---

Forms for filing with AACC forms must use the information provided required by statute. Your document will not be filed unless it meets the requirements. All documents filed with the Arizona Corporation Commission are public records and are open for public inspection. If you have questions after reading the instructions, please call 602-542-5050 or (toll-free 800-345-5050).

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Exhibit D

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From:

09/18/11

AZ Corp. Commission

AZ CORPORATION COMMISSION
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FILE NO. L-1870660

FILE NO. L-1870660

ARTICLES OF ORGANIZATION

ARTICLES OF ORGANIZATION

Read the Instructions (0118)

1. **ENTITY TYPE** - check only one to indicate the type of entity being formed:
- ☒ LIMITED LIABILITY COMPANY ☐ PROFESSIONAL LIMITED LIABILITY COMPANY
2. **ENTITY NAME** - see Instructions (0118) for naming requirements - give the exact name of the LLC:
TWN LLC
3. **PROFESSIONAL LIMITED LIABILITY COMPANY SERVICES** - If professional LLC is checked in number 1 above, describe the professional services that this professional LLC will provide (specify law firm, accounting, medical):

4. STATUTORY AGENT - see Instructions (0118)			
4.1 NAME - give the name (use his or her name if an entity) and physical or street address (not a P.O. Box) in Arizona of the statutory agent:		4.2 OFFICE - mailing address in Arizona of statutory agent (not a P.O. Box)	
Kurt Martin			
Statutory Agent Name		Agent Address	
Address		Address	
10025 N. Thompson Peak Parkway, #111		#111	
City		City	
AZ		AZ	
State		State	
4.3 REQUIRED -the Statutory Agent Acceptance form (002) must be submitted along with these Articles of Organization.			

5. ARIZONA KNOWN PLACE OF BUSINESS ADDRESS:

- 5.1 Is the Arizona known place of business address the same as the street address of the statutory agent? ☒ Yes - go to number 6 and continue
☐ No - go to number 5.2 and continue
- 5.2 If you answered "No" in number 5.1, give the physical or street address (not a P.O. Box) of the known place of business of the LLC in Arizona:

Address		
City		
State		
US	State	City
Street	Highway	City

FORM 100
Rev. 2/09ARIZONA CORPORATION COMMISSION - Department of Revenue
Page 1 of 1

☐ The LLC's life period will end on this date: _____ (enter a date)
☐ The LLC's life period will end upon the occurrence of the event: _____ (describe in words)

7. **MANAGER-OWNED LLC** - see *Instructions 1010* - check this box ☐ If management of the LLC will be vested in a manager or managers, and complete and attach the Manager Structure Attachment form L040. The filing will be rejected if it is submitted without the attachment.

8. **MEMBER-OWNED LLC** - see *Instructions 1010* - check this box ☐ If management of the LLC will be reserved to the members, and complete and attach the Member Structure Attachment form L041. The filing will be rejected if it is submitted without the attachment.

9. **CREATOR(S)** - Not the same as all authors, and provide the signatures, of each and every organizer - minimum of one is required. If more space is needed, check this box ☐ and equate and attach the Organizer Attachment form L042.

Karl Markos Title 15029 N. Thompson Peak Parkway 85259-1 Bill Address (optional) State AZ 85259 City UNITED STATES Country Instructions - see instructions 8110-		Title Instructions - see instructions 8110- By checking the box marked "I accept" below, I acknowledge under penalty of perjury that this document together with any attachments is submitted in compliance with Executive Order.	
<input checked="" type="checkbox"/> I ACCEPT		<input type="checkbox"/> I ACCEPT	
Signature Karl Markos Date 02/20/03		Signature Title Instructions - see instructions 8110-	
BY SIGNING FOR AN ENTRY, CHECK ONE, WILL BE RELEASED <input checked="" type="checkbox"/> Declaration as Signatory - I am signing as an officer or authorized agent of a corporation and the name is:		BY SIGNING FOR AN ENTRY, CHECK ONE, WILL BE RELEASED <input type="checkbox"/> Corporation as Signatory - I am signing as an officer or authorized agent of a corporation and the name is:	
<input type="checkbox"/> LLC as Signatory - I am signing as a member, manager, or authorized agent of a limited liability company, and the name is:		<input type="checkbox"/> LLC as Signatory - I am signing as a member, manager, or authorized agent of a limited liability company, and the name is:	

Filing Fee: \$18.00 (paper processing) Expedited processing - add \$15.00 to Filing Fee. All fees are non-refundable - see instructions.	Mail: American Charismatic Connection Corporate Filings Section 1300 W. Washington St., Phoenix, Arizona 85007 Phone: 602-542-4348
--	---

Please be advised that ALL fees listed apply to non-fee payors received by mail. We cannot guarantee that we will receive your payment in the required amount of time.
 We warrant that our American Charismatic Connection has full authority and is authorized to make any and all filings on your behalf.
 If you are not satisfied with our services, please contact us at 602-542-4348 or return your payment to: INC-100-0000.

1. **Chlorine** is a green gas with a strong odor.

!Front Faces

MANAGER STRUCTURE ATTACHMENT

1. **ENTIRE NAME** - give the exact name of my LLC through LINC - give name in details state or country:
WML, LLC
-
2. **L.L.C. FULL NUMBER** (if known) **L187088-0**
Has the L.L.C. its number on the other corner of the document OR on the outside of: <http://www.sos.wa.gov/LLC/LLCInformation>
-
3. Check one box only to indicate what document this document goes with:
- | | |
|---|---|
| <input checked="" type="checkbox"/> Articles of Organization | <input type="checkbox"/> Articles of Amendment |
| <input type="checkbox"/> Application for Registration | <input type="checkbox"/> Articles of Amendment to Application for Registration |
-
4. **MANAGERS / MEMBERS** - give the names and address of each ETC every **MANAGER** AND all all **MEMBERS** who own 20% or more of the profits or capital of the LLC. **MANAGERS** who own 50% share; **MEMBERS** who own less than 50%, but it is not required. Check the appropriate box or boxes below: each person listed - do not check both **MANAGER** and **MEMBER**. If more space is needed, see another page, **MANAGERS** and **MEMBERS**.

Kurt Marcus		Name	
15029 N. Thunder Peak Parkway		Address 1	
8111		Address 2	
Scottsdale, AZ 85250		Address 3	
Country: UNITED STATES		Country: US	
<input checked="" type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member		<input type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member	
Name		Name	
Address 1		Address 1	
Address 2		Address 2	
Country: US		Country: US	
<input type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member		<input type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member	
Name		Name	
Address 1		Address 1	
Address 2		Address 2	
Country: US		Country: US	
<input type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member		<input type="checkbox"/> Manager <input type="checkbox"/> 20% or more member <input type="checkbox"/> Manager <input type="checkbox"/> Less than 20% member	

CONCLUSIONS

Personnel Development Department - Departmental Director
2006-2007

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Exhibit E



DEC 2 2014

FILE NO. L-1870660-0

DO NOT WRITE ABOVE THIS LINE: RESERVED FOR AZC USE ONLY.

ARTICLES OF AMENDMENT
Read the Instructions (01/13)

1. **ENTITY NAME** — give the exact name of the LLC as currently shown in A.C.C. records:
TWM, LLC

2. **A.C.C. FILE NUMBER** 04887583 L-1870660-0
and the A.C.C. file number on the upper center of this document OR on our website at: <http://www.azcc.com/04887583/04887583>

CHECK THE BOX NEXT TO EACH CHANGE BEING MADE AND COMPLETE THE REQUESTED INFORMATION FOR THAT CHANGE.

3. ☐ **ENTITY NAME CHANGE** — type or print the exact NEW name of the LLC in the space below:

4. ☒ **MEMBERSHIP CHANGE (CHANGING IN MEMBERSHIP)** — see Instructions (01/13) — one box block per person — FOR MEMBERS CURRENTLY LISTED IN A.C.C. RECORDS — (If the name of each member being changed, and below that provide any new information for that member (last name and/or address), then check all boxes that apply to indicate the change being made for that member. FOR NEW MEMBERS — in a separate block, list the name in the NEW Member block and give the address, and check the appropriate box. If no change is needed, complete and attach the Amendment Attachment for Members Form LB-99.

Legal Partner		Non-Legal Partner	
Name (last, first, middle initial)		Name (last, first, middle initial)	
NEW Name		NEW Name	
ADDRESS 1 11262 N. 75th Drive		ADDRESS 1	
ADDRESS 2 (optional)		ADDRESS 2 (optional)	
Partner	AZ	Partner	AZ
City	UNITED STATES	City	UNITED STATES
Country		Country	
<input type="checkbox"/> Address change	<input type="checkbox"/> Add as 20% or more member	<input type="checkbox"/> Address change	<input type="checkbox"/> Add as 20% or more member
<input type="checkbox"/> Name change	<input type="checkbox"/> Add as less than 20% member	<input type="checkbox"/> Name change	<input type="checkbox"/> Add as less than 20% member
	<input checked="" type="checkbox"/> Remove member		<input type="checkbox"/> Remove member
Non-Legal Partner		Non-Legal Partner	
Name (last, first, middle initial)		Name (last, first, middle initial)	
NEW Name		NEW Name	
ADDRESS 1		ADDRESS 1	
ADDRESS 2 (optional)		ADDRESS 2 (optional)	
City	UNITED STATES	City	UNITED STATES
Country		Country	
<input type="checkbox"/> Address change	<input type="checkbox"/> Add as 20% or more member	<input type="checkbox"/> Address change	<input type="checkbox"/> Add as 20% or more member
<input type="checkbox"/> Name change	<input type="checkbox"/> Add as less than 20% member	<input type="checkbox"/> Name change	<input type="checkbox"/> Add as less than 20% member
	<input type="checkbox"/> Remove member		<input type="checkbox"/> Remove member

8. ☐ **MANAGER CHANGE (CHANGE IN MANAGERS)** - One form block per person - FOR MANAGERS CURRENTLY SHOWN ON YOUR STATEMENT - Indicate name of each manager being changed and follow that person's signature and information for the change (see name and/or address); then check all boxes that apply to indicate the change being made for that manager. **FOR NEW CHANGES** - In a separate block, list the name in the NEW Name Block and give the address, and check the appropriate box. If more space is needed, copy and attach the appropriate Attachment for Manager form 1043.

Name currently shown in M.C. records			Name currently shown in M.C. records		
NEW NAME			NEW NAME		
ADDRESS 1			ADDRESS 1		
ADDRESS 2 (optional)			ADDRESS 2 (optional)		
City	State or Province	Zip	City	State or Province	Zip
Country			Country		
<input type="checkbox"/> Address change <input type="checkbox"/> Add as manager <input type="checkbox"/> Name change <input type="checkbox"/> Remove manager			<input type="checkbox"/> Address change <input type="checkbox"/> Add as manager <input type="checkbox"/> Name change <input type="checkbox"/> Remove manager		

9. ☐ **MANAGEMENT STRUCTURE CHANGE** - see Instructions L044 - check only one box below and follow instructions:
☐ **CHANGING TO MANAGER-MANAGED LLC** - complete and attach the Manager Structure Attachment form L044. The filing will be rejected if it is submitted without the attachment.
☐ **CHANGING TO MEMBER-MANAGED LLC** - complete and attach the Member Structure Attachment form L044. The filing will be rejected if it is submitted without the attachment.

10. ☐ **STATUTORY AGENT CHANGE - NEW AGENT APPOINTMENT** - see Instructions L045

7.1 REQUIRED - give the names (can be an individual or an entity) and physical or street address (not a P.O. Box) in Arizona of the NEW statutory agent: ADDRESS (optional) ADDRESS (optional) ADDRESS 1 ADDRESS 2 (optional) City State Zip	7.2 OPTIONAL - give the address in Arizona of NEW Statutory Agent (can be a P.O. Box): ADDRESS (optional) ADDRESS 1 ADDRESS 2 (optional) City State Zip
7.3 REQUIRED - the Statutory Agent Acceptance form 1002 must be submitted along with these Articles of Amendment.	

11. ☐ **STATUTORY AGENT ADDRESS CHANGE - ADDRESS OF CURRENT STATUTORY AGENT** - complete 8.1 and/or 8.2

8.1 NEW physical or street address (not a P.O. Box) in Arizona of the existing statutory agent: ADDRESS (optional) ADDRESS 1 ADDRESS 2 (optional) City State Zip	8.2 NEW mailing address in Arizona of the existing statutory agent (can be a P.O. Box): ADDRESS (optional) ADDRESS 1 ADDRESS 2 (optional) City State Zip
---	---

FORM 1001
NOV 2011

Arizona Department of Revenue - Department of the
TREASURY

9. ☐ **ARTISAN KNOWN PLACE OF BUSINESS ADDRESS CHANGE**

9.1 Is the NEW Artisan known place of business address the same as the street address of the statutory agent?

- ☐ Yes - go to number 10 and continue
☐ No - go to number 9.2 and continue

9.2 If you answered "no" to number 9.1, give the NEW physical or street address (not a P.O. Box) of the known place of business of the LLC in Arizona:

Address (optional)		
Address 2		
Address 3 (optional)		
City	State or Province	Zip
Country		

10. ☐ **DURATION CHANGE** - check one to indicate the NEW duration or life period of the LLC:

- ☐ Perpetual
☐ The LLC's life period will end on this date: _____ (enter a date - mm/dd/yy)
☐ The LLC's life period will end upon the occurrence of this event:
 _____ (describe an event)

11. ☐ **ENTITY TYPE CHANGE** - If changing entity type, check one and follow instructions:

- ☐ Changing to a PROFESSIONAL LLC - number 12 must also be completed.
☐ Changing to a NON-PROFESSIONAL LLC (professional LLC becoming a regular LLC).

12. ☐ **PROFESSIONAL SERVICES CHANGE** - describe the NEW type of professional services the professional LLC will provide:

13. ☐ **OTHER AMENDMENT** - If an amendment was made that was not addressed by the check boxes on this form, then you must attach to these Articles of Amendment a complete copy of the LLC's written amendment.

COMPLETE BY: By creating this document marked "I accept" below, I acknowledge under penalty of perjury that this document together with any attachments is submitted in compliance with Arizona law.

☒ **I ACCEPT**



Kurt Mackinn
 Statutory Agent

12/22/14
 Date (mm/dd/yy)

NOTICED - check only one and fill in the corresponding blank if signing for an entity:

<input checked="" type="checkbox"/> This is a manager-managed LLC and I am signing individually as a manager or I am signing for an entity manager named: Kurt Mackinn	<input type="checkbox"/> This is a member-managed LLC and I am signing individually as a member or I am signing for an entity member named: _____
---	--

Filing Fee: \$24.00 (regular processing)
 Immediate processing - add \$24.00 to filing fee.
 All fees are non-refundable - see Instructions.

File: Arizona Corporation Commission - Corporate Filings Section
 1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-943-4100

When a corporation or LLC votes under any law requiring provision of notice, the board must provide legal counsel for those entities that may be liable to the individual members of the business.
 All documents filed with the Arizona Corporation Commission are public records and are open for public inspection.
 If you have questions after reading the instructions, please call 800-542-3888 or (toll-free Arizona only) 800-688-8888.

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Exhibit F



Transworld
Logistics and Shipping
Services INC

200 MIDDLESEX - ESSEX TURNPIKE, SUITE 200
ISELIN, NJ 08830-0000
TEL: (732)283-7833 FAX: (732) 283-7834

ARRIVAL - NOTICE

01/09/2015

Revised :: WITH REVISED ETA

BILL TO : KIM E MASUMI CHB 1450 W 146TH ST,SUITE 2 GARDENA,CA,US-90247	OUR REF NO : QI041697-01
	CUST REF # :
SHIPPER : SONU HANDICRAFTS.	HBL/HAWB : MUM14LOS0101
	MBL/MAWB : HLCU JD2141150821
CONSIGNEE : IWM 15029 N THOMPSON PEAK PKWY STE B111 SCOTTSDALE,AZ,US-85260	AMS HBL # : TLYI MUM14LOS0101
	I.T. # :
TELEPHONE :	I.T. DATED :
	IT LOCATION :
CARGO YUSEN TERMINAL FIRMS CODE:Y790 AVAILABLE AT : 701 NEW DOCK STREET TERMINAL ISLAND,CA,US-90731 TEL : 3105488000 FAX :	PORT OF LOAD : PIPAVAV
	SAIL DATE : 11/30/2014
	DISCHARGE PORT : LOS ANGELES
	ARRIVAL DATE : 01/19/2015
	CARRIER : HAPAG-LLOYD (AMERICA), INC.
	VESSEL : NYK ARTEMIS
	VOY/FLGT : NYK ARTEMIS/081E
	FINAL DEST : LOS ANGELES
	FINAL ETA :

CONTAINER	PIECES	COMMODITY/CONTENT	SEAL NOS	KGS	CBM
HLBU1162459-40HC FCL	41.00 (PKGS)	IRON,WOODEN HANDICRAFT ITEM	1325002	1100.00 K	0.00 F
				2425.06 L	0.00 C
	41.00 (PKGS)			1100.00 K	0.00 F
				2425.06 L	0.00 C

MARKS & NOS

DOCUMENTATION/RELEASE FEE	USD	75.00
OCEAN FREIGHT CHARGES	USD	2750.00
TERMINAL HANDLING CHARGE - (ORIGIN)	USD	250.00
AMS	USD	25.00
PLEASE PAY THIS AMOUNT ->	USD	3100.00

PLEASE SURRENDER THE ORIGINAL ENDORSED BILL OF LADING .

Revised :: WITH REVISED ETA

- THANK YOU FOR USING ALL CARGO/BALAJI/TLSSI, WE APPRECIATE YOUR BUSINESS .
- ALLOW 24 HRS FOR RELEASE OF CARGO AFTER RECEIPT OF FULL PAYMENTS AND ORIGINAL B/L .
- CARGO SENT TO GENRAL ORDER IF NOT CUSTOM CLEARED WITHIN 15 DAYS OF ARRIVAL .
- CUSTOM BROKER/CONSIGNEE TO FOLLOW UP WITH WAREHOUSE/CFS/TERMINAL FOR CARGO STATUS AND AVAILABILITY .
- WAREHOUSE/CFS CHARGES NOT INCLUDED IN THIS INVOICE .
- IF EMPTY CONTAINER IS RETURNED AFTER THE LINE ALLOCATED FREE TIME, ALL PER DIEM AND DETENTION WILL BE TO THE CONSIGNEE'S ACCOUNT.
- STANDARD WEIGHT RESTRICTION IS 17200 KGS PER 20' CONTAINER AND 19900 KGS PER 40' CONTAINER. FOR WEIGHT EXCEEDING THE ABOVE LIMITS, STEAMSHIP CARRIER MAY NOT PROVIDE CHASSIS AND CONSIGNEE/RECEIVER HAS TO BRING THEIR OWN CHASSIS .

YOU ARE REQUESTED TO MAKE CUSTOMS ENTRY AGAINST M/BL# (MASTER B/L#) :

CLAUSE :

IMPORTANT NOTICE TO CUSTOMERS ON PORT CONGESTION SURCHARGE ON USWC (CON) :

THE ONGOING PORT CONGESTION IN THE U.S. WEST COAST PORTS HAS SERIOUSLY DISRUPTED VESSEL SCHEDULES AND TERMINAL OPERATIONS. THIS HAS RESULTED IN SIGNIFICANT INCREASE OF OPERATIONAL COSTS AND FINANCIAL LOSSES.

TLSS AND ALL CARRIERS HAVE BEEN EXERCISING BEST EFFORTS TO MAINTAIN HIGH LEVELS OF SERVICE, SCHEDULES AND SHIPSIDE OPERATIONS. WITHOUT FORESEEABLE RELIEF IN SIGHT, CARRIERS ARE FORCED TO RESTORE THE PLAN OF CONGESTION CHARGE COLLECTION FOR ALL US IMPORT SHIPMENTS VIA THE USWC PORTS.

The effective date and amount is listed here:

Effective Date: Cargo receiving on or after 11/26/2014

Amount:

- USD 800 per 20' Container
- USD 1,000 per 40' Container
- USD 1,125 per 40' High Cube Container
- USD 1,266 per 45' High Cube Container

REGRET THE INCONVENIENCE CAUSED IN THIS REGARD

ALL CARGO / TLSS INC WILL NOT BE RESPONSIBLE FOR ANY DEMURRAGE IF THE CONTAINER ARE ON USDA OR US CUSTOMS HOLD OR MISSING OBL OR PAYMENT OR CUSTOMS ENTRY AFTER THE LAST FREE DAY OR CONTAINERS/CARGO IS NOT PICKED UP WITHIN FREETIME

IF EMPTY CONTAINER IS RETURNED AFTER THE LINE ALLOCATED FREE TIME, ALL PER DIEM AND DETENTION WILL BE TO THE CONSIGNEE'S ACCOUNT

"IF THE SHIPMENT IS ON US CUSTOMS/USDA HOLD, ADDITIONAL CHARGES MAY APPLY"

NEW 10+2 RULES FOR IMPORTS INTO USA

Dear Customer,

PLEASE CONTACT US FOR FILING OF IMPORT SECURITY FILING (ISF - 10+2 FILING) AT A VERY DISCOUNTED RATE FOR OUR REGULAR CUSTOMERS.

YOU CAN CONTACT US ON 732 2837833 , 732 623 9024, 1 732 653 5020 OR 732 791 2289 OR EMAIL US AT info.tlssus@transworld.co for more info.

We thank you for your patronage and look forward to serving you to the best of our abilities.

Best Regards

TLSS INC

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Exhibit G

Richard Drake

From: loyd parker
Sent: Friday, January 9, 2015 6:27 PM
To: Richard Drake; james.aiken
Subject: Fw: Fwd: *** VINTAGE INDUSTRIAL CRANK DINING TABLES ***

On Friday, January 9, 2015 5:59 PM, loyd parker <modfurnmkr@gmail.com> wrote:

----- Forwarded message -----

From: <robot@craigslist.org>
Date: Fri, Jan 9, 2015 at 5:58 PM
Subject: *** VINTAGE INDUSTRIAL CRANK DINING TABLES ***
To: modfurnmkr@gmail.com

modfurnmkr@gmail.com forwarded you this from craigslist:

***** VINTAGE INDUSTRIAL CRANK DINING TABLES *****

<http://phoenix.craigslist.org/nph/fud/4839600999.html>

If you don't want to receive email-a-friend messages, please go to:

http://www.craigslist.org/cgi-bin/te/U2FsdGVkX182MzI2NjMyNrkzaLtWjk8Qgw75hnj3divaPjC3K8UO_c0e66aqUzU3pPmFlafcdQnTanXmTAu1w

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Exhibit H

FINANCING SECURITY AGREEMENT

THIS SECURITY AGREEMENT is effective January 8, 2015, and in consideration of investments made by _____ ("Secured Party"), to Kurt Markus and IWM, LLC, an Arizona limited liability company (collectively, "IWM").

RECITALS

A. IWM and Secured Party will execute a Financing Agreement, dated this day ("Financing Agreement"), pursuant to which Secured Party will finance the sum of \$_____, at an interest rate of _____ which constitutes IWM's financial obligation to Secured Party.

B. To induce: (i) the timely payment of all amounts due under The Agreements and any other sums advanced by Secured Party to IWM; and (ii) the performance by IWM of all the covenants herein contained or contained in any other agreement between IWM and Secured Party, IWM has agreed to grant to Secured Party a security interest in and to all of IWM's assets identified herein.

AGREEMENT

THEREFORE, in consideration for the mutual agreements of the Parties and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. Definitions.

1.1 The "Obligations" shall mean and include all obligations of IWM under The Financing Agreements and any renewals, amendments, modifications or extensions thereof, and all costs and expenses of collecting the same, including but not limited to reasonable attorneys' fees.

1.2 The "Collateral" shall mean all of the IWM's right, title and interest in and to the following:

IWM's right, title and interest in and to monies and goods equitable to total financing amount of imported container goods inventory as outlined by seprate agreement.

2. Security Interest.

2.1 IWM hereby grants to Secured Party, to secure full payment and performance of the Obligations, and a continuing security interest in, and pledges and assigns to Secured Party the Collateral together with all substitutions, replacements, and proceeds thereof, including all of the foregoing now in existence and/or hereafter acquired by IWM at any time or times, regardless of whether prior to, simultaneous with, or subsequent to the incurring of any of the Obligations.

2.2 The security interest created herein shall attach without the execution or delivery to Secured Party of any instruments, documents, assignments, or other agreements of transfer, and in the event that any such instruments, documents, or other agreements of transfer are or will be delivered to Secured Party, the same are and will be in furtherance of and in addition to the security interest created by virtue of this Agreement.

3. Validation of Security Interest; U.C.C. Filings.

3.1 At any time, and at reasonable intervals, upon request of Secured Party, IWM will give, execute, deliver, file and/or record any notice, statement, instrument, document, agreement, or other papers that Secured Party may reasonably request in order to create, preserve, perfect, or validate any security interest granted pursuant hereto or to enable Secured Party to exercise and enforce its rights hereunder or with respect, to such security interest.

3.2 The right is expressly granted to Secured Party, at Secured Party's discretion, to file in those jurisdictions where the same is permitted, one or more financing statements under the Uniform Commercial Code signed by Secured Party or IWM, as necessary, and indicating therein the Collateral herein specified.

3.3 Without the prior consent of Secured Party, IWM will not, after the date hereof, file or authorize or permit to be filed in any jurisdiction any such financing or like statement, relating to the Collateral (excluding any security interest which is in a prior position as of the date hereof), unless such financing statement is expressly made subordinate to the Secured Party's interest therein. A single exception relates to another pre-existing Investor who holds a security interest greater in value than that of Secured Party, who will sign an updated Security Agreement, however Secured Parties' Agreement will supcede and hold first position. Pre-existing Investor's Agreement confirms this condition.

4. Sale or Transfer of Collateral Encumbrances and Defense of Title.

4.1 While there remains any outstanding indebtedness to Secured Party with regard to the Obligations, IWM shall not sell, transfer, convey, or assign the Collateral to any person or entity without the knowledge and prior consent of the Secured Party.

4.2 Except as permitted by Section 3.3, IWM shall not, after the effective date of this Agreement, create or permit any lien, pledge, mortgage, encumbrance, or any other security interest to attach to the Collateral or any portion thereof without the knowledge and prior consent of the Secured Party.

4.3 IWM will pay and discharge promptly all taxes, assessments, and governmental charges or levies imposed upon the Collateral, as well as all judgment liens which, if unpaid, may constitute a lien or charge upon the Collateral, unless and only to the extent that the same shall currently be duly contested in good faith.

4.4 IWM will defend the title and Secured Party's security interest in and to the Collateral at IWM's own cost and expense.

5. Events of Default; Acceleration.

5.1 An Event of Default shall have been deemed to have occurred if any of the following events or conditions occurs:

(a) if IWM fails to pay any of the Obligations, or any installment or payment due thereunder, as and when due and such failure is not cured within any applicable notice or grace period; or

(b) except as permitted by Section 3.3, if any lien is filed against IWM relating to the Collateral and such lien is not removed within ten (10) days after notice thereof is given to IWM; or

(c) if there shall be an assignment for the benefit of IWM's creditors, or (ii) application for, consent to or acquiescence in, the appointment of a trustee, receiver or other custodian for IWM, the property of IWM or any part thereof, or in the absence of any application, consent or acquiescence, the appointment of a trustee, receiver or other custodian for IWM or a

substantial part of the property of IWM, which appointment is not discharged within forty-five (45) days; or

(d) if any case is commenced under Title 11 of the United States Code or any other bankruptcy, reorganization, receivership, custodianship, or similar proceeding under any state or federal law by or against IWM and, with respect to any such case or proceeding that is involuntary, such case or proceeding is not dismissed within forty-five (45) days of the filing thereof; or

(e) if IWM defaults in the performance of any of its obligations under this Agreement, The Investment Agreements or any other agreement at any time securing the payment or performance of the Obligations or relating to the Collateral and such default is not remedied within ten (10) days after notice thereof is given to IWM,

5.2 Upon the occurrence of an Event of Default and at any time thereafter so long as such Event of Default has not been cured, Secured Party shall have the right, at its option, without notice, in addition to all of its rights and remedies available hereunder, under The Investment Agreements and/or available at law or in equity, to declare all of the Obligations to be immediately due and payable in full.

6. Notice of Relocation and Discontinuance. IWM agrees to give Secured Party immediate written notification of: (a) any change in the location of the Collateral; (b) the establishment of any new residence, office or place of business of IWM or IWM's business; and (c) the discontinuance of any office or place of business of IWM.

7. Rights and Remedies on Default.

7.1 Secured Party shall have the rights and remedies with respect to the Collateral of a secured party under the Arizona Uniform Commercial Code as from time to time in effect (the "UCC") in addition to any other rights and remedies available in applicable law or in equity.

7.2 Without limiting the generality of the foregoing, Secured Party, upon the occurrence of an Event of Default, may sell or cause the Collateral to be sold, in one or more sales, at such price and terms as Secured Party may deem best, at public or private sale, without demand of performance or notice of intention to sell or of time or place of sale, except such notice as is required by applicable statute and cannot be waived (IWM agrees that notice of ten (10) calendar days is reasonable notice under any provision of the UCC that cannot be waived), and Secured Party or anyone else may be the purchaser of any or all of the Collateral so sold and thereafter hold the same absolutely free from any claim or right of whatsoever kind, including any equity of redemption, of IWM, any such demand, notice or right and equity being hereby expressly waived and released.

7.3 Secured Party may exercise all or any number of Secured Party's rights and remedies (and they shall be cumulative and not alternative) that Secured Party may have hereunder, under The Investment Agreements or any other paper delivered by IWM in connection with any of the Obligations, and under the UCC or any other law, or otherwise, at any time or times, and in whole or in part.

7.4 Secured Party shall be under no liability to anyone for the exercise of any such rights or for any failure to exercise any thereof, and such exercise or failure shall not affect or discharge any liability or debt of any other person.

7.3 Secured Party may exercise all or any number of Secured Party's rights and remedies (and they shall be cumulative and not alternative) that Secured Party may have hereunder, under The Investment Agreements or any other paper delivered by IWM in connection with any of the Obligations, and under the UCC or any other law, or otherwise, at any time or times, and in whole or in part.

7.4 Secured Party shall be under no liability to anyone for the exercise of any such rights or for any failure to exercise any thereof, and such exercise or failure shall not affect or discharge any liability or debt of any other person.

8. **Assignment.** Secured Party may transfer the whole or any part of Secured Party's interest in the Collateral. The transferees shall have the same rights and powers with reference to the Collateral transferred therewith as are hereby given to Secured Party, and upon such transfer, Secured Party shall be fully discharged from all claims with respect to any Collateral so transferred.

9. **Non-Waiver.** No failure or delay on the part of Secured Party in exercising any power or right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right. No waiver shall be enforceable against Secured Party unless in a writing signed by Secured Party, and shall be limited solely to the one event. The rights, remedies, and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies, or benefits which Secured Party may otherwise have.

10. **Waiver by IWM.** IWM hereby waives diligence, demand, presentment and protest of all instruments included in or evidencing the Obligations or the Collateral whether or not relating to such instruments.

11. **Severability.** In the event any section or part of this Security Agreement should be adjudged invalid or unconstitutional, such adjudication shall in no manner affect the other Sections, which shall remain in full force and effect as if the Section so declared or adjudged invalid were not originally a part hereof.

12. **Notices.** Any notice or communications given or required under the terms of this Agreement shall be in writing and shall be effective upon personal delivery, if hand delivered (including overnight mail or courier service) or if mailed, three (3) days after mailing, by certified mail, return receipt requested, postage prepaid, to the recipient at his or its address as set forth in The Investment Agreements.

SIGNED as of the date first set forth above.

IWM:

SECURED PARTY:

IWM, LLC,
an Arizona limited liability company

By: _____

Kurt Markus, Manager

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Exhibit I

WV
1-5-2015

2015-000-1350-3

ARIZONA
SECRETARY OF STATE

01/05/15 14:11

FILED

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) LOYD B. PARKER 480 946 3114
B. E-MAIL CONTACT AT FILER (optional) MOD FURNMKR @ YAHOO.COM
C. SEND ACKNOWLEDGMENT TO (Name and Address) LOYD PARKER 13262 N. 75 DR PEORIA, AZ 85381



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 1b, leave all of item 1b blank, check here ☐ and provide the individual Debtor information in item 1c of the Financing Statement Addendum (Form UCC1AD).

1a. ORGANIZATION'S NAME IWM, LLC	1b. INDIVIDUAL'S SURNAME			FIRST PERSONAL NAME	ADDITIONAL NAME(S) (INITIALS)	SUFFIX	
1c. MAILING ADDRESS 15029 N. THOMPSON PEAK PKWY BIR				CITY SCOTTSDALE	STATE AZ	POSTAL CODE 85260	COUNTRY USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 2b, leave all of item 2b blank, check here ☐ and provide the individual Debtor information in item 2c of the Financing Statement Addendum (Form UCC1AD).

2a. ORGANIZATION'S NAME	2b. INDIVIDUAL'S SURNAME			FIRST PERSONAL NAME	ADDITIONAL NAME(S) (INITIALS)	SUFFIX	
2c. MAILING ADDRESS				CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME OF ASSIGNEE OF ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b).

3a. ORGANIZATION'S NAME	3b. INDIVIDUAL'S SURNAME PARKER			FIRST PERSONAL NAME LOYD	ADDITIONAL NAME(S) (INITIALS) B	SUFFIX	
3c. MAILING ADDRESS 13262 N 75 DR				CITY PEORIA	STATE AZ	POSTAL CODE 85381	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

All of Debtor's right, title and interest in and to all money, goods (including without limitation, equipment, inventory and fixtures), instruments, documents, accounts, chattel paper, accounts receivables and general intangibles, used in Debtor's furniture business operated under IWM, LLC, IW+M, LLC, or Industrial Wood & Metal, in all forms, wherever located, including any substitutions, additions thereto and replacements thereof, and all proceeds thereof, whether cash or non cash, including insurance proceeds, now owned or hereafter acquired.
Industrial furniture imported from Judhpur, India via container, with a manufacturing consideration totaling \$57,021.36.

5. Check only if applicable and check only one box. Collateral is:	<input type="checkbox"/> held in a Trust (see UCC1A2, item 17 and instructions)	<input type="checkbox"/> being administered by a Decedent's Personal Representative			
6a. Check only if applicable and check only one box:	6b. Check only if applicable and check only one box:				
<input type="checkbox"/> Public Finance Transaction	<input type="checkbox"/> Manufactured Home Transaction	<input type="checkbox"/> A Debtor is a Transferring Utility	<input type="checkbox"/> Agricultural Lien	<input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable):	<input type="checkbox"/> Lessee/Lessor	<input type="checkbox"/> Consignee/Consignor	<input type="checkbox"/> Seller/Buyer	<input type="checkbox"/> Bailee/Bailor	<input type="checkbox"/> Licensee/Licensee
8. OPTIONAL FILER REFERENCE DATA					

2015-000-1767-1

ARIZONA
 SECRETARY OF STATE
 01/07/15 16:48
 FILED

UCC FINANCING STATEMENT
 FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) James Aiken / 480-221-8759
B. E-MAIL CONTACT AT FILER (optional) james.aiken@cox.net
C. SEND ACKNOWLEDGMENT TO: (Name and Address) <div style="border: 1px solid black; padding: 5px; margin: 5px;"> James Aiken P.O. Box 25333 Scottsdale, AZ 85255 </div>



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad).

1a. ORGANIZATION'S NAME IWM, LLC			
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)
			SUFFIX
2c. MAILING ADDRESS 15029 N. Thompson Peak Parkway, B111		CITY Scottsdale	STATE AZ
		POSTAL CODE 85260	COUNTRY USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad).

2a. ORGANIZATION'S NAME			
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)
			SUFFIX
2c. MAILING ADDRESS 15029 N. Thompson Peak Parkway, B111		CITY Scottsdale	STATE AZ
		POSTAL CODE 85260	COUNTRY USA

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME			
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)
			SUFFIX
3c. MAILING ADDRESS P.O. Box 25333		CITY Scottsdale	STATE AZ
		POSTAL CODE 85255	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

All of Debtor's right, title and interest in and to all money, goods (including without limitation, equipment, inventory and fixtures), instruments, documents, accounts, chattel paper, accounts receivable and general intangibles, used in Debtor's furniture business operated under IWM, LLC, IW+M, LLC, or Industrial Wood Metal, in all forms, wherever located, including any substitutions, additions thereto and replacements thereof, and all proceeds thereof, whether cash or non cash, including insurance proceeds, now owned or hereafter acquired.
 Industrial furniture imported from Jodhpur, India via container, with a manufacturing consideration totaling \$12,500.

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative.	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public Finance Transaction <input type="checkbox"/> Manufactured Home Transaction <input type="checkbox"/> A Debtor is a Transferring UDRP <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing <input type="checkbox"/> Lessor/Lessee <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensee	
7. ALTERNATIVE DESIGNATION (if applicable):	
8. OPTIONAL FILER REFERENCE DATA:	

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Exhibit J

01/24/2015

**Arizona Corporation Commission
State of Arizona Public Access System**

11:55 AM

Jump To...

Scanned Documents Amendments

Corporate Inquiry

File Number: L-1870660-0

Corp. Name: IWM,LLC

Domestic Address

15029 N THOMPSON PEAK PARKWAY

B111

SCOTTSDALE, AZ 85260

Statutory Agent Information

Agent Name: KURT MARKUS

Agent Mailing/Physical Address:

15029 N THOMPSON PEAK PARKWAY

B111

SCOTTSDALE, AZ 85260

Agent Status: APPOINTED 08/30/2013

Agent Last Updated: 08/12/2014

Additional Corporate Information

Corporation Type: DOMESTIC L.L.C.

Business Type:

Incorporation Date: 08/30/2013

Corporate Life Period: PERPETUAL

Domicile: ARIZONA

County: MARICOPA

Approval Date: 09/19/2013

Original Publish Date:

Manager/Member Information

KURT MARKUS

MANAGER

15029 N THOMPSON PEAK PARKWAY

B111

SCOTTSDALE, AZ 85260

Date of Taking Office: 08/30/2013

KURT MARKUS

MEMBER

15029 N THOMPSON PEAK PARKWAY

B111

SCOTTSDALE, AZ 85260

Date of Taking Office: 08/30/2013

Last Updated: 09/19/2013

Last Updated: 09/19/2013

Scanned Documents

(Click on gray button - if present - to view document - will open in a new window.)

(If gray button is not present, please check back later.)

Document Number	Description	Date Received
04409474	ARTICLES OF ORGANIZATION	09/17/2013
04424265	AMENDMENT	08/11/2014
04887583	AMENDMENT	12/22/2014

[Back To Top](#)**Amendments**

Amendment Date	Amendment Type	Publish Date	Publish Exception
12/22/2014	AMENDMENT		WAIVE
08/11/2014	AMENDMENT		WAIVE

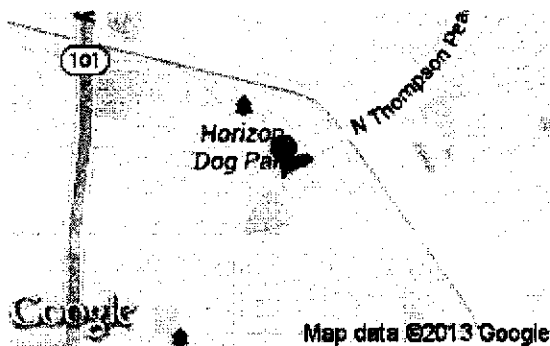
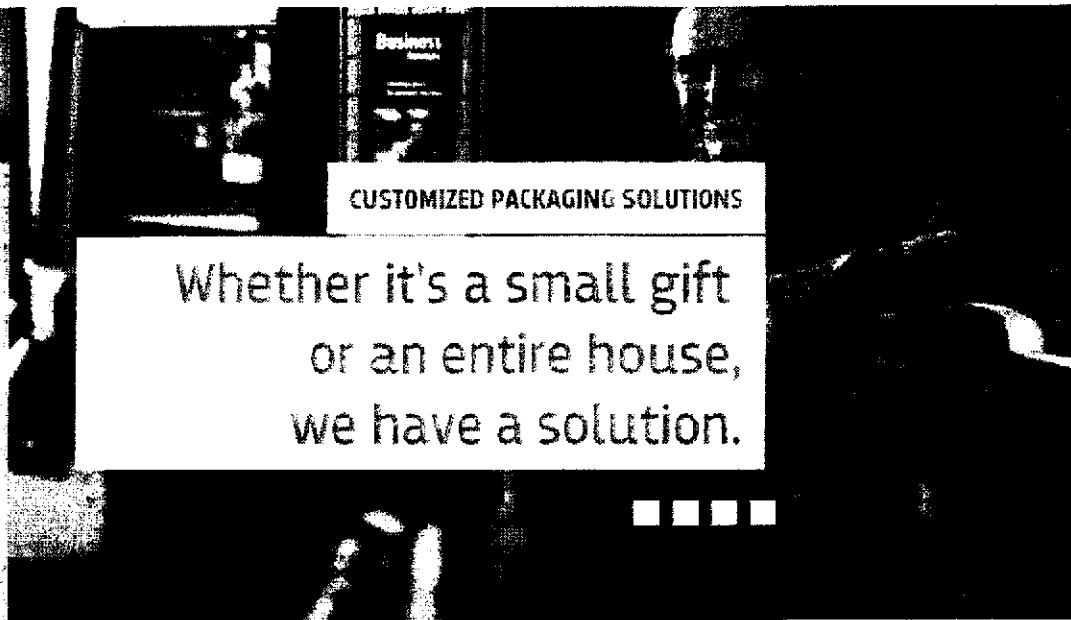
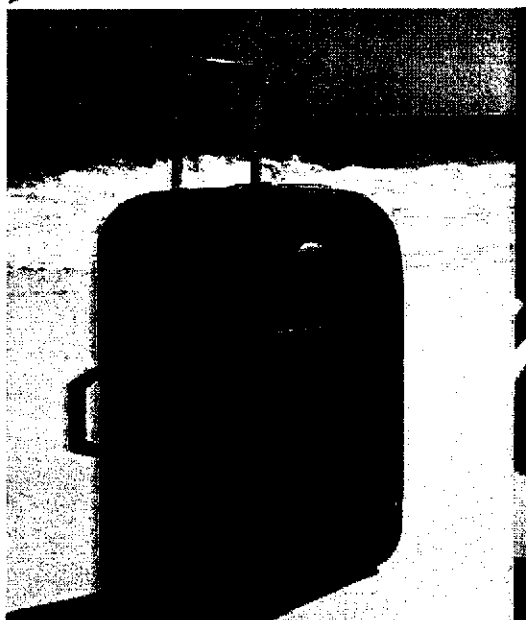
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Exhibit K



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ABOUT OUR STORE

PRODUCTS & SERVICES

TRACK A PACKAGE

The UPS Store

15029 N THOMPSON PEAK PKWY STE B-111
SCOTTSDALE, AZ 85260

Get Directions to Our Store

(480) 767-6052

store4160@theupsstore.com

Online Printing

email us call us directions
store hours

HOURS OF OPERATION

Monday - Friday	8:00 am - 6:00 pm
Saturday	9:00 am - 5:00 pm
Sunday	Closed

UPS AIR PICKUP TIMES

Monday - Friday	5:30 pm
Saturday	4:00 pm

UPS GROUND PICKUP TIMES

Monday - Friday	5:30 pm
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HOURS OF OPERATION

Monday - Friday	8:00 am - 6:00 pm
Saturday	9:00 am - 5:00 pm
Sunday	Closed

UPS AIR PICKUP TIMES

Monday - Friday	5:30 pm
Saturday	4:00 pm

UPS GROUND PICKUP TIMES

Monday - Friday	5:30 pm
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JOIN OUR MAILING LIST!

COPY



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MICHAEL K. JEANES, CLERK
K. LAVERY
DEPUTY CLERK

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DRAKE LAW FIRM PLC
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Scottsdale, AZ 85260
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Attorney for Plaintiffs

SUPERIOR COURT STATE OF ARIZONA

MARICOPA COUNTY

LOYD PARKER, an individual; JAMES
AIKEN, an individual,

Plaintiffs,

v.

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

Case No.: CV 2015-051117

**MEMORANDUM OF POINTS AND
AUTHORITIES SUPPORTING
PLAINTIFF'S RULE 66 APPLICATION
FOR RECEIVER WITHOUT SERVICE
OR NOTICE**

AND

**APPLICATION FOR AN ORDER TO
SHOW CAUSE WHY A RECEIVER
SHOULD NOT BE APPOINTED**

Pursuant to Rule 66, Ariz.R.Civ.P. and A.R.S. § 12-1241, Plaintiffs Loyd Parker and James Aiken, respectfully requests that this Court enter an Order Appointing Receiver, in the proposed form attached hereto at **Exhibit A**, thereby appointing Hulke Consulting Group, LLC, 3946 E. Glenrosa Avenue, Phoenix, AZ 85018, (phone: 602-424-1908 | mobile: 602-380-8723), by and through its principal, Donald Hulke, as receiver of the assets, inventory, and business defendant IWM, LLC ("IWM").

A copy of Mr. Hulke's Curriculum Vitae is attached hereto as **Exhibit B**. This *Memorandum of Points and Authorities* further supports Plaintiffs' contemporaneously filed *Verified Complaint*.

1 Plaintiffs' respectfully request the Court enter the Order Appointing Receiver Without
2 Notice and issue an Order directing Defendant to appear and show cause why a receiver should
3 not remain in place, as proposed in **Exhibit C**.

4 **I. FACTUAL BACKGROUND**

5 On or about August 10, 2013, Plaintiffs entered an agreement with Defendant IWM,
6 via its agent Kurt Bloedorn, in which Plaintiffs agreed to invest money in IWM for the
7 purchase and sale of various custom furniture. (the "Investment Agreement") The custom
8 furniture is manufactured in India and shipped to the United States in containers by sea vessel.
9 The containers are shipped to a Los Angeles area seaport and then its contents are transported
10 by truck to Scottsdale, Arizona.

11 IWM has since abandoned the leased space and all of IWM's assets and inventory, upon
12 information and belief, have been absconded and hidden by IWM's Manager Bloedorn.
13 Plaintiff Parker has been forced to negotiate with the landlord in an attempt to mitigate his
14 damages. Plaintiff Loyd Parker personally guaranteed the lease.

15 Plaintiff Parker and IWM later agreed that Parker would be a 50% owner of IWM LLC
16 and IWM filed an amendment adding Parker to IWM as a 50% member. Parker grew
17 concerned with his business dealings with Mr. Bloedorn after Mr. Bloedorn failed to perform
18 as agreed and made a number of representations to Mr. Parker that were later confirmed to be
19 untrue.

20 Mr. Parker began investigating the various filings relating to the parties and grew
21 concerned that Mr. Bloedorn was using multiple identities in his business transactions. The
22 parties' investment agreement lists Kurt Bloedorn as a party and "sole member of IWM". The
23 investment agreement was drafted by Mr. Bloedorn. This representation is in clear contrast to
24 IWM's Articles of Organization in which the sole member listed is Kurt Markus, not Kurt
25 Bloedorn.

26 Unbeknownst to Parker, and in violation of state law, Kurt Bloedorn a/k/a Kurt Markus
27 filed an amendment to IWM purportedly removing Parker as a member of IWM. Parker was
28 never advised of and never authorized Bloedorn a/k/a Markus' filing purporting to remove him

1 as a member of IWM, never gave consent to his removal as a member of IWM, and was never
2 paid anything for his interest.

3 As part of the agreement, plaintiff Parker was to have an IWM debit card to access
4 IWM's banking. Without notice, Kurt Bloedorn a/k/a Kurt Markus, terminated Parker's debit
5 card and bank account access and usurped full control of IWM's banking.

6 Pursuant to the terms of the Investment Agreement, Plaintiffs have the following
7 material rights:

8 Upon advance notice and request, within forty-eight (48) hours, IWM shall allow
9 Investor to access to the company and financial records relevant to usage of Investor
funds for each respective container project. (Exhibit A, p. 2, ¶ 1(b).)

10 IWM shall consult with Investor on the product, acquisition, logistics, and
11 administration of each Project and Investor shall be kept informed of any and all
12 other relevant matters. (Exhibit A, p. 2, ¶ 1(c).)

13 IWM and Investor shall split net proceeds 50% to each party, after stated and
14 mutually agreed upon expenses, of each Project should the Company and Investor
15 be the only participants in the specified container project and this agreement.
(Exhibit A, p. 2, ¶ 1(d).)

16 Disbursement of due proceeds to Investor will occur every Monday after a full week
17 sales cycle identified as Monday through Sunday of a prior week. (Exhibit A, p. 2,
18 ¶ 1(e).)

19 Proceeds of all product sales will be tracked and accounted for and sales reports will
20 be submitted to Investor by report each Monday. (Exhibit A, p. 2, ¶ 1(e).)

21 Pursuant to the terms of the IWM Agreement, two shipping containers have been
22 received from overseas for which the furniture has been sold by IWM to its customers. (the
23 "First Two Containers.") Currently, a third shipping container has arrived at port and is about
24 to be released to IWM. (the "Third Container.") The Third Container is currently possessed by
25 and is being forwarded by Transworld Logistics and Shipping Services, Inc who will
26 imminently release the container contents to Kurt Bloedorn a/k/a Kurt Markus.

27 In breach of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed to
28 provide access to the company and financial records within forty-eight hours as demanded on

1 multiple occasions by Plaintiff. In breach of the terms of the IWM Agreement, Bloedorn a/k/a
2 Markus has stopped and refused consulting and communicating with respect to IWM's
3 operations, product, acquisition, logistics, and administration of the Third Container. In breach
4 of the terms of the IWM Agreement, Bloedorn a/k/a Markus has failed to split the net proceeds
5 of the First Two Containers with Plaintiffs and has refused to state, disclose, or discuss the
6 expenses related to the First Two Containers. In breach of the terms of the IWM Agreement,
7 Bloedorn a/k/a Markus has failed to disburse the due proceeds from the First Two Containers
8 to Plaintiffs on any Monday since the furniture has been sold. In breach of the terms of the
9 IWM Agreement, Bloedorn a/k/a Markus has failed to provide a sales report to Plaintiffs each
10 Monday.

11 Additionally, plaintiff Parker has come to learn that Bloedorn a/k/a Markus has
12 terminated all services to the leased warehouse space and has vacated it leaving Parker liable
13 for the lease pursuant to his personal guaranty.

14 Plaintiff Parker has further learned that Bloedorn a/k/a Markus has taken possession of
15 all furniture from the warehouse and is attempting to sell the furniture on Craigslist. Upon
16 information and belief, Bloedorn a/k/a Markus is selling the furniture contrary to the parties'
17 agreement and for his own benefit.

18 Parker and Bloedorn a/k/a Markus agreed that Parker's investment would be secured
19 with an interest in the furniture as evidenced by the Investment Agreement which states
20 "Investor shall also be entitled to request additional security in conjunction with any additional
21 investment."

22 Upon information and belief, IWM executed a security agreement in favor of Plaintiffs
23 for the purposes of securing their investments in IWM by pledging the furniture and its
24 proceeds as collateral. Upon information and belief, IWM retained the signed copy of the
25 security agreement and handed an unsigned copy to Plaintiffs unbeknownst to them. Along
26 with the security agreement, Bloedorn a/k/a Markus handed a UCC-1 Financing Statement to
27 Plaintiffs evidencing the security interest.
28

1 Plaintiffs filed a UCC-1 Financing Statement with the Arizona Secretary of State
2 purportedly perfecting a lien in the furniture collateral. Pursuant to the terms of the Investment
3 Agreement, plaintiff Aiken deposited \$12,500 into IWM's bank account on September 30,
4 2013. Pursuant to the terms of the investment Agreement, plaintiff Parker made the following
5 payments to IWM:

6	9/5/13	\$12,500	Initial Investment (Deposited in IWM acct)
7	10/31/13	\$5,000	Deposited in IWM acct
8	3/3/14	\$2,000	Deposited in IWM acct
9	3/17/14	\$5,000	Deposit - Cont #3
10	7/28/14	\$8,500	Deposited in IWM acct
11	8/5/14	\$2,700	Deposited in IWM acct
12	11/28/14	\$24,321.36	Payment for Container #3; Deposited in IWM acct
13	TOTAL \$60,021.36		

14 In addition, plaintiff Parker has made the following other payments on behalf of IWM:

15	10/8/14	\$2000	Oct rent Deposited in IWM acct
16	1/7/15	\$1867.41	Jan Rent Paid to Landlord
17	1/12/15	\$3,930.84	Sea Freight

18 **TOTAL \$7,798.25**

19 Plaintiffs have not received any payment whatsoever from Bloedorn a/k/a Markus
20 despite over a year having passed since their initial investments. Contrary to law and Arizona
21 Corporation Commission rules, Bloedorn a/k/a Markus listed himself personally as IWM's
22 statutory agent with an address of 15029 N Thompson Peak Parkway, B111, Scottsdale, AZ
23 85260. The physical address listed for IWM's statutory agent is a UPS store and not the
24 statutory agent's physical location as required.

25 As a result, IWM cannot be served at its designated agent location and will need to be
26 served through the Arizona Corporation Commission adding significant delay to the process
27 of service on IWM.

28 Bloedorn a/k/a Markus told Plaintiffs that they can "go ahead and sue an empty shell
company." Upon information and belief, Bloedorn a/k/a Kurt Markus is working diligently to
obtain possession of the shipping container and its furniture contents to sell for his own

1 personal benefit leaving the Plaintiffs with no future recourse but “chasing an empty shell
2 corporation.”

3
4 **II. A.R.S. §12-1241 AND RULE 66, ARIZ.R.CIV.P. REQUIRE THAT A
RECEIVER BE APPOINTED**

5 Appointment of a receiver is appropriate under these circumstances pursuant to A.R.S.
6 §12-1241 and Rule 66, Ariz.R.Civ.P. It is specifically authorized by A.R.S. §121241, which
7 vests this Court with the authority to appoint a receiver:
8

9 The superior court or a judge thereof may appoint a receiver to protect
10 and preserve property or the rights of parties therein, even if the action
includes no other claim for relief.

11 A.R.S. §12-1241; see also *Gravel Resources of Arizona v. Hills*, 217 Ariz. 33, 36, 170 P.3d
12 282, 285 (App. 2007) (decision to appoint a receiver “rests in the sound legal discretion of the
13 trial court”) (citing *D & S Farms v. Producers Cotton Oil Co.*, 16 Ariz.App. 180, 182, 492 P.2d
14 429, 431 (1972). As set forth in *Hills, supra*, the threshold for appointment of a receiver in
15 Arizona is quite low; it is simply whether Plaintiffs’ interests and the collateral reasonably
16 requires protection/preservation.

17 As Arizona courts have recognized, the mere act of default is sufficient to justify the
18 appointment of a receiver to collect profits and rents. See, e.g., *Wingfoot California Homes*
19 *Co. v. Valley National Bank*, 74 Ariz. 287, 289-90, 248 P. 2d 738, 740-42 (1952); *Prudential*
20 *Insurance Co. v. Fifty Associates*, 503 F.2d 925, 930 (9th Cir.1974) (applying Arizona law).

21 In the instant matter, there is no question that Defendant is in default of the various
22 documents memorializing the agreement between the parties and, upon a showing of such
23 default, Plaintiffs are entitled to the appointment of a receiver. No further showing is
24 necessary.

25 A showing of physical or legal waste also provides a legally independent justification
26 for appointing a receiver. See, e.g., *Wingfoot California Homes Co. v. Valley National Bank*,
27 *supra*; *Prudential Insurance Co., supra*. Legal waste includes the retention of rents, income
28

1 or profits derived from operations without paying principal, interest or taxes that are due. *Dick*
2 & *Reuteman Co., v. Jem Realty Co.*, 225 *Wise*, 428, 274 N.W. 6 416 (1937). In addition, risk
3 of loss of cash collateral justifies the appointment of a receiver. *Prudential Insurance Co.*,
4 *supra* at 930; *Wingfoot, supra* at 290. This includes the threat of diversion of the operating
5 revenues by the debtor. *Hartford Federal Savings & Loan Association v. Tucker*, 196 Conn.
6 172,491 A.2d 1084 (1985), *stay denied*, 474 U.S. 896, U.S. 896 (1985), *cert. denied*, 474 A.2d
7 1084 (1985); *Home Savings & Loan Joliet v. Samuel T Isaac & Associates, Inc.*, 99 Ill. App.3d
8 795,425 N.E.2d 985 (1981).

9 Appointment of a receiver without notice in the present case is particularly necessary
10 due to Defendant's abandoning the warehouse lease space, unknowingly removing plaintiff
11 Parker as a member of IWM, usurping control of IWM's bank accounts and terminating
12 Parker's access to IWM's banking and financial information, IWM's maintaining of an invalid
13 and non-servable statutory agent, Bloedorn a/k/a Markus' attempts to obtain and dispose of
14 the furniture that has arrived at the seaport, and Bloedorn a/k/a Markus' threat that Plaintiffs
15 can "chase an empty shell corporation."

16 Plaintiffs are possibly a secured party in the Collateral, and would thus be entitled to
17 protection of its rights under A.R.S. §12-1241. Furthermore, Bloedorn a/k/a Markus, acting as
18 Manager for IWM, violated his fiduciary duty to member Parker by filing a document with the
19 Arizona Corporation Commission purporting to remove him as a member. Due to these
20 actions, Plaintiffs have no other security for Defendant's obligations and has no other ability
21 to immediately protect and secure, for future disposition, the assets of IWM for the benefit of
22 all creditors and members.

23 **III. SUBSTANTIAL CAUSE EXISTS TO APPOINT THE RECEIVER WITHOUT** 24 **SERVICE OR NOTICE**

25 The Court may appoint a receiver without service or notice when (1) there is substantial
26 cause for appointing a receiver before the service can otherwise be made, and (2) assuming
27 the defendant is available for service, the court orders a hearing on the application in less than
28

1 ten days. *See* Rule 66(a), Ariz.R.Civ.P. Here substantial cause exists and immediate
2 appointment of a receiver is mandated by:

- 3 • Defendant's maintaining of an invalid and non-servable statutory agent.
- 4 • The imminent risk of depletion of IWM's sole furniture assets and inventory for
the benefit of its Manager.
- 5 • Defendant's abandonment of its leased warehouse space.
- 6 • Bloedorn a/k/a Markus' unknowing removal of plaintiff Parker as a member of
IWM.
- 7 • Bloedorn a/k/a Markus' termination of Parker's debit card.
- 8 • Bloedorn a/k/a Markus' threat that Plaintiffs' can "chase an empty shell
corporation."
- 9 • IWM's failure to comply with any of the reporting and payment obligations set
forth in the parties' Investment Agreement for over eighteen months.
- 10 • IWM's failure to pay any money whatsoever back to Plaintiffs' despite the
11 passage of eighteen months and the sale of two shipping containers full of furniture.
- 12 • The limited window of time for a Receiver to obtain possession of the inventory
before it is released to Bloedorn a/k/a Markus.

13 Moreover, based on these assertions, Plaintiffs believes Bloedorn a/k/a Markus will
14 dissipate the remaining furniture inventory and retain the proceeds for his own benefit if a
15 receiver is not appointed immediately. The remaining inventory is easily sold, transferred, or
16 transmuted without significant time or effort on the part of Defendant and the other members
17 and creditors of IWM will be left "chasing an empty shell." The immediate appointment of the
18 Receiver is necessary to manage and preserve the inventory and oversee its controlled sale for
19 the benefit of all creditors and members of IWM. Accordingly Plaintiffs have a statutory basis
20 to obtain the appointment of a Receiver, without notice, to protect and preserve the inventory.

21 22 **IV. ORDER TO SHOW CAUSE HEARING SHOULD BE EXPEDITED**

23 Plaintiffs further request that the Court enter an Order requiring Defendant to appear
24 before the Court and show cause why a receiver should not be appointed. Plaintiff requests
25 that the Order to Show Cause hearing be set on an expedited basis within the next ten days to
26 hear Plaintiffs' request for the appointment of a Receiver, and to allow Defendants to show
27 cause why the Receiver should not be appointed. A proposed form of Order to Show Cause
28 Why a Receiver Should Not be Appointed is attached at **Exhibit C** to this Memorandum.


1 Plaintiffs therefore respectfully requests that this Court (1) set an expedited hearing
2 requiring Defendant to appear before the Court and show cause why a receiver should not be
3 appointed, and (2) instruct the Defendant that, upon notice of the expedited hearing, it is
4 restrained from removing, secreting, transferring, selling or otherwise disposing of any assets
5 or inventory, including without limitation, income, and profits from the inventory, and all the
6 records relating to the assets and inventory (including, but not limited to, accounting and
7 banking records) pending the hearing requiring Defendants to appear before the Court and
8 show cause why a receiver should not be appointed.

9 **V. CONCLUSION**

10 Based on the foregoing, Plaintiffs respectfully request that this Court appoint Hulke
11 Consulting Group, LLC, by and through Donald Hulke, as receiver to take immediate
12 possession of the assets and inventory of IWM, and that it be granted as Receiver all necessary
13 authority, responsibilities, duties and powers as set forth in the proposed form of Order
14 Appointing Receiver submitted herewith. A receiver is reasonably necessary to ensure that the
15 assets and inventory of IWM is properly protected and preserved during the pendency of the
16 litigation for the benefit of all creditors and members.

17 DATED this 29th day of January 2015.

18 **DRAKE LAW FIRM, PLC**

19
20 By: 
21 Richard A. Drake
22 *Attorney for Plaintiffs*
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Exhibit A

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SUPERIOR COURT STATE OF ARIZONA

MARICOPA COUNTY

LOYD PARKER, an individual; JAMES
AIKEN, an individual,

Plaintiffs,

v.

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

Case No.: _____

ORDER APPOINTING RECEIVER

This Court, having read plaintiffs Loyd Parker and James Aiken's *Verified Complaint for Appointment of Receiver* (the "Complaint") and attendant *Memorandum of Points and Authorities Supporting Plaintiff's Rule 66 Application/or Receiver*, and having considered the entire file, and good cause appearing for the appointment of Receiver over all the assets and inventory held, owned, or holding rights to by Defendant,

THE COURT HEREBY FINDS that Defendant IWM, LLC ("IWM") is in default under the terms and provisions of the Investment Agreement as identified in the Verified Complaint.

THE COURT FURTHER FINDS that the receivership property includes, but is not necessarily limited to, all assets, inventory, furniture, equipment, rents, proceeds, income and revenues related to, owned by, or arising from IWM's business ("Receivership Property") and all accounts owned or maintained by IWM relating to or arising from its business including bank, security deposit and operating accounts, email and any other electronic accounts whether such accounts are maintained by IWM or any other person or entity, and

1 all contracts, rights to payment from any source, insurance and condemnation awards, and all
2 claims or causes of action associated with the receivership property or IWM.

3 **THE COURT FURTHER FINDS** that, pursuant to the terms and provisions of the
4 Investment Agreement, Plaintiffs are entitled to the proceeds from the Receivership
5 Property; that Plaintiffs are the current beneficiary and/or holder of the Investment
6 Agreement; and, substantial injury will result to Plaintiffs if appointment of a Receiver is
7 denied.

8 **NOW THEREFORE**, on Application of Plaintiffs, through their attorneys,

9 1. **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that, pursuant
10 to Rule 66, Ariz.R.Civ.P., and A.R.S. §12-1241 the Application is granted, and Hulke
11 Consulting Group, LLC, 3946 E. Glenrosa Avenue, Phoenix, AZ 85018, (phone: 602-424-
12 1908 | mobile: 602-380-8723), by and through its principal, Donald Hulke is appointed to
13 serve as Receiver under the terms and conditions set forth herein for (1) the Receivership
14 Property; and (2) all business operations of IWM related to the Receivership Property.

15 2. **IT IS FURTHER ORDERED** that the appointment of the Receiver shall be
16 effective upon the entry of this Order, without the requirement of filing of a cash or surety
17 bond, and based upon an oath of Receiver that it will faithfully discharge the duties of
18 Receiver in this action and obey the orders of the Court and serve as Receiver until further
19 order of this Court.

20 3. **IT IS FURTHER ORDERED** that the Receiver's duties shall include all
21 duties reasonably necessary to manage, maintain, and preserve the Receivership Property,
22 including without limitation, the following:

- 23 i. Demand for and collection of all amounts that may be due to IWM from all
24 parties, or the Receivership Property;
- 25 ii. Maintenance and preservation of the Receivership Property, including all
26 vendor and customer relationships;
- 27 iii. Completing a written inventory of the Receivership Property;
- 28 iv. Retaining, hiring and firing persons, based on its best business judgment;

- v. Retaining or otherwise hiring a payroll service for any and all employees of IWM and/or the Receivership Property;
- vi. Retaining or otherwise hiring advisors, consultants, and/or lenders for the purpose of advising the actions of the Receiver in connection with the daily operations of the Receivership Property and the value of the Receivership Property;
- vii. Such day-to-day management to perform the necessary actions to protect and preserve the daily operations of the Receivership Property;
- viii. Delegating to individuals or entities, as appropriate, the day-to-day tasks of operating the Receivership Property;
- ix. Payment of expenses incurred in, and contracting for goods and services with respect to the Receivership Property;
- x. Payment of any and all amounts due to IWM from the cash flow and operations of the Receivership Property;
- xi. Filing, prosecution, defense, and settlement of actions with respect to the management, maintenance, assets, and preservation of the Receivership Property, and recovery of all amounts due to the Receivership Property, or IWM arising from or related to the Receivership Property, or to or from the Receivership Property;
- xii. Securing all locations in which the Receivership Property is held by changing the locks and any other means of access to the computers and/or records maintained at those locations; and
- xiii. Hiring and firing counsel, accountants, private investigators and other qualified professionals, including Hulke Consulting Group LLC and Drake Law Firm PLC, for the benefit of the Receivership Property, including for the purpose of initiating any lawsuits relating to recovery of the Receivership Property.

1 4. **IT IS FURTHER ORDERED** that the Receiver shall immediately have
2 access to and take possession of the Receivership Property and make demand for control or
3 possession of the Receivership Property, whether in the possession and control of
4 Defendants or a third party, including all real and personal, tangible and intangible, property
5 owned or leased by IWM relating to the Receivership Property, all personal property
6 contained therein, all income, accounts, including bank, security deposit, operating accounts,
7 credit card receipts, demand deposits, and all the contracts relating to the Receivership
8 Property, and all rights to payment from any source, issues, profits, revenue and income
9 thereof, and insurance awards, payments and proceeds relating to the Receivership Property,
10 whether such accounts are maintained by IWM or any other person or entity, including
11 without limitation, all keys, security codes, combinations, passwords and other access codes,
12 and all other collateral securing the indebtedness owed to Plaintiffs;

13 5. **IT IS FURTHER ORDERED** that the Receiver is empowered to issue
14 demands in the name of the Receivership upon the U.S. Postal Service, UPS Store,
15 Mailboxes & More or any similar business to grant exclusive possession and control of any
16 such postal boxes as may have been used by the named IWM for the receipt of mail.

17 6. **IT IS FURTHER ORDERED** the Receiver has the power to issue demands,
18 in the name of the receivership estate, upon public utilities which the Receiver determines
19 provide services to the Receivership Property, and to transfer such services, together with
20 any deposits held by the utility, to the exclusive control of the Receiver; however all utility
21 accounts shall remain in the existing name and Social Security or Employer Identification
22 number of IWM and/or its successor or assigns.

23 7. **IT IS FURTHER ORDERED** that all expenses and payment incurred or paid
24 by the Receiver pursuant to any of the powers and duties set forth in this Order shall be paid
25 out of income generated or obtained from the operation of the Receivership Property. If the
26 income from the property is insufficient to pay the ordinary, necessary and reasonable costs
27 and expenses of the management and operation of the Receivership Property, as described in
28 this Order, Plaintiffs may, in their sole, exclusive, and unlimited discretion, may advance to

Receiver sufficient funds to pay such ordinary, necessary, and reasonable costs and expenses (the "Receivership Advances"). The Receivership Advances made by Plaintiffs shall constitute advances of principal under the Investment Agreement. Such Receivership Advances shall accrue interest at a rate of 10% per annum, and shall be secured by the Investment Agreement, Security Agreement, and the UCC Financing Statement. The Receiver is further authorized and directed to issue Receiver's Certificates to Plaintiffs reflecting the amount and priority of the Receivership Advances. The Receiver shall provide IWM with an accounting of any and all funds advanced by it or Plaintiffs in fulfilling the Receiver's duties.

8. **IT IS FURTHER ORDERED** that the Receiver is authorized to:

- i. Market and sell the Receivership Property, including at auction;
- ii. Modify and terminate existing leases and contracts in the ordinary course of business of the Receivership Property;
- iii. Open one or more bank accounts in Arizona as designated depositories for funds of the Receivership Property;
- iv. Pay all utilities, expenses, and other obligations secured by or which may give rise to liens, and all other outstanding obligations, suppliers and services in the ordinary course of business; including, with Plaintiffs' approval, obligations incurred prior to the commencement of the receivership so long as the Receiver determines that it is prudent to do so to maintain the business relationships that are beneficial to the conduct of the Receivership;
- v. Comply with all laws, rules, ordinances, requirements and regulations applicable to the Receivership Property;
- vi. Make payments and disbursements in the ordinary course of business;
- vii. With Plaintiffs' approval, make payments and disbursements as may be needed and proper for the preservation of the Receivership Property; and
- viii. Pay net income from the Receivership Property to Plaintiffs', in reduction of the indebtedness owed to Plaintiffs' from IWM.

1
2 9. IT IS FURTHER ORDERED that, for the benefit of Plaintiffs, the Receiver
3 shall collect all past due, current and future accounts, or other amounts due from the use and
4 or sale of the Receivership Property and do all such other things and acts with respect to the
5 Receivership Property, as the Receiver may deem appropriate and act exclusively and solely
6 in the place and stead of IWM and exercise all the powers of IWM as the owner of the
7 Receivership Property;

8 10. IT IS FURTHER ORDERED that effective immediately, the Receiver is
9 ordered to take any and all actions the Receiver deems reasonable and appropriate to prevent
10 waste to, and to preserve, secure manage, maintain, and safeguard, the Receivership
11 Property;

12 11. IT IS FURTHER ORDERED that the Receiver may take such measures as the
13 Receiver deems reasonable and appropriate to maintain the peace and security of persons and
14 property affected by the Receiver's duties, including but not necessarily limited to hiring or
15 otherwise retaining the service of duly licensed public or private law enforcement officers.

16 12. IT IS FURTHER ORDERED that no one with actual notice of this Order,
17 including current management, shall interfere with the Receiver's efforts and plans in
18 managing, maintaining and preserving the Receivership Property. By entry of this Order,
19 IWM and its current management, existing officers and directors and any of its agents or
20 attorneys, are enjoined, restrained and prohibited from:

- 21 i. Taking any action or steps to interfere in any manner with the Receiver
22 and its operations of the Receivership Property, including contacting, or
23 communicating with any vendors or customers;
- 24 ii. Transferring any funds of IWM which originated from the sale of any
25 inventory obtained or otherwise arising out of IWM's business
26 operations;
- 27 iii. Taking any steps to interfere with any advertising, marketing and any
28 websites relating to the Receivership Property;

1 iv. Filing a petition for relief under Title 11, United States Code for or on
2 behalf of the Receivership Property;

3 v. Making any negative or demeaning statements regarding the
4 Receivership Property.

5 13. IT IS FURTHER ORDERED that IWM and current management, and all
6 owners, attorneys, accountants and agents of IWM, shall and, hereby, are ordered to turn
7 over immediately to the Receiver, all documents relating to or regarding the Receivership
8 Property, including all books of account, ledgers, budgets, banking information for any bank
9 into which proceeds from the sale of Receivership Property has been deposited, including the
10 bank name, account numbers and the name of the entity or individual owning the account(s),
11 the tax identification number currently being used by the business, copies of all current
12 insurance policies, tax records, access to the point of sale system, and all business records
13 thereof, excluding any records or documents subject to any applicable privilege, wherever
14 located and in whatever mode maintained (including, without limitation, information
15 contained on computers and any and all software relating thereto as well as all banking
16 records, statements and canceled checks), and all documents which constitute or pertain to
17 all licenses, permits or governmental approvals relating to the Receivership Property.

18 14. IT IS FURTHER ORDERED that the Receiver shall be permitted to use the
19 business entity's tax identification number, but will not be responsible for filing income tax
20 returns, which responsibility shall remain with IWM;

21 15. IT IS FURTHER ORDERED that the Receiver shall perform an accounting as
22 needed to identify potential improper transfers or uses of the Receivership Property;

23 16. IT IS FURTHER ORDERED that the Receiver will receive compensation for
24 court and reporting related tasks, and be reimbursed all monies actually advanced by it for
25 proper and reasonable costs or expenses as Receiver. The Receiver, its employees, and
26 retained professionals shall prepare; file with the Court, and serve IWM, with monthly
27 statements of services rendered, time expended, and fees incurred during the course of the
28 receivership (the "Monthly Statements"). Unless a party files a written motion objecting to

1 the payment of a Monthly Statement within ten calendar days of receipt of the Monthly
2 Statement, the Receiver is authorized to pay the Monthly Statement. If a written objection to
3 the payment of the Monthly Statement is timely made with the Receiver and the Court, the
4 objecting party shall set a hearing on the objection as soon as possible. Subject to the
5 foregoing and to the lien rights of Plaintiffs, the Receiver may apply income from the
6 Receivership Property, as follows: (1) to the Receiver's approved fees and expenses; (2) to
7 the current operating expenses of the receivership in the ordinary course of business; (3) to
8 the obligations owed to Plaintiffs under the Investment Agreement; and, (4) to such other
9 obligations incurred in accordance with this Order.

10 17. IT IS FURTHER ORDERED that neither Plaintiffs nor the Receiver shall be
11 liable for any debt incurred by IWM relating to the Receivership Property.

12 18. IT IS FURTHER ORDERED that all third parties (including, without
13 limitation, financial institutions) in possession of property subject to this Order are hereby
14 ordered to turn over such property to the Receiver within five business days of receipt of a
15 copy of this Order.

16 19. IT IS FURTHER ORDERED to promote judicial efficiency, all persons who
17 receive actual or constructive notice of this Order are enjoined in any way from disturbing
18 the assets of this Receivership, or from prosecuting any new proceedings (including
19 collection or enforcement proceedings) that involve the Receiver and the Receivership
20 Property (including any proceeding initiated pursuant to the United States Bankruptcy Code)
21 unless such person or persons first obtains the permission of this Court.

22 20. IT IS FURTHER ORDERED that the funds remaining in the possession of the
23 Receiver after payment of the expenses of the receivership and the payment of any and all
24 costs incurred in the management, maintenance and preservation of the Receivership
25 Property, including the payment of taxes, insurance and other similar items incurred in
26 connection with the Receivership, shall be applied towards the reduction of the amount due
27 and payable under the Investment Agreement, and a surplus, if any, shall be distributed in
28 accordance with Arizona law.

21. IT IS FURTHER ORDERED that this Receivership will continue in effect until further order of this Court.

DATED: _____, 2015

Maricopa County Superior Court Judge

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Exhibit B

Donald Hulke | Principal
Hulke Consulting Group, LLC

3946 E. Glenrosa Avenue, Phoenix, AZ 85018
Mobile: 602.380.8723 | Direct: 602.424.1908
Email: DHULKE@HulkeConsulting.com

BIO/SUMMARY

Don is the principal of Hulke Consulting Group, LLC (HCG). He has over fourteen years of experience providing bankruptcy, restructuring and litigation support services to local, regional and national clients in complex and distressed situations. He provides the full range of financial advisory services required to allow clients to evaluate and manage risk, create and leverage opportunities, and make informed decisions. He works as an intermediary to companies, their lenders and stakeholders to independently verify and report on complex matters. Don has advised clients in numerous industries including manufacturing, energy, utilities, airline, aerospace, financial services, licensing, gaming, tribal matters, hotel, restaurant, franchise, retail, online, service, publishing, printing, agriculture, and commercial and residential real-estate.

PROFESSIONAL EXPERIENCE

RECEIVERSHIPS

Court-appointed receiver with experience working on more than seventy receiverships over operating companies, commercial and residential real-estate, and other specific assets. Possess knowledge and experience required to successfully manage the receivership process through both state and federal courts.

Select engagements include:

- Mortgage Bank – Court-appointed receiver over Security Mortgage Corporation.
- Auto Parts Retail, Maintenance and Fabrication – Court-appointed receiver, by stipulation of the parties, in a shareholder dispute over a 57-year old company historically generating up to \$6 million in annual revenues; identified and secured company assets; managed day-to-day operations; performed forensic accounting of the past ten years of operations; investigated alleged claims relating to fraud and breach of fiduciary duty of general manager, officers, directors and shareholders; prepared reports and assisted in mediation; and transferred operations upon settlement.
- Regional Pool Contractor – Court-appointed receiver over assets of four separate operating entities which historically generated up to \$35 million dollars in annual revenues and an 18,000 sq. ft. in-line retail center; investigated and identified causes of action relating to conversion, successor liability, transfers of collateral outside the estate, and participation in IRS "listed transactions"; prepared report; identified potential buyers and facilitated the sale of the real property.
- Energy – Multi-state petroleum products wholesaler and distributor with approximately 30 million gallons in annual sales; managed day-to-day operations; identified and secured company assets; facilitated due diligence; and sold assets with court approval.

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- **Manufacturing** – Local cultured marble manufacturer: oversaw company operations; reviewed and analyzed restructuring alternatives; and sold operations to a third-party buyer.
- **Equipment Service** – OneSource Technologies, Inc. (NQB:OSTK), a publicly traded national banking systems equipment maintenance and sales company: managed day-to-day operations; negotiated the sale of the operations and inventory to third-party competitor; transitioned operations, assets and personnel to third-party buyer; liquidated remaining assets; wound down remaining operations; collected outstanding accounts receivables; and distributed proceeds from sale pursuant to court order.
- **Gas Station, C-Store and Car Wash** – Court-appointed receiver over the real property and operations of a full-service gas station, car-wash and convenience store: identified and brought company into compliance with federal and state regulations; worked with the owners to allow them to continue to conduct on-site, day-to-day operations of the company while providing high-level oversight of operations, monitoring fuel inventories/sales, cash receipts/disbursements and performing other such obligations; prepared detailed report; facilitated negotiations between the parties; and monitored compliance with negotiated settlement.
- **Health Care** – Court-appointed receiver over a 3,700 sq. ft. out-patient mental health facility located in Phoenix; identified restructuring and divestiture alternatives; identified potential HIPPA issues and implemented procedures to protect patient confidentiality; and assisted in collection of amounts due and owing from the Department of Economic Security.
- **Manufacturing** – Aerated concrete manufacturing plant with a 50,000 sq. ft. facility on 20 acres of leased land from Asarco: identified and determined collateral value; negotiated access to property from landlord; liquidated finished goods inventory; identified and negotiating with potential buyers; and sold assets in a contested sale with court approval.
- **Manufacturing** – American Water Star, Inc. (AMWS), a publicly traded bottling company: monitored day-to-day operations; secured company assets; and upon foreclosure, turned assets over to secured creditor.
- **Agricultural Wholesale** – Multi-state feed wholesaler and distributor of corn silage, sorghum silage, tempered rolled corn, and beet pulp: recovered financial records from owner/operator; performed forensic accounting; recovered assets from owner/operator through court action; and sold assets through auction.
- **Multi-Use Equestrian Facility** – Equestrian facility, which included event arenas, boarding stables, RV resort, veterinary clinic, and a tack and feed store located on 160 acres: secured cash collateral; managed day-to-day operations; performed forensic accounting and reported findings to the court; arranged secured financing through receiver certificate; and upon foreclosure, turned property over to secured creditor.
- **Publishing** – Local newspaper publishing company: took possession of company assets; collected remaining accounts receivable; performed forensic accounting; liquidated company assets; and distributed proceeds to secured creditor.
- **Restaurant** – Court-appointed receiver over an 8,800 sq. ft. restaurant located in Westgate Shopping Center in Glendale, Arizona: negotiated with an outside lender that held a lien on the equipment located in the building; agreement allowed for the negotiated price and settlement for the transfer and release of liens on the equipment in conjunction with the sale of the real property; obtained Federal Bankruptcy Court approval to excuse turnover upon debtor's filing Chapter 11 bankruptcy; and managed day-to-day operations.

- **Golf Course** – 36-hole private golf course and 50,000 sq. ft. clubhouse with secured debt of over \$25 million: secured collateral; determined cash position; identified and retained management company; managed transfer of accounting records, technology, liquor license, management and employees; communicated and negotiated with key constituencies; arranged secured financing through receiver certificate; identified restructuring and divestiture opportunities; managed day-to-day operations through golf course management company; and prepared monthly operating reports.
- **Retail – High-end audio video retailer:** managed day-to-day retail operations; identified and negotiated with potential buyers; and with court approval, sold assets through receivership.
- **In-line Retail Center** – Court-appointed receiver over a 62,000 sq. ft. in-line retail center and one undeveloped pad with secured debt of over \$8.8 million: immediately identified \$135,000 in owner distributions paid-out just prior to appointment and recovered un-deposited rent checks totaling approximately \$28,000; reinstated insurance policy terminated just prior to appointment and recovered amounts to be refunded; secured a substantial amount of documents, plans and drawings related to the property; managed day-to-day operations; collected rents totaling approximately \$36,000 a month; prepared due diligence materials; and assisted in the sale of the property.
- **In-line Retail Center** – 85,000 sq. ft. in-line retail center and six undeveloped pads with secured debt of over \$21 million: managed day-to-day operations; managed and monitored tenant improvements; negotiated and communicated with key constituencies; negotiated with tenants, key vendors, city and state agencies and others to continue critical services; identified restructuring and divestiture alternatives; prepared financial projections with costs to complete construction; identified and negotiated with potential buyers; facilitated due diligence; arranged secured financing; and managed litigation related to a pre-receivership wrongful death claim.
- **Residential Condominium Complex** – 47 unit partially constructed condominium project: prepared status update for court and secured creditor; managed construction required to weatherize and secure partially constructed units; retained security company to monitor property; prepared due-diligence; identified buyers; and negotiated and sold property through a note sale.
- **Residential Development** – 18 lot single family residential development with three semi-custom model homes: secured model homes and development; recovered plans and drawing from developer; upon foreclosure, turned property over to secured creditor; and retained by secured creditor to maintain the property, identify buyers, and facilitate due diligence.
- **Undeveloped Commercial Land** – 6.5 acre commercial property in Northeast Phoenix: arranged secured financing through receiver certificate; secured insurance for property; recovered plans and drawings from developer; and communicated and negotiated with key constituencies.
- **Utility Construction** – Commercial dry utility trenching company: recovered assets from company owners through court action; negotiated with bonding company; collected accounts receivable; liquidated company assets; and distributed proceeds to secured creditor pursuant to court order.

BANKRUPTCY

Provide services to debtors, creditors, and other interested parties in commercial bankruptcies ranging from local to multi-national. Bankruptcy services include: plan development, analysis, negotiation, implementation, and reporting; statements and schedules preparation; plan feasibility analysis; lease and executory contract analyses; collateral review and valuation; budget preparation and analysis; Section 363 asset sales; liquidation analysis; preference analysis; avoidance analysis; solvency analysis; litigation support; and hearing support.

Select engagements include:

- **Real-Estate Development** – Retained by a creditor of one of the largest multi-family real-estate development companies in Arizona in Chapter 11; analyzed the debtor's bankruptcy filings and business records and identified a series of transactions that, when completed, resulted in the transfer of all the debtor's assets and operations to one or more related entities and a successor entity; assisted the bankruptcy Trustee to prepare an initial information request regarding the potential fraudulent transfers, analyzed the debtor's response to same and provided its findings in the form of a comprehensive report to the bankruptcy Trustee; subsequently assisted the bankruptcy Trustee in the preparation of a complaint against the debtor for potential transfers totaling approximately \$7.5 million.
- **Bar and Restaurant** – Retained by a secured creditor of a bar and restaurant in Chapter 11; analyzed the debtor's historical books and records, financial projections, collateral and the operations of similarly situated businesses; prepared an expert report assessing the feasibility of the debtor's bankruptcy plan; and testified in court regarding the same.
- **Manufacturer** – Assisted a leading international floor and ceiling manufacturer in Chapter 11: analyzed related party and ordinary course transactions; prepared SOFA's and Schedules; and provided additional services related to associated asbestos litigation.
- **Manufacturer** – Assisted secured lender to a specialty glass manufacturing company in Chapter 11: analyzed collateral; monitored debtor operations; secured company assets; and ultimately liquidated secured lender's collateral.
- **Events Management** – Retained by secured creditor of an events management company in Chapter 11: worked with secured creditors and their representatives to develop case strategy; prepared plan feasibility analysis; provided support at cash collateral and plan confirmation hearings; and provided related support services.
- **Conglomerate** – Acted as the financial advisor to the special examiner appointed in the Tribune Companies bankruptcy case: analyzed recoveries to a syndicate of banks given various permutations of potential fraudulent transfer and solvency resulting from a \$14.5 billion dollar leverage buyout that was executed in a two-part transaction and subsequent bankruptcy.
- **Mortgage Lender** – Assisted one of the largest privately held mortgage lenders generating over \$2 billion in sales a month in Chapter 11: prepared SOFAs and Schedules; liquidated assets through Section 363 asset sales; negotiated directly with secured creditors; and provided various other services.
- **Printing** – Assisted secured lender to a printing company in Chapter 11: analyzed collateral; monitored debtor operations pursuant to court order; and assisted secured lender in settlement negotiations.

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- **Resort / Casino** – Assisted resort and casino in Chapter 11 to prepare its plan and sell its assets pursuant to Section 363 of the bankruptcy code; evaluated restructuring and divestiture alternatives; prepared offering memorandum; developed financial projections and cash flow budgets for 56 divisions; analyzed and identified expense reduction strategies; prepared and facilitated third-party due diligence; reviewed and analyzed asset purchase agreements in support of the sale hearing; and provided other related services.
- **Resort / Casino** – Assisted multi-jurisdictional gaming holding company in Chapter 11: prepared liquidation analyses for four operating entities, parent company, and various investments; researched and consolidated local industry statistics and benchmarked to company in support of the plan; and provided other related services.
- **Retail** – Assisted the nation's third largest discount retailer in Chapter 11: conducted a forensic analysis to determine the correlation between the dissemination of alleged insider information and the company's stock price.

OPERATIONAL & FINANCIAL RESTRUCTURING

Advised and assisted clients with respect to: liquidity and operational assessment, and stabilization; forbearance negotiations and monitoring; financial projection analysis and preparation; cost reduction assessment and implementation; restructuring plan development, evaluation, and implementation; structuring and negotiating loan facilities and other agreements; communication and negotiations with critical vendors and other parties; business operations and plan implementation monitoring; collateral valuation and monitoring; raising new capital; and other related services.

Select engagements include:

- **Manufacturing** – Supervised local armor and security products manufacturer by providing independent third-party oversight of its operations while shareholders resolved an internal dispute.
- **Residential Development** – Worked with the Federal Deposit Insurance Corporation (FDIC) in securing and taking possession of three developments with finished homes, partially completed homes and several lots related to its role as receiver over the assets of First National Bank of Arizona: prepared status update reports; prepared and executed suggested course of action; and secured and monitored properties until sold at auction.
- **Retail** – Assisted a \$350 million wireless phone retailer in an out-of-court wind down of its operations by negotiating settlements and releases with its creditors.
- **Retail** – Assisted a \$100 million jewelry retailer in operational and debt restructuring: performed on-site assessment and four-wall analysis of store operations; and negotiated loan facility with potential lenders and investors.
- **Warehouse** – Advised owner of a warehousing company through operational restructuring: assessed operations and current financial position; worked with management to prepare realistic financial projections; identified operational and debt restructuring alternatives; and participated in secured creditor negotiations.

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MERGERS & ACQUISITIONS

Advised and assisted clients with respect to acquisitions and dispositions involving financially distressed companies and assets, including receivership and Section 363 asset sales. Merger & Acquisition services include: advise buyers and sellers; prepare offering memorandums; identify buyers, sellers, and investors; identify strategic acquisition opportunities; manage purchase and sale negotiations; manage and perform due diligence; prepare due diligence materials; prepare financial models; and provide business oversight through sale.

In addition to Bankruptcy and Receivership engagements, select engagements include:

- **Non-Ferris Metal Recycling Company** – Assisted in determining the enterprise value of a family owned recycling company and provided advisory services related to the sale to a family member.
- **Aerospace** – Assisted in the sale of a non-performing division of an avionics parts manufacturer: analyzed and prepared financial models to compare various asset purchase agreements; facilitated due diligence; assisted in negotiations; provided other related services; and successfully completed sale of the company.
- **Retail Franchise** – Prepared valuation of one of the nation's fastest growing international franchise companies for the board of directors, who relied on the information in the sale of the company: identified economic and industry-specific factors affecting value; analyzed guideline companies and comparable company transactions; identified company-specific risk factors; and developed a discounted cash flow model and comprehensive valuation report.
- **Medical Claims** – Represented a strategic buyer who owns and operates a company that negotiates out-of-network medical claims for payers: facilitated negotiations to purchase a national competitor held in a multi-billion dollar receivership estate resulting from a ponzi scheme.

BUSINESS & COMMERCIAL LITIGATION

Prepared expert reports, rebuttals of opposing expert reports, developed expert opinions and provided other litigation services in complex matters. Litigation services experience includes analysis of economic, financial and operational information in the assessment of damages in matters including breach of contract, intellectual property, business interruption, investigations and other matters.

Select engagements include:

- **Wrongful Termination, Lost Earnings, ESOP & Benefits** – Prepared expert report and calculated damages in a wrongful termination matter related to the Family Medical Leave Act and the Americans with Disabilities Act. Analysis included the calculation of lost earnings, lost employee stock ownership plan (ESOP) contributions, and other lost compensation based on components of a comprehensive benefits plan.
- **Utility Repair & Replacement Cost Damages** – Prepared expert report and calculated damages relating to a public utilities company's unplanned shutdown of a major generator. Damage components included costs incurred to replace electrical power that should have been produced but for the unplanned shutdown and costs incurred to repair the generator.
- **Intellectual Property & Royalties** – Prepared expert report and calculated damages related to non-payment of royalties. Analysis included a detailed review of the company's books and records, review of broker and licensing agreements, development of royalty projections, and the calculation of damages.

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- Business Interruption Damages – Prepared expert rebuttal report, assisted in formulating expert opinion and calculated damages related to the shutdown of a brake manufacturing company. Analyses included assessment of business plan feasibility, financial projections, and industry research in preparation of report and opinion.
- Business Interruption Damages – Prepared expert report and calculated lost profit damages due to an alleged breach of contract and shutdown of a website.
- Auto Dealer Fraud – Performed forensic investigation of an auto-dealer to identify, quantify and document approximately 100 vehicles sold out-of-trust.
- Chapter 11 Trustee Misappropriation – Quantified potential damages related to Chapter 11 bankruptcy, trustee's alleged misconduct, and misappropriation of company assets.

PROFESSIONAL HISTORY

Hulke Consulting Group, LLC, Principal, 2011-Present

LECG, LLC, Principal, 2009-2011

MCA Financial Group, LLC, Director, 2005-2009

KPMG, Corporate Recovery, Senior Associate, 2000-2005

PROFESSIONAL & BUSINESS AFFILIATIONS

Risk Management Association (RMA), Board Member, 2013-Present

Association of Insolvency and Restructuring Advisors (AIRA)

EDUCATION & TRAINING

Bachelor of Science in Economics, Barrett Honors College of Business, Arizona State University

Certificate in Statistical Quality Analysis, W.P. Carey School of Business, Arizona State University

Certified Insolvency and Restructuring Advisor (CIRA) - 3rd Level Candidate

HONORS

John F. Downing Memorial Scholarship, W.P. Carey School of Business, Arizona State University

Letter of Recommendation, U.S. Marine Corps

Good Conduct Medal, U.S. Marine Corps

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HCG HOURLY RATES

Principals	\$ 225
Managers	\$ 155 - \$ 195
Associates	\$ 115 - \$ 145
Para-professionals	\$ 75 - \$ 95

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Exhibit C

Richard A. Drake (SBN 025449)
DRAKE LAW FIRM PLC
14500 N. Northsight Blvd. Ste 208
Scottsdale, AZ 85260
Tel: (602) 687-8800
Fax: (602) 388-8979
rdrake@bdlawyers.com
Attorney for Plaintiffs

SUPERIOR COURT STATE OF ARIZONA

MARICOPA COUNTY

LOYD PARKER, an individual; JAMES
AIKEN, an individual,

Plaintiffs,

v.

IWM, LLC, an Arizona limited liability
company and DOES 1-20,

Defendants.

Case No.: _____

**ORDER TO SHOW CAUSE WHY A
RECEIVER SHOULD NOT BE
APPOINTED**

Upon application of the Plaintiffs Loyd Parker and James Aiken and pursuant to the allegations in their *Verified Complaint* and attendant *Memorandum Of Points and Authorities Supporting Plaintiff's Rule 66 Application For Receiver*,

IT IS HEREBY ORDERED AND DIRECTED that the above-captioned Defendant, appear for hearing before this Court at the address of _____, Phoenix, Arizona, Courtroom No. _____, on the _____ day of _____, 2015, at _____ m., and then and there show cause why this Court should not make and enter an Order appointing a receiver for appointment of Receiver over the assets and inventory and related business of defendant IWM, LLC; and to show cause why the receiver should not take immediate possession and charge of said collateral, real property, and related business to collect the rents, income, issues and profits thereof, to manage, care for and keep the collateral, real property, and related business in repair, with such powers and duties as the court may prescribe and why said Defendant and their agents, employees, attorneys and creditors should not be restrained from collecting the rents, income, issues and profits of said property during

1 the course of said receivership, all as alleged and prayed for in Plaintiffs Verified Complaint
2 and more specifically in the lodged Order Appointing Receiver, and

3 IT IS ORDERED that upon notice of the expedited hearing Defendant is restrained
4 from removing, secreting, transferring, selling or otherwise disposing of the assets and
5 inventory and related business, and all the records relating to the assets and inventory and any
6 related business (including, but not limited to, accounting and banking records) pending the
7 hearing requiring Defendant to appear before the Court and show cause why a receiver should
8 not be appointed.

9 IT IS FURTHER ORDERED that at least ____ days prior to the date of said hearing,
10 service of this Order to Show Cause shall be made by any of the following methods: (a)
11 personal service within or without the State of Arizona; (b) faxing or emailing to the Defendant
12 or its attorneys; (c) hand-delivering or mailing to the Defendant at its stated place of business
13 and statutory agent or its attorneys; or (f) telephonic notice to the Defendant or its attorneys.

14 DATED: _____, 2015
15

16 _____
17 Maricopa County Superior Court Judge
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In The Maricopa County Superior Court of The State of Arizona
and for the County of Maricopa

AFFIDAVIT OF NON SERVICE

Lloyd Parker, James Aiken
Plaintiff,
VS.
IWM, LLC
Defendant,

Case No: CV2015-051117
Hearing Date: 2/9/2015
Hearing Time: 10:30 AM

State of Arizona
County of Maricopa } ss.

The Affiant, declares under penalty of perjury, that I am fully qualified, pursuant to Rule 4(d), Arizona Rules of Civil Procedure, to serve process in this cause in or for the State of Arizona and that the foregoing is true and correct.

On 2/3/2015, I received from Barski Drake Browne and from Richard A. Dake the Order to Appear; Summons, Verified Complaint; Memorandum of Points and Authorities Supporting Plaintiff's Rule 66 Application for Receiver Without Service or Notice and Application for an Order to Show Cause Why a Receiver Should Not be Appointed.

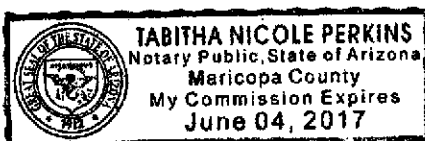
In each instance I personally attempted to serve the aforementioned documents on: IWM, LLC., c/o Kurt Markus, Statutory Agent in the manner set below:

Date and Time	Address	Details
2/3/2015 at 1:33 PM	16029 N Thompson Peak Parkway, # B111 Scottsdale, AZ 85260	The address provided is to UPS store. No further information was provided. Office personnel conducted a search of the ACC website and found there are no other Members, Officers or addresses listed. The above named company failed to make available a Statutory Agent/Member/Officer willing to accept service at the address provided to the AZ Corporation Commission. Service will be made upon the AZ Corporation Commission.

Subscribed and sworn before me on 2/3/2015

Tabitha Nicole Perkins

Tabitha Nicole Perkins, Notary Public
Commission expires on: 6/4/2017 12:00:00 AM



X

Tim Leidigh
Tim Leidigh, MC-8435 Affiant
Registered in Maricopa
Work Order Number: P113865
Client Reference: 915

Rush Service of Process 100.00
Total: \$ 100.00

Corporate Maintenance

02/03/2015

State of Arizona Public Access System

3:14 PM

File Number: L-1870660-0

Corp. Name: IWM, LLC

Domestic Address

15029 N THOMPSON PEAK PARKWAY
B111

SCOTTSDALE, AZ 85260

Second Address

Agent: KURT MARKUS

Status: APPOINTED 08/30/2013

Mailing Address:

15029 N THOMPSON PEAK PARKWAY
B111

SCOTTSDALE, AZ 85260

Agent Last Updated: 08/12/2014

Business Type:

Domicile: ARIZONA

County: MARICOPA

Corporation Type: DOMESTIC L.L.C.

Life Period: PERPETUAL

Incorporation Date: 08/30/2013

Approval Date: 09/19/2013

Last A/R Received: /

Date A/R Entered:

Next Report Due:

Tim Leidigh

CORPORATIONS DIVISION
RECORDS SECTION
1300 West Washington
Phoenix, Arizona 85007-2929

User Id: LGRIFFIN
Invoice No.: 4683164

Check Batch:
Invoice Date: 02/03/2015
Date Received: 02/03/2015
Customer No.:

ATTN:
(CASH CUSTOMER)

Quantity	Description	Amount
1	SERVICE OF PROCESS L-1870660-0 IWM, LLC	\$25.00
Total Documents: \$		25.00
	CHECK 2019	\$25.00
PAYMENT		
Balance Due: \$		0.00

