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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. 56

PETITION TO APPROVE SECOND
INTERIM DISTRIBUTION TO
CREDITORS

(Assigned to the Honorable Teresa
Sanders)

19 Peter S. Davis, as the court appointed Receiver, respectfully petitions the Court to
20 approve a second interim distribution of \$2,500,000.07 to the approved creditors of DenSco
21 Investment Corporation ("DenSco Creditors") as follows:

1. On August 18, 2016, this Court entered its *Order Appointing Receiver*, which
appointed Peter S. Davis as Receiver of DenSco Investment Corporation ("Receivership
Order").

2. On March 28, 2017, the Court entered its *Order Re: Petition No. 19 – Order Establishing Procedures for the Adjudication of Claims* (“Claims Order”) which, among other things, established the procedures for the solicitation and adjudication of creditor claims against DenSco.

3. On October 27, 2017, the Court entered its *Order Re: Petition No. 37*, which approved one hundred and thirteen (113) creditor claims in a collective total amount of \$31,446,001.79 and approved individual claim amounts for each of the DenSco Creditors.

4. On December 13, 2017, the Court entered its *Amended Order Re Petition No. 41* which approved an interim distribution of \$4,500,000.03 to the DenSco Creditors.

5. The Receiver has paid the approved distributions to the DenSco Creditors, except, as set forth in Petition No. 55, *Petition to Approve Interim Distribution to Brinkman Family Trust and Nihad Hafiz*, the interim distributions to two DenSco creditors [The Brinkman Family Trust and Nihad Hafiz] were not paid pending the resolution of these creditors’ claims in an unrelated Probate matter¹.

6. The Receiver is now prepared to recommend that the Court approve a second interim distribution of \$2,500,000.07 to the DenSco Creditors.

7. The Receiver recommends that each of the DenSco Creditors, as set forth below, is paid the following amount which is equal to an additional 7.95014% of each of the

¹ Petition No. 55 filed March 20, 2018, seeks to approve payment of an initial interim distribution to The Brinkman Family Trust and Nihad Hafiz as the issues delaying payment of an interim distribution has been resolved.

approved DenSco Creditors claims. Specifically, the Receiver recommends that the DenSco Creditors are paid in a second interim distribution the following amounts:

• William & Helene Alber Family Trust	\$ 3,107.23
• Brinkman Family Trust	\$ 19,433.67
• Craig & Tomie Brown Living Trust	\$ 23,189.22
• Desert Classic Investments, LLC (c/o Steven Bunger)	\$ 60,088.53
• Steven G. & Mary E. Bunger Estate	\$ 42,346.40
• Anthony Burdett – IRA	\$ 36,393.00
• Kennen Burkhart	\$ 7,508.66
• Kennen Burkhart – IRA	\$ 31,388.10
• Warren & Fay Bush	\$ 12,093.20
• Mary Butler – IRA	\$ 22,051.45
• Van Butler	\$ 14,522.56
• Van Butler – IRA	\$ 22,051.45
• Thomas & Sara Byrne 2008 Living Trust	\$ 11,616.28
• Gretchen P. Carrick Trust	\$ 11,443.94
• Erin P. Carrick Trust (c/o Gretchen Carrick)	\$ 10,582.22
• Averill Cate, Jr. & Mary Kris McIlwaine	\$ 5,392.45
• Arden & Nina Chittick Family Trust	\$ 20,200.42
• Chittick Family Trust (c/o Eldon & Carlene Chittick)	\$ 38,890.82

1	• Cohen Revocable Trust	\$ 11,527.70
2	• Dori Ann Davis Living Trust	\$ 17,228.08
3	• Glen Davis	\$ 37,000.89
4	• Glen Davis – IRA	\$ 17,567.02
5	• Samantha Davis	\$ 2,721.73
6	• Jack Davis	\$ 5,962.60
7	• Scott D. Detota	\$ 9,600.43
8	• Amy Lee Dirks – IRA	\$ 6,039.82
9	• Bradley Mark Dirks – IRA	\$ 13,947.52
10	• Non Lethal Defense, Inc. (c/o Dave Dubay)	\$ 4,611.08
11	• Dupper Living Trust	\$ 42,020.54
12	• Todd F. Einck Trust	\$ 9,155.15
13	• Stacy Grant – IRA	\$ 7,047.55
14	• Russ Griswold	\$ 4,611.08
15	• Russ Griswold – IRA	\$ 7,610.11
16	• Michael & Diana Gumbert Trust	\$ 36,888.63
17	• Nihad Hafiz	\$ 23,055.40
18	• Robert & Elizabeth Hahn Family Trust	\$ 20,716.58
19	• Ralph L. Hey	\$ 4,294.38
20	• Dale & Kathy Hickman	\$ 53,527.61
21		

1	• Craig & Samantha Hood	\$ 78,938.62
2	• Doris & Levester Howze	\$ 3,688.86
3	• Bill Hughes	\$ 5,763.85
4	• Bill Hughes – IRA	\$ 27,622.18
5	• Judy Hughes – IRA	\$ 12,027.64
6	• Imdieke Revocable Trust	\$ 292,795.57
7	• James K. Jetton	\$ 3,804.32
8	• Ralph Kaiser – IRA	\$ 20,701.85
9	• Mary Kent	\$ 20,211.32
10	• Paul A. Kent Family Trust	\$ 11,481.01
11	• Robert Z. Koehler – IRA	\$ 14,018.91
12	• LeRoy Kopel Revocable Living Trust	\$ 4,147.05
13	• LeRoy Kopel – IRA	\$ 12,585.80
14	• Robert F. Lawson	\$ 7,594.62
15	• Wayne J. Ledet – IRA	\$ 20,870.22
16	• Wayne J. Ledet – Roth IRA	\$ 7,502.40
17	• Wayne J. Ledet Revocable Trust	\$ 23,191.03
18	• Terry & Lil Lee	\$ 4,611.08
19	• The Lee Group, Inc. (c/o Terry & Lil Lee)	\$ 13,833.24
20	• Lillian Lent – Roth IRA	\$ 3,155.07
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1	• Manuel A. Lent – IRA	\$ 7,500.39
2	• William & W. Jean Locke	\$ 8,727.56
3	• BLL Capital, LLC (c/o Barry Luchtel)	\$ 6,916.62
4	• LJL Capital, LLC (c/o Landon Luchtel)	\$ 8,268.14
5	• Jim McArdle	\$ 24,465.19
6	• James & Lesley McCoy Trust	\$ 18,444.32
7	• Caro McDowell Revocable Trust	\$ 14,368.55
8	• The Marvin G. Miller & Patricia S.	
9	Miller 1989 Trust	\$ 79,194.65
10	• Kaylene Moss – IRA	\$ 20,565.27
11	• Moss Family Trust	\$ 7,268.91
12	• Muscat Family Trust	\$ 23,055.40
13	• Brian & Janice Odenthal	\$ 10,684.75
14	• Brian Odenthal – IRA	\$ 5,369.56
15	• Jolene Page	\$ 139,685.13
16	• Valerie Paxton	\$ 45,998.06
17	• Marlene Pearce – IRA	\$ 7,929.27
18	• Jeff Phalen – IRA	\$ 30,287.45
19	• Phalen Family Trust	\$ 41,454.65
20	• Preston Revocable Living Trust	\$ 7,324.12
21	• Pete Rzonca	\$ 11,210.67

1	• JoAnn Sanders	\$ 5,141.93
2	• Schloz Family 1998 Trust	\$ 8,604.61
3	• Mary Schloz	\$ 8,978.82
4	• Stanley Schloz	\$ 9,024.35
5	• GB 12, LLC (c/o Stanley Schloz)	\$ 6,837.12
6	• Annette Scroggin – IRA	\$ 12,000.87
7	• Annette Scroggin – Roth IRA	\$ 3,846.58
8	• Michael Scroggin	\$ 6,916.62
9	• Michael Scroggin – IRA	\$ 29,681.60
10	• Michael Scroggin - Roth IRA	\$ 6,850.37
11	• William Stewart Sherriff	\$ 6,866.37
12	• Saltire, LLC (c/o William Stewart Sherriff)	\$ 6,866.37
13	• Gary E. Siegford & Corrina C. Esvelt-Siegford	\$ 54,069.28
14	• Gary D. & Judith E. Siegford	\$ 23,732.48
15	• Branson & Sandra Smith Trust	\$ 16,051.33
16	• Branson Smith – IRA	\$ 18,911.64
17	• Donald E. & Lucinda Sterling	\$ 1,888.16
18	• Nancy Swirtz	\$ 5,043.00
19	• Long Time Holdings, LLC (c/o William Swirtz)	\$ 75,117.04
20	• Coralee Thompson	\$ 107,164.17
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1	• Gary L. Thompson	\$ 94,549.60
2	• James Trainor	\$ 25,886.78
3	• Stephen D. Tuttle	\$ 6,748.48
4	• Wade Underwood	\$ 7,474.00
5	• Laurie A. Weiskopf – IRA	\$ 3,739.70
6	• Thomas D. Weiskopf – IRA	\$ 1,154.72
7	• Carol J. Wellman	\$ 6,279.33
8	• Carol J. Wellman – Roth IRA	\$ 3,238.55
9	• Wellman Family Living Trust	\$ 5,105.26
10	• Brian & Carla Wenig Family Trust	\$ 8,470.83
11	• Mark & Debbie Wenig	\$ 19,139.35
12	• Angels Investments, LLC (c/o Yusuf Yildiz)	\$ 14,260.16
13	• Michael Zones	\$ 21,495.75
14	• Leslie Jones (c/o Michael Zones)	\$ 15,741.27
15	• Leslie Jones – IRA (c/o Michael Zones)	\$ 18,426.78

16 8. The Receiver has recommended that \$2,500,000.07 should be made
17 immediately available for distribution to the DenSco Creditors because the Receiver believes
18 the remaining funds of the receivership, approximately \$1,000,000 and the prospect of
19 additional monetary recoveries in the future will enable the continued administration of the
20
21

1 receivership case while making a meaningful second interim distribution to the DenSco
2 Creditors of the assets recovered by the Receiver.

3 9. If this proposed second distribution is approved by the Court, the DenSco
4 Creditors will have received recoveries totaling \$7,000,000.10 representing a 22.26038%
5 recovery on each DenSco Creditors claim.

6 WHEREFORE, the Receiver respectfully requests that the Court enter an order
7 approving second interim distribution in the amounts set forth above to the DenSco Creditors.

8 Respectfully submitted this 13th day of April, 2018.

9 GUTTILLA MURPHY ANDERSON, P.C.

10 /s/Ryan W. Anderson
11 Ryan W. Anderson
Attorneys for the Receiver

12 2359-001(319221)