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9 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

10 IN AND FOR MARICOPA COUNTY

11 ARIZONA CORPORATION)

12 COMMISSION,)

13 Plaintiff,)

14 v.)

15 DENSCO INVESTMENT)
16 CORPORATION, an Arizona)
17 corporation,)

18 Defendant.)

Cause No. CV2016-014142

PETITION NO. 32

PETITION FOR ORDER APPROVING
SETTLEMENT AGREEMENT WITH
YOMTOV SCOTT MENAGED AND
FRANCINE MENAGED

(Assigned to the Honorable Teresa
Sanders)

19 Peter S. Davis, as the court appointed Receiver of DenSco Investment Corporation,
20 respectfully petitions the Court for an Order approving a settlement agreement between the
21 Receiver, Yomtov Scott Menaged and Francine Menaged as follows:

I. Background

1. On August 18, 2016, this Court entered its *Order Appointing Receiver*, which
appointed Peter S. Davis as Receiver of DenSco Investment Corporation ("DenSco") DenSco
is an Arizona Corporation formed by Denny J. Chittick in April of 2001.

2. Denny J. Chittick (now deceased) was the sole owner, shareholder and operator of DenSco. DenSco was a “hard money lender” and its primary business was in funding “hard money” loans for the purchase of real estate secured by deeds of trust.

3. DenSco’s hard money loans were funded from monies that DenSco raised from its investors. DenSco raised more than \$85 Million from its investors pursuant to a securities offering, in which the investors of DenSco were essentially unsecured general creditors of DenSco.

4. Between 2007 and 2008, DenSco began a lending relationship with Yomtov Scott Menaged (“Menaged”) and loaning Menaged monies for the purchase of residential real estate through foreclosure auctions. Menaged utilized two limited liability companies to solicit loans from DenSco.

5. Menaged learned through his ongoing relationship with DenSco that he could take advantage of DenSco’s lending practices and defraud DenSco by employing a series of fraudulent schemes including: 1) intentionally obtaining two (2) hard money loans on a single property that Menaged had “purchased” at a foreclosure auction by tricking different hard money lenders into believing that their respective loan was going to be secured against the real property in a first position, and 2) falsifying documents to trick DenSco into believing that Menaged had purchased property at a foreclosure auction and that DenSco’s loan was secured against the related property, when in fact Menaged never purchased the property at all.

II. DenSco Claims Against Menaged

6. Starting sometime in 2011, Menaged began intentionally soliciting DenSco and other unrelated hard money lenders for two hard money loans on the same subject real property that Menaged had purchased at a foreclosure auction by being the highest bidder.

7. When seeking loans from DenSco and the other unrelated hard money lenders, both DenSco and the other unrelated hard money lenders were led to believe by Menaged that they would be the sole lender on the property and their loan would be secured against the property with a first position Deed of Trust.

8. Menaged learned that the delay in the recordation of the Foreclosure Trustees' Deed to the Buyer and the lending practices of DenSco allowed Menaged the opportunity to defraud DenSco and the other hard money lenders by seeking two loans on property he purchased.

9. Menaged learned that while other hard money lenders would deliver funds it intended to lend to Menaged directly to the Foreclosure Trustee, DenSco's lending practices were to deliver loan proceeds directly to Menaged, who was then obligated to deliver the loan proceeds to the Foreclosure Trustee to finalize Menaged's purchase.

10. Menaged executed multiple promissory notes, deeds of trust and other documents from DenSco and the other hard money lenders with the knowledge that he was soliciting two separate loans from two separate lenders who unbeknownst to each other believed that they were the only lender and would be the only secured creditor in first

1 position. (Hereinafter this fraudulent scheme of obtaining two hard money loans on
2 hundreds of properties purchased by Menaged will be referred to as the “First Fraud”).

3 11. Menaged orchestrated the First Fraud, to defraud DenSco by obtaining two
4 loans from separate lenders though the use of fraud and deception, at least one hundred and
5 seventy nine (179) times between 2011 and 2013. Not until November of 2013, did DenSco
6 become aware of the First Fraud.

7 12. DenSco learned that Menaged had double encumbered over one hundred (100)
8 properties and that Menaged had intentionally misled DenSco to believe that DenSco was the
9 only lender with a promissory note secured by a Deed of Trust in first position on all the
10 subject properties.

11 13. Specifically, on November 27, 2013, Menaged met with Denny J. Chittick and
12 lied to Mr. Chittick about the facts and circumstances of the First Fraud. When confronted by
13 DenSco, Menaged told Mr. Chittick that his wife had cancer and that Menaged’s “cousin”
14 had masterminded the First Fraud while he was distracted by taking care of his sick wife.

15 14. When DenSco confronted the Defendant about the use of the proceeds from the
16 First Fraud, Menaged told DenSco that the Defendant’s cousin had absconded to Israel with
17 the proceeds wrongfully gained from the First Fraud.

18 15. Between November 2013 and April 2014, DenSco and Menaged sorted through
19 all of the properties double encumbered by DenSco and other lenders as a result of the
20 Defendants’ actions in the operation of the First Fraud.

1 16. Menaged concocted a resolution of the First Fraud by entering into a
2 Forbearance Agreement (and the related, attached, incorporated, amended and additional
3 documents incorporated into the Forbearance Agreement therein) with DenSco.

4 17. Pursuant to the Forbearance Agreement, Menaged, at the time of the
5 Forbearance Agreement, was indebted to DenSco in the amount of \$37,420,120.47.

6 18. As set forth in the Forbearance Agreement, Menaged admitted that certain
7 properties were used as security for one or more loans from one or more other lenders and
8 that DenSco may not be in first position on each respective property.

9 19. As set forth in the Forbearance Agreement, Menaged guaranteed the repayment
10 of \$37,420,120.47 to DenSco and agreed to liquidate his other assets, which he represented to
11 be valued at approximately \$4 to \$5 Million Dollars, use rental income from his properties
12 and other means to pay the sum due under the Forbearance Agreement.

13 20. A total of \$16,652,090.59 is due from Menaged under the Forbearance
14 Agreement as of April 20, 2016, the day Menaged filed for relief under Chapter 7 of the
15 United States Bankruptcy Court.

16 21. Apparently, due to the massive amounts of money that were owed to DenSco
17 by Menaged under the Forbearance Agreement, DenSco and Menaged continued to do
18 business together with DenSco agreeing to continue funding hard money loans to Menaged
19 for the purchase of real estate from foreclosure auctions. However, after the discovery of the
20 First Fraud, DenSco and Menaged altered their business practices for all future loans from
21 DenSco to Menaged.

1 22. Starting in January 2014, for new loans between DenSco and Menaged, DenSco
2 required that Menaged provide copies of the specific cashier's checks, issued by Menaged's
3 bank to the respective foreclosure trustee, as well as copies of the receipts received by
4 Menaged from the foreclosure trustee for the purchase of a property by Menaged at a
5 trustee's sale.

6 23. DenSco's requirement that Menaged provide DenSco the evidence that
7 Menaged had purchased the underlying real property (by providing a copy of the cashier's
8 check used by Menaged to purchase the property and a copy of the receipt that Menaged
9 received from the foreclosure trustee) was a direct result of Menaged's fraudulent actions that
10 gave rise to the First Fraud.

11 24. Under the new lending practices, Menaged obtained a total of 2,712 loans from
12 DenSco between January 2014 and June 2016. However, the Receiver has determined that
13 only 96 of these loans were secured by the actual purchase of real estate at a trustees' sale or
14 otherwise.

15 25. The Receiver determined that Menaged engaged in a systematic and
16 comprehensive scheme to defraud DenSco for a second time through the use and creation of
17 falsified checks, deeds, contracts and receipts related to the purported purchase of real
18 property at a trustee's sale (the "Second Fraud"). The Receiver has determined that despite
19 the new requirement that Menaged was to provide DenSco with evidence of each cashier's
20 check and receipt confirming each purchase, Menaged caused the issuance of cashier's
21 checks that Menaged never intended to use for the purchase of properties and intentionally

1 falsified trustee's sale receipts purporting to evidence the purchase of properties that never
2 happened.

3 26. The Second Fraud is sophisticated in that Menaged obtained cashier's checks
4 from his bank to make it appear that he was actually using the DenSco loan proceeds to
5 purchase property from a foreclosure trustee, when in fact, Menaged obtained the cashier's
6 check for the sole purpose of simply taking a picture of the cashier's check to send to DenSco
7 to make it appear that the DenSco funds were being used to purchase real property.
8 Additionally, Menaged executed, notarized and provided to DenSco a series of documents
9 purporting to give DenSco a first position lien against the property that Menaged had falsely
10 represented to DenSco was purchased by Defendant, including a Mortgage, Deed of Trust
11 and Promissory Note.

12 27. The Second Fraud is sophisticated in that Menaged falsified hundreds of
13 receipts from foreclosure trustees in an effort to confirm that Menaged actually purchased the
14 property at the foreclosure sale. Menaged skillfully created fraudulent receipts from different
15 companies, foreclosure trustees, law firms and other organizations for the sole purpose of
16 convincing DenSco that it used DenSco's funds to purchase real property. Each individual
17 fraudulent receipt was intricately prepared by Menaged for the sole purpose to defraud
18 DenSco and trick DenSco into believing that Menaged had actually used DenSco's funds for
19 the purchase of real property, when in fact, Menaged simply utilized DenSco's funds for his
20 own purposes.

II. Settlement and Recent Developments

28. On April 20, 2016, Menaged filed for relief under Chapter 7 of the United States Bankruptcy Court.

29. On January 1, 2017, the Receiver filed his *Verified Complaint to Determine Dischargability of Debt* (the “Adversary Proceeding”) in the United States Bankruptcy Court for the District of Arizona against Menaged and his wife, Francine Menaged (hereinafter referred to as the “Menageds”) seeking a judicial determination that the amount of \$47,156,641.92 constitutes a nondischargeable obligation of the Menageds under 11.U.S.C. §523(1), and judgment in favor of the Receiver against the Menageds’ marital community for at least \$47,156,641.92. The Receiver named Francine Menaged for the sole purpose of binding the Menageds’ marital community.

30. Eventually, Menaged has admitted that he devised, facilitated, and operated the First Fraud and utilized the proceeds from the First Fraud for other purposes, including repayment of other DenSco loans, living expenses, gambling and the acquisition of personal assets.

31. Soon thereafter, the Receiver and Menaged began preliminary settlement negotiations and the Receiver began to conduct an independent analysis of the myriad of Menaged bank accounts in an effort to determine the source and use of the DenSco funds that were provided to Menaged and attempt to determine the uses of DenSco’s funds were paid to Menaged and then returned to DenSco.

1 32. On or about May 24, 2017, Menaged was indicted and arrested for his role in an
2 alleged effort to defraud Wells Fargo Bank and Synchrony Financial through the issuance and
3 use of fraudulent credit cards. The criminal case is *USA vs Yomtov Scott Menaged* and
4 currently pending in United States District Court, CR17-0680-PHX-GMS. The Receiver is
5 informed that Menaged remains in custody awaiting trial.

6 33. The Receiver has nearly completed his forensic analysis of the Menaged bank
7 accounts and initially found that it was difficult to determine how much DenSco money
8 Menaged misappropriated by looking solely at his bank accounts (personal & business)
9 because many of the loan payoffs were coordinated by the title companies when properties
10 were sold. If a property sold, the sales proceeds were typically deposited to the title company,
11 who then disbursed funds to DenSco to pay off its lien, and any remaining funds were
12 disbursed to Menaged. However, analyzing DenSco's financial information, in detail, enabled
13 the Receiver to calculate all interest payments received from Menaged. From this analysis,
14 the Receiver was able to determine that if you subtract the total interest paid by Menaged to
15 DenSco (\$15,328,635) from the Menaged loan balance (\$46,288,983), then DenSco's net loss
16 from Menaged's fraudulent activities is \$30,960,348.

17 34. After negotiations, the Menageds agreed to a Settlement Agreement which
18 included the consent to the entry of a nondischargeable civil judgment in favor of the
19 Receiver in the amount of \$31,000,000; an agreement that Menaged would cooperate with the
20 Receiver's ongoing investigation into activities relating to DenSco [to the extent that such
21 cooperation and testimony does not violate his privilege against self-incrimination under the

1 Fifth Amendment to the United States Constitution]. A copy of the Settlement Agreement is
2 attached hereto as Exhibit “A”

3 35. Under the terms of the Settlement Agreement, in the event Menaged’s
4 cooperation results in monetary recoveries for the Receiver against third parties after the date
5 of the Settlement Agreement, the Receiver agrees to reduce the amount of the Judgment by an
6 amount equal to the gross recovery from the third party that is related to Menaged’s
7 cooperation.

8 36. The Receiver recommends that the Court approve the Settlement Agreement for
9 a series of reasons. First, the amount of the judgement, \$31,000,000 is the amount that the
10 Receiver has determined that Menaged owes DenSco, after conducting a detailed analysis of
11 the loan transactions between Menaged and DenSco. Second, the Receiver believes it is
12 critically important to reduce DenSco’s claim against the Menageds into a judgment, so that
13 the Receiver can begin efforts to locate and recover any funds that have been transferred by
14 Menaged to third parties. The Receiver believes that without a judgement, DenSco’s future
15 collection activity will be significantly more complicated and complex. Third, while the
16 Receiver would have preferred a compromise with Menaged resulting in a substantial
17 monetary payment to the Receiver, given that Menaged is currently incarcerated and at the
18 very least likely to be in custody until his criminal trial is completed, the Receiver does not
19 believe Menaged has the financial resources to pay a monetary settlement to the Receiver.

1 WHEREFORE, the Receiver respectfully requests that the Court enter an order
2 approving the Settlement Agreement between the Receiver, Yomtov Scott Menaged and
3 Francine Menaged.

4 Respectfully submitted this 8th day of August, 2017.

5 GUTTILLA MURPHY ANDERSON, P.C.

6 /s/ Ryan W. Anderson

7 Ryan W. Anderson

8 Attorneys for the Receiver

9 2359-001(291942)

SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is made by and between Peter S. Davis, as Receiver of DenSco Investment Corporation (the "Receiver") and Yomtov S. Menaged ("Scott") and Francine Menaged ("Francine"). Scott and Francine may be referred to herein jointly as the "Menageds." The parties hereto are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

RECITALS

Whereas, on or about April 20, 2016, ("Petition Date") Scott filed for relief under Chapter 7 of the United States Bankruptcy Code (the "Bankruptcy"). The Menageds are husband and wife; and

Whereas, on or about August 18, 2016, the Receiver was appointed by the Maricopa County Superior Court pursuant to an *Order Appointing Receiver* in Cause No. CV2016-014142 (the "Receivership"), as the Receiver of DenSco Investment Corporation (hereinafter "DenSco"), an Arizona corporation; and

Whereas, on January 1, 2017, the Receiver filed his *Verified Complaint to Determine Dischargeability of Debt* seeking a judicial determination that the amount of \$47,156,641.92 constitutes a nondischargeable obligation of the Menageds to DenSco under 11 U.S.C. §523(a), and a judgment in favor of the Receiver against Scott and the Menageds' marital community for at least \$47,156,641.92 (the "Adversary"). The Receiver named Francine for the sole purpose of binding the Menageds' marital community to any judgment the Receiver obtained in the Adversary; and

Whereas, the Receiver has alleged that Scott obtained loans from DenSco by fraud and deceit and the DenSco funds have been used by Scott to conduct unrelated business operations outside the intended purpose of the DenSco loans and for the personal benefit of the Menageds; and

Whereas, the Receiver has alleged that DenSco is insolvent and has demanded that Scott repay the loan obligations to DenSco and turnover assets to DenSco that have been improperly transferred to third parties for the benefit of the Menageds; and

Whereas, without admitting the truth or validity of any claim or defense, the Parties desire to settle all claims that the Receiver may have regarding the amount owed by the Menageds to the Receiver including, but not limited to, those alleged in the Adversary.

AGREEMENT

In consideration of the above Recitals and the mutual promises contained herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

A. Consent to Entry of Judgment. The Menageds consent to the entry of a nondischargeable civil judgment in favor of the Receiver in the amount of \$31,000,000.00. A form of judgment is attached hereto as Exhibit "A" (the "**Judgment**").

B. No Restriction on Enforcement of Judgment. The Menageds acknowledge that upon the approval of this Agreement, the Receiver shall immediately be permitted to record and enforce the Judgment against the available assets of the Menageds.

C. Scott's Cooperation. Scott agrees to use his commercially reasonable best efforts to cooperate with Receiver's ongoing investigations into activities relating to DenSco *except to the extent that such cooperation and testimony does not violate his privilege against self-incrimination under the Fifth Amendment to the United States Constitution. Scott's refusal to testify based on his assertion of this privilege shall not be a breach of this Agreement.*

D. Judgment Offset for Cooperation. In the event that Scott's cooperation results in monetary recoveries for the Receiver against third parties after the date of this Agreement, the Receiver agrees to reduce the amount of the Judgment in an amount equal to the gross recovery from the third party that is related to Scott's cooperation.

E. Receiver's Cooperation. Receiver agrees to use his commercially reasonable best efforts to provide the Menageds or their agents with financial information and sworn testimony relating to the Receiver's investigations into activities relating to DenSco and the Menageds' historical business and financial activities.

F. Review of Electronic Records of the Menageds. During the course of the Receivership, Menaged allowed the Receiver to obtain a forensic copy of over 77GB of data from the Menageds' personal computers and cellular telephone. The Menageds recently permitted the Receiver to review this data with the understanding that the Receiver shall not waive the attorney-client privilege as to any of the data. If a dispute arises as to the potential privileged nature of a document in the 77GB of data from the Menageds' computers and cellular telephone, the Parties agree that any dispute shall be resolved by court in the Bankruptcy (the "**Bankruptcy Court**").

G. Approval of Agreement. The Receiver shall file a petition in the Receivership court seeking the approval of this Agreement. The effectiveness of this Agreement is conditioned upon the approval of the Agreement by the court in the Receivership (the "**Receivership Court**"). Upon approval of this Agreement, the Parties shall file a stipulation for entry of the Judgment. This Agreement shall not become effective until and unless approved by the Receivership Court.

H. Mutual Releases. The Receiver hereby, on his own behalf and on behalf of his attorneys, employees, partners, agents, predecessors, successors, assigns, assignors, and legal representatives, releases and forever discharges Yomtov S. Menaged, Francine Menaged and their attorneys, employees, agents, predecessors, successors, assigns, assignors, executors, administrators, and legal representatives from any and all claims, including but not limited to those asserted in the Adversary, except claims relating to enforcement of rights, duties, or obligations under this Agreement. Yomtov S. Menaged and Francine Menaged hereby, on their

own behalf and on behalf of their attorneys, employees, partners, agents, predecessors, successors, assigns, assignors, and legal representatives, release and forever discharge the Receiver and Receiver's attorneys, employees, agents, predecessors, successors, assigns, assignors, executors, administrators, and legal representatives from any and all claims, including but not limited to those asserted in the Adversary, except claims relating to enforcement of rights, duties or obligations under this Agreement.

I. Subsequent Litigation. Menageds knowingly waive any defenses to litigation initiated by the Receiver that may require the Menageds to be named as nominal parties or defendants in furtherance of efforts by the Receiver to recover assets that may have been transferred by the Menageds to third parties.

J. Attorneys' Fees. Each Party hereto shall be responsible for the payment of its own costs, attorneys' fees and all other expenses incurred in connection with the Receiver's investigation and this Agreement. If any Party commences an action against the other Party to enforce or interpret any of the terms hereof, the losing or defaulting Party shall pay to the prevailing Party as determined by the Bankruptcy Court all costs and expenses, including reasonable attorneys' fees and disbursements, incurred in connection with the prosecution or defense of such action.

K. Further Assurances. The Parties to this Agreement shall execute any further or additional instruments, and they shall perform any acts which may become necessary, in order to effectuate and carry out the purposes hereof.

L. Entire Agreement. This Agreement contains the entire agreement and understanding among the Parties concerning the subject hereof and supersedes and replaces all prior negotiations, agreements and proposed agreements, written or oral, relating thereto. Each of the Parties hereto acknowledges that no other Party, nor any agent or attorney of any Party, has made any promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter hereof, to induce it to execute this Agreement and acknowledges that this Agreement has not been executed in reliance on any promise, representation or warranty not contained herein. This Agreement shall not be amended, modified or supplemented at any time unless by a writing executed by the Parties hereto.

M. Opportunity to Consult with Counsel. The Parties acknowledge that they have had the opportunity to consult with and obtain the advice of counsel prior to entering this Agreement, and have entered this Agreement voluntarily and free from coercion, duress or undue influence.

N. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Arizona applicable to contracts executed and intended to be performed entirely within the state of Arizona by residents of the state of Arizona. Any action at law, suit in equity or judicial proceeding for the enforcement or interpretation of this Agreement or any provision therefore shall be instituted only in the Bankruptcy Court.

O. Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

P. Representation of Authority. The signatories to this Agreement represent and warrant that they have full authority to execute this Agreement and to bind the Party on whose behalf they are signing to the provisions hereof.

Q. Severability. Should any portion of this Agreement be ruled unenforceable or invalid, such ruling shall not affect the enforceability or validity of the remaining portions of this Agreement.

R. Headings. Article and section headings are inserted herein solely for convenience and the same shall not by themselves alter, modify, limit, expand or otherwise affect the meaning of any provision of this Agreement.

S. Assignment and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns; provided, however, that nothing herein shall relieve any Party of any obligation under this Agreement, except upon the express written consent of the other Party.

T. Interpretation. This Agreement shall be interpreted fairly in light of the intentions of the Parties as set forth in this Agreement. The Parties each hereby waive the benefit of any rule or law or statute requiring that ambiguities be interpreted against the Party preparing the Agreement or causing the ambiguity.

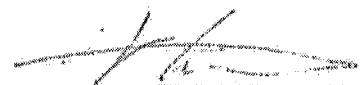
U. No Admissions. The execution of this Agreement is not to be construed as an admission of liability by either Party, or an acknowledgement by either Party that the other Party's claims have any basis, but is a compromise and settlement of disputed claims.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year written below.

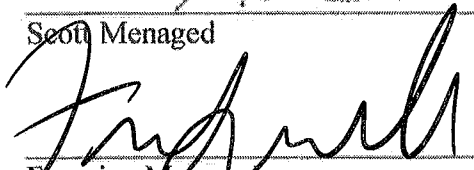
Peter S. Davis, as Receiver of DenSco Investment Corporation in Cause No. CV2016-014142


Peter S. Davis, as Receiver

Dated: 07/07/17


Scott Menaged

Dated: 07/05/17


Francine Menaged

Dated: 08/04/17

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Attorneys for Receiver

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF ARIZONA

In Re:

Case No. 2:16-bk-04268-PS

YOMTOV SCOTT MENAGED,

Debtor.

Adv. Case No. 2:17-ap-00116-PS

PETER S. DAVIS, AS RECEIVER OF
DENSCO INVESTMENT
CORPORATION,

JUDGMENT

Plaintiff,

vs.

YOMTOV SCOTT MENAGED,
FRANCINE MENAGED, and their marital
community,

Defendants.

Plaintiff, Peter S. Davis, the court-appointed receiver of DenSco Investment Corporation (“Plaintiff” or “Receiver”) having filed a *Verified Complaint to Determine Dischargeability of Debtor* (“*Adversary Complaint*”) on January 31, 2017 in Adversary Case No. 2:17-ap-00116-PS against Yomtov S. Menaged and Francine Menaged, husband and wife, (“Menageds” or “Defendants”) seeking a joint and several judgment in favor of the Receiver against each of the Defendants, and their marital community, and a judicial determination that the judgment is non dischargeable pursuant to 11 U.S.C. § 523(a).

Exhibit "A"

1 The Receiver and Defendants have reached a settlement of the Adversary Complaint and in
2 doing so have agreed to the entry of a non-dischargeable civil judgment in favor of the Receiver
3 and against Yomtov S. Menaged and Francine Menaged, jointly and severally, and their marital
4 community in the amount of thirty-one million dollars (\$31,000,000.00).

5 NOW, THEREFORE, IT IS ORDERED:

6 1. That Peter S. Davis, the Receiver of Densco Investment Corporation, is awarded,
7 judgment against Yomtov S. Menaged and Francine Menaged, jointly and severally, and their
8 marital community in the amount of thirty-one million dollars (\$31,000,000.00) plus post judgment
9 interest from the date of entry of this judgment at the legal rate interest pursuant to 28 U.S.C
10 §1961;

11 IT IS FURTHER ORDERED:

12 2. The Receiver shall immediately record and enforce this Judgment against the
13 available assets of Yomtov S. Menaged and Francine Menaged, or either, or both of them; and

14 IT IS FURTHER ORDERED:

15 3. That this Judgment is based upon fraud and is a debt that is non-dischargeable in
16 bankruptcy by either Defendant pursuant to 11 U.S.C. § 523(a).

17 **DATED AND SIGNED ABOVE**