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**SUPERIOR COURT OF ARIZONA**

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**COUNTY OF MARICOPA**

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Peter S. Davis, as Receiver of DenSco  
Investment Corporation, an Arizona  
12 corporation,

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Plaintiff,

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v.

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Clark Hill PLC, a Michigan limited liability  
company; David G. Beauchamp and Jane  
16 Doe Beauchamp, husband and wife,

17

Defendants.

No. CV2017-013832

**DEFENDANTS' DISCLOSURE OF  
EXPERT WITNESS SCOTT J.  
RHODES**

(Commercial Case)

(Assigned to the Honorable Daniel Martin)

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Pursuant to the Court's May 16, 2018 Scheduling Order, Defendants Clark Hill PLC  
19 and David G. Beauchamp, hereby disclose the attached report of Scott J. Rhodes.

20

DATED this 5<sup>th</sup> day of April, 2019.

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**COPPERSMITH BROCKELMAN PLC**

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By: 

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**ORIGINAL** of the foregoing e-mailed/mailed this  
5<sup>th</sup> day of April, 2019 to:

Colin F. Campbell, Esq.  
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## **PRELIMINARY EXPERT DECLARATION OF J. SCOTT RHODES**

I, J. Scott Rhodes, give the following preliminary expert opinion under penalty of perjury:

### **QUALIFICATIONS**

A. I am an Equity Member and the General Counsel of Jennings, Strouss & Salmon, PLC ("Jennings Strouss") and have been licensed to practice law in the State of Arizona since 1995.<sup>1</sup>

B. Over 24 years of practice, with the exception of a one-year judicial clerkship at the Arizona Supreme Court, I have been engaged in the practice of law at Jennings Strouss. Throughout my career, I estimate that I have represented more than 1,500 lawyers and law firms in matters related to lawyer professional responsibility, fee and partnership disputes, and other matters related generally to lawyer professional responsibility and the law of lawyering. I further estimate that representation of lawyers and law firms constitutes 90% of my practice.

C. I served as the first General Counsel of Jennings Strouss from 2006 until 2010. I served on the firm's Management Committee from 2005 through 2008 and was the Managing Attorney from December 2009 to May 2015. Since May 2015, I have served as the firm's General Counsel.

D. I was retained by counsel for Defendants Clark Hill PLC, David G. Beauchamp and Jane Doe Beauchamp, in the matter under the caption *Peter S. Davis, as Receiver for DenSco Investment Corporation v. Clark Hill PLC et al.* (Maricopa County Superior Court Case No. CV2017-013832) to render a preliminary expert opinion regarding the standard of care for attorneys in Arizona as determined by and established in regard to lawyer's professional and ethical obligations. My opinions are not intended to, and do not, include the standard of care specific to lawyers practicing in the area of securities law. Any references herein to securities law are factual in nature, not expressions of opinion about securities law or the conduct of securities lawyers. My opinions relate to the standard of care for any Arizona lawyer (including, but not limited to, securities lawyers), as determined by lawyers' ethical and professional obligations in Arizona.

E. I am being compensated for my services at an hourly rate of \$500. Other than my fees, I have no stake in the outcome of this litigation.

### **GENERAL PRINCIPLES**

1. In formulating my preliminary opinions, I remained cognizant of the following principles that generally guide expert opinions:

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<sup>1</sup> A more detailed summary of my professional background and qualifications is contained in my CV, which is attached hereto as Exhibit "A."

(a) The purpose of expert testimony is to assist the trier of fact, which may include the application of facts to law.

(b) Experts rely on their understanding of facts presented to them in the record of a case as of the time of their opinions and assume that those facts are and will be supported by evidence introduced at any proceeding on the merits of the case.

(c) The Arizona Rules of Professional Conduct<sup>2</sup> are intended to be viewed, interpreted and applied in a context encompassing all laws and legal principles applicable to a lawyer's conduct.

(d) The Ethical Rules are intended to be viewed, interpreted, and applied in light of the facts and circumstances in existence and known to a lawyer when the lawyer's conduct occurred.

### **DOCUMENTS REVIEWED AND FACTUAL BASIS**

In formulating my preliminary opinions in this matter, I relied on my background and experience in the field of professional responsibility, interviewed Defendants' counsel, and reviewed documents as listed on Exhibit "B."<sup>3</sup>

### **PRELIMINARY OPINIONS**

#### *General Concepts About the Standard of Care in Arizona*

1. The Ethical Rules are promulgated by the Arizona Supreme Court and are codified at Rule 42 of the Arizona Rules of the Supreme Court. Although Arizona's version of the Ethical Rules is based on the American Bar Association's Model Rules of Professional Conduct (the "Model Rules"), the Arizona Supreme Court has jurisdiction over the practice of law in Arizona, which includes deciding whether to adopt the Model Rules as written or to change them. See Rule 31(a), Ariz. R. Sup. Ct.; see *also* ER 8.5.

2. The standard of care in an Arizona legal malpractice case is determined by the applicable standard of care in Arizona, as established by Arizona law and practice. See *Collins v. Miller & Miller*, 189 Ariz. 387, 394, 943 P.2d 747, 754 (App. 1996). Because the Model Rules are not Arizona law, they are not relevant to the standard of care in Arizona.

3. The Ethical Rules may be considered by a trier of fact as an aid in "understanding and applying" the standard of care in Arizona. RESTATEMENT (THIRD) OF THE LAW GOVERNING LAWYERS ("RESTATEMENT") ¶ 52(2)(c); see *also* Ethical Rules, Preamble, ¶ [20] ("Nevertheless, since the Rules do establish standards of conduct by lawyers, a lawyer's violation of a Rule may be evidence of breach of the

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<sup>2</sup> Referred to herein generally as the "Ethical Rules," or specifically as "ER x."

<sup>3</sup> I reviewed documents only with respect to the issues relevant to my opinion.

applicable standard of conduct."); *Elliott v. Videan*, 164 Ariz. 113, 791 P.2d 639 (App. 1989).

4. The Ethical Rules are "rules of reason" that "should be interpreted with reference to the purposes of legal representation and of the law itself." Ethical Rules, Preamble, ¶ 14.

5. The concept that the Ethical Rules are "rules of reason" encompasses the fact that lawyers must exercise professional judgment in many circumstances. In that regard, the Ethical Rules do not offer one-size-fits-all instructions for a lawyer to follow in every situation.

6. As stated in the Preamble, a lawyer can have "discretion to exercise professional judgment," especially in any context where the Ethical Rules use discretionary language (*i.e.*, "may"). Preamble, ¶ 14.

7. The concept of professional discretion, or judgment, resides throughout the Ethical Rules, not only in the rules that use "may" instead of "shall." For example, professional judgment is also inherent in those Ethical Rules that allude to a lawyer's application of "reason" to relevant facts. ER 1.0(h) defines "reasonable or reasonably" as "the conduct of a reasonably prudent and competent lawyer." Similarly, ER 1.0(i) states that the term "reasonable belief," as used in the Ethical Rules, "denotes that the lawyer believes the matter in question and that the circumstances are such that the belief is reasonable."

8. Professional judgment also is an inherent part of the Ethical Rules that require a lawyer to have a knowing mental state, or knowledge of facts relevant to the lawyer's conduct. Such knowledge can be "inferred from the circumstances." See ER 1.0(f). However, the circumstances from which any such inferences would be drawn are those "as they existed at the time of the conduct in question and in recognition of the fact that a lawyer often has to act upon uncertain or incomplete evidence of the situation." See Preamble, ¶ 19.

9. When a lawyer exercises professional judgment, then the first step in determining the standard of care is to ask what the lawyer knew at the time about the relevant facts and circumstances that were pertinent to the lawyer's judgment. In sum, first the trier of fact should determine what the lawyer knew at the time of the lawyer's conduct, then the trier of fact considers what a reasonably prudent lawyer would have done, or not done, under those same circumstances.

#### *The Lawyer as Counselor and Keeper of Confidences*

10. One of a lawyer's principal roles in representation of a client is that of counselor. Thus, while a lawyer is of course prohibited to assist a client to commit criminal or fraudulent conduct, or to participate in such conduct, the lawyer "may discuss the legal consequences of any proposed course of conduct with a client and may counsel or assist a client to make a good faith effort to determine the validity, scope, meaning or application of the law." ER 1.2(d).

11. In acting in the role of counselor for a client, a lawyer must "abide by a client's decisions concerning the objectives of the representation ... and shall consult with the client as to the means by which they are to be pursued." *Id.*

12. A lawyer's duty of confidentiality to a client is also fundamental to the attorney-client relationship, encompassing the lawyer's duty to guard against disclosure of any "information relating to the representation," unless certain narrow exceptions apply, and even then a lawyer can disclose confidences only "to the extent the lawyer reasonably believes necessary." ER 1.6.

*When Lawyers Represent Organizations*

13. Lawyers can, and often do, represent organizations. When a lawyer represents an organization, such as DenSco, then as a general rule the lawyer does not also represent the organization's "duly authorized constituents." ER 1.13(a).

14. That being said, when a lawyer represents an organization that is run and managed by one person, such as DenSco, then as a practical matter, there is little or no distinction between the entity and the entity's principal, who is duly authorized to make decisions and communicate for the entity, including making assignments to the entity's lawyer.

15. A lawyer for an organization is not required, nor usually even is authorized, to scrutinize the business decisions of the entity's principal business leaders. This is true even if a lawyer is an entity's "general counsel." A "general counsel" is a lawyer hired or retained to oversee or conduct all (or virtually all) of the legal services for the entity. A "general counsel" still operates under the direction of the entity's business leadership, not the other way around.

16. I have seen no evidence indicating that Mr. Beauchamp and his law firms were DenSco's "general counsel," or the equivalent of that role. Rather, the retention of Mr. Beauchamp and his firms was to perform certain, discrete tasks from time to time under Mr. Chittick's authority and direction as DenSco's principal. Such tasks largely were related to securities, but they also included loan documentation, lending procedures, and other compliance matters.

17. In my experience in regard to Arizona lawyers' ethical and professional responsibilities, a lawyer's professional judgment includes the lawyer's assessment of the client's knowledge and experience. Therefore, the extent to which a lawyer has to explain a matter to a client can vary depending on the client's knowledge and experience. Indeed, "[a] lawyer need not inform a client *or other person* of facts or implications already known to the client *or other person* ...." ER 1.0, cmt. [6](emphasis added). In my experience, this concept of tailoring communications to the lawyer's assessment of the general knowledge and experience of the client or "other person" regularly applies when a lawyer represents a business entity that is managed by an individual who has successfully managed that entity for years, as was the case in regard to Mr. Chittick's management of DenSco.

18. In such a situation, where in a lawyer's professional judgment, a client or client representative possesses sufficient knowledge and experience relevant to the subject-matter of the representation, and the lawyer possesses no knowledge of facts indicating that the client or client representation lacks veracity, then under the standard of care as determined by Arizona lawyers' ethical and professional obligations, the lawyer reasonably can rely on the client or client

representative to furnish the lawyer with all facts and information relevant to the lawyer's representation.

*A Lawyer's Duties When Difficult Issues Arise for an Organizational Client*

19. In Arizona, ER 1.13 covers, in part, a lawyer's options and obligations when a lawyer knows that someone associated with an organizational client has committed or intends to commit "an act in a matter related to the representation that is a violation of a legal obligation to the organization, or a violation of law that reasonably might be imputed to the organization, and that is likely to result in substantial injury to the organization ...." ER 1.13(b).

20. When such a situation arises, the lawyer must "proceed as is reasonably necessary in the best interest of the organization." *Id.*

21. As a preliminary matter, the relevant parts of ER 1.13 pertain to situations that tend to be rare in their nature and that either actually or potentially could have extreme consequences for the organizational client. Like all of the Ethical Rules, a lawyer's conduct, as measured by ER 1.13, depends on examination of all the facts and circumstances known to the lawyer at the time of the lawyer's conduct. In addition, ER 1.13 is structured around a series of professional judgments by the lawyer, and consequent options that are available to the lawyer, all of which must be considered in regard to what the lawyer knew at the time. These matters are not to be judged in hindsight.

22. An ER 1.13 analysis begins with a threshold issue -- whether the lawyer "knows" that "an officer, employee or other person associated with the organization is engaged in action, intends to act or refuses to act" in an unlawful manner "that might be imputed to the organization" and that "is likely to result in substantial injury to the organization." ER 1.13(a).

23. Knowledge by the lawyer is required and, as previously stated, such knowledge is determined by the facts and circumstances of which the lawyer was contemporaneously aware. Thus, while knowledge can be "inferred from the circumstances," the relevant circumstances must be based on information that the lawyer had available to him or her at the time of the lawyer's conduct. See ER 1.0(f); ER 1.13, cmt. [3]. Therefore, the standard of care as determined by Arizona lawyers' ethical and professional obligations is not based on what someone else later decides the lawyer should have known.

24. While it is true that "a lawyer cannot ignore the obvious," the lawyer nevertheless, within the standard of care as determined by Arizona lawyers' ethical and professional obligations, can (and should) consider such factors as "the apparent motivation of the person involved." ER 1.13, cmt. [4].

25. Based on Mr. Beauchamp's years of representing DenSco, and his knowledge of and experience with Mr. Chittick successfully managing DenSco for several years, and Chittick's history of substantially following Mr. Beauchamp's advice over the years of Beauchamp's representation of DenSco, when in mid-December 2013 Beauchamp first became aware of the possible existence of a certain number of "double lien" events, Chittick's motivation appeared at the time

to have been to document as quickly as possible his plan to resolve the issue then to disclose the issue and his plan to DenSco investors.

26. In late 2013 and early 2014, Mr. Beauchamp had no reason to suspect, much less to "know" that Chittick himself was engaging, or was intending to engage, in any illegal conduct that could be imputed to DenSco, which is the threshold issue under ER 1.13. Indeed, it appeared in late 2013 and early 2014, based on what Mr. Beauchamp was being told, that, far from being a perpetrator of bad acts, Chittick (and thus DenSco) was the victim of bad acts perpetrated by a third party, *i.e.*, Menaged's cousin.

27. As previously stated, under the standard of care as determined by an Arizona lawyer's ethical and professional obligations, because of his knowledge of Chittick's history of substantial compliance with his legal advice, as well as his knowledge of Chittick's successful management of DenSco for a period of years, Beauchamp could rely on Chittick's representations to him about facts relevant to the "double lien" issue and also could rely on Chittick's business plan for resolution of that issue. Beauchamp also could assume, within the standard of care as determined by Arizona lawyers' ethical and professional obligations, that Chittick's interests were aligned with the interests of Beauchamp's client, DenSco, such that Beauchamp was not required to admonish Chittick that Beauchamp was not his lawyer, nor was he required to advise Chittick to seek independent counsel. See ERs 1.13(f) and 4.3. In short, within the standard of care as determined by Arizona lawyers' ethical and professional obligations, Beauchamp reasonably could consider that DenSco's interests and those of its principal, Chittick, were the same, such that the DenSco and Chittick were one client, not separate or distinct clients, nor one client and a party with adverse interests. In my opinion, there was no conflict of interest in late 2013 and early 2014, as determined by ERs 1.7 or 1.9.

28. After learning in early January 2014 that there were multiple "double lien" events, Mr. Beauchamp acted within the standard of care, as determined by Arizona lawyers' ethical and professional obligations, by promptly communicating with and counseling Chittick about the legal ramifications to DenSco of the "double lien" issue, including DenSco's disclosure obligations to investors and refraining from raising new funds without disclosures. Beauchamp further fulfilled his counseling obligations by impressing on Chittick that the legal ramifications might include considerations about the timing of disclosures. In this regard, Beauchamp's ethical obligations centered around ERs 1.2 (scope of representation) and 1.4 (communication), and he fulfilled those obligations.

29. Chittick did not at that time (late 2013 and early 2014) refuse to follow Mr. Beauchamp's advice. Beauchamp could rely on Chittick's history of substantial compliance with Beauchamp's legal advice and assume that Chittick's conduct in respect to the "double lien" issue would also substantially comply with his advice. Chittick's decision to complete documentation of his business plan for resolving the "double lien" issue before making the disclosures that Beauchamp counseled him to make did not diminish Beauchamp's ability, within the standard of care as determined by Arizona lawyers' ethical and professional obligations, to assume that Chittick would follow his legal advice.



*Lawyers For a Business Are Advisors, Not Regulators*

30. Beauchamp had no duty to override Chittick's business decision to complete documentation of his plan to resolve the "double lien" issue so that he could include the resolution plan in his disclosure to investors. To the contrary, in my opinion Beauchamp was ethically prohibited in late 2013 and early 2014 from taking any action that would have been contrary to Chittick's business decisions. He was prohibited from taking any such action because, based on the information that Beauchamp had at the time, he lacked knowledge of any wrongful conduct by Chittick, and such knowledge would have been necessary to trigger ER 1.13's requirement to take action contrary to Chittick's business decisions. See ER 1.13(a) ("if a lawyer for an organization *knows* that an officer ... is engaged in action, intends to act or refuses to act in a matter related to the representation that is a violation of law ....") (emphasis added.) Because Beauchamp had no such knowledge, Beauchamp's duties at that time, as stated above, were informed by ERs 1.2 and 1.4, both of which relate to counseling clients in difficult situations. Beauchamp met those duties.

31. Because, in order to illustrate how ER 1.13 functions in Arizona, I expressed in the preceding paragraph Beauchamp's mental state in the negative (*i.e.*, that he lacked the kind of knowledge of any misconduct or intended misconduct by Chittick that is a prerequisite for action under ER 1.13), I will add for clarity that, to fully understand Beauchamp's conduct within the standard of care as determined by Arizona lawyers' ethical and professional obligations, it is important to consider what Beauchamp did know, as opposed to focusing solely on what he did not know. As previously stated, Beauchamp knew that, through the years of his representation of DenSco, Chittick substantially had complied with Beauchamp's legal advice and had successfully managed DenSco. Beauchamp's knowledge in these regards informed his reasonable reliance on Chittick's communications about the "double lien" issue, and his belief that Chittick would once again follow his advice. Therefore, Beauchamp's lack of requisite knowledge under ER 1.13 was not willful. Instead, it reflected the *presence* of other knowledge that, under the standard of care as determined by Arizona lawyers' ethical and professional obligations, placed Beauchamp's duties in late 2013 and early 2014, not under ER 1.13, but instead under ERs 1.2 and 1.4. As such, his ethical and professional obligations to DenSco at that time were to act as DenSco's legal advisor and counselor, not as an adversary to Chittick in his capacity as DenSco's principal.

32. Mr. Beauchamp not only had no ethical duty to, in essence, take over from Chittick the investigation of Menaged's conduct and DenSco's reaction to the "double lien" issue, he was ethically prohibited from doing so. As stated in the comment to ER 1.13, a lawyer for an organization must give deference to the organization's business leadership, because "[w]hen constituents of the organization make decisions for it, the decisions ordinarily must be accepted by the lawyer even if their utility or prudence is doubtful. Decisions concerning policy and operations, including ones entailing serious risk, are not as such in the lawyer's province." ER 1.13, cmt. [3].

33. When Beauchamp became aware of multiple "double lien" events in January 2014, he quickly and appropriately counseled Chittick about the legal ramifications of the issues, and Chittick's responses indicated that he understood DenSco's obligations based on Beauchamp's admonitions. Chittick then made a business decision, which was not to eschew disclosure altogether, but rather to complete documentation of his plan to resolve the "double lien" issue so as to include the plan with the disclosure of the issue to investors. Even if Chittick's decision involved some risk, under the standard of care as determined by Arizona lawyers' ethical and professional obligations, that business decision was Chittick's decision to make. The Ethical Rules did not authorize, much less mandate, Beauchamp to seize control of the DenSco decision-making process from Chittick.

34. Nor did the Ethical Rules authorize, much less mandate, Beauchamp to perform an independent investigation into Menaged. Because at the time Beauchamp did not know that Chittick was not telling him the truth about the duration or scope of his relationship with Menaged, or the duration and scope of the "double lien" issue, when Beauchamp first learned about Menaged, it appeared that Menaged was a victim of his cousin's fraud, and, like the next domino in line, DenSco was also a victim of Menaged's cousin. Beauchamp's knowledge about Menaged at the time came from Chittick. His advice to Chittick was based on Beauchamp's years of experience with Chittick, as previously stated. Unless Chittick had asked him to investigate Menaged, for Beauchamp to have done so at the time would have exceeded the scope of his representation and would have violated his ethical duties under ER 1.2, which requires an Arizona lawyer to "abide by a client's decisions concerning the objectives of the representation ..."

35. Beauchamp did not know at the time that, over a year earlier, Chittick had started the slow process of falling victim to Menaged's skilled use of fraud and deception. Chittick hid all facts relevant to Menaged from Beauchamp (and apparently from DenSco's accountant as well). Beauchamp, therefore, responded to a situation that, while it appeared serious, was within the range of a client representative's decision-making authority after consultation with legal counsel, even if the decisions he made might have entailed risk. (Importantly, Chittick never indicated he would *not* disclose; the only issue appeared to be about *when* he would disclose. He indicated to Beauchamp that he expected to have an approach to resolve the issues, and to be ready to disclose, within just a few weeks.) These facts, when viewed (as they must be) from the perspective of what Beauchamp knew at the time, support a conclusion that Beauchamp's advice and counsel to Chittick were within the standard of care as determined by Arizona lawyers' ethical and professional obligations.

36. To try in hindsight to impose a duty on Mr. Beauchamp that allegedly required him to intervene in contravention of Chittick's business decisions during the time period of late 2013 and early 2014 is an effort unsupported by the Ethical Rules. This is true for the reasons previously stated. It is also true, however, even if one assumes, for argument's sake, that Beauchamp should have divined that the duration and scope of Menaged's fraud against DenSco were greater than Chittick had revealed to Beauchamp. Under certain extreme circumstances, ER 1.13 allows a lawyer to disclose client confidences "whether or not Rule 1.6 permits such

disclosure.” ER 1.13(c). However, a lawyer’s authority to make such disclosures exists only if “despite the lawyer’s efforts” the company’s “highest authority” fails to address an act “that is a clear violation of law” *and* the lawyer “reasonably believes that the violation is reasonably certain to result in substantial injury to the organization.” *Id.* Importantly, if both of these preliminary requirements are met under ER 1.13, then the result is not a mandate to investigate and disclose; rather, the result is that the lawyer *has discretion to disclose* a certain amount of confidential information. *Id.* (“... then the lawyer *may* reveal information relating to the representation ....” (emphasis added).)

37. Moreover, if both of the above-described parameters for disclosure exist, and if a lawyer chooses to disclose, then ER 1.13 further restricts the lawyer’s actions by providing that any disclosure must be made “only if and to the extent the lawyer reasonably believes necessary to prevent substantial injury to the organization.” *Id.*

38. This limitation on the nature and scope of a disclosure is particularly relevant in this case, because a central issue pertains to when disclosures would be made to investors. (The issue is not whether they would be made, because Chittick indicated in December 2013 and early 2014 that he did intend to disclose.) Investors were not part of DenSco. They were third parties. ER 1.13 warns lawyers about permissive disclosures to third parties, as follows: “Any measures taken should, to the extent practicable, minimize the risk of revealing information relating to the representation outside the organization.” ER 1.13, cmt. [4]. Under the standard of care as determined by Arizona lawyers’ ethical and professional obligations, this concept of minimizing a risk of disclosure outside of the organization is consistent with the concept of allowing Chittick some time to try to document his plan to resolve the “double lien” issue and to include that plan in any necessary disclosures.

39. A lawyer does not fall below the standard of care, as determined by Arizona lawyers’ ethical and professional obligations, if a lawyer does not know that a client (or client representative, like Chittick) has lied to the lawyer. This is especially true when, as here, there were no prior indicia of the client’s lack of veracity.

40. Lawyers are not omniscient. Under the standard of care as determined by Arizona lawyers’ ethical and professional obligations, lawyers do not have a duty to demand information beyond the scope of the legal services that a client wants a lawyer to perform. Clients, not lawyers, establish the scope of a legal representation and its objectives. ER 1.2. So long as the scope is reasonable and the objectives are legal, a lawyer must respect them and employ reasonable, legal and ethical means to try to achieve them. *Id.*

41. Lawyers are not the investigators of their clients. If they were, then the trust that is an essential element of any lawyer-client relationship would evaporate and be replaced by mutual suspicion. For this reason, the standard of care as determined by Arizona lawyers’ ethical and professional obligations allows lawyers to rely on their professional judgment when they assign a degree of trust and confidence to their clients. The history of Chittick’s attorney-client relationship

with Beauchamp was not an omen of Chittick's disseminations to Beauchamp about the duration and depth of the "double lien" issue, much less about Menaged's fraud. Under the standard of care in Arizona as determined by Arizona lawyers' ethical and professional obligations, Mr. Beauchamp must be judged based on what he knew, not on what Chittick hid from him.

42. After completing the forbearance agreement negotiations, Mr. Beauchamp tried without success to convince Chittick to make the required disclosures to investors. When his efforts failed, Beauchamp appropriately terminated the attorney-client relationship in May 2014. The standard of care as determined by ethical and professional obligations did not require him to terminate the relationship in writing, nor to state his reasons for doing so.

43. When he withdrew from the representation, Mr. Beauchamp was not under a mandatory ethical or professional duty to disclose confidential information. His advice to Chittick had been clear – that DenSco had a duty to disclose the "double lien" issue to investors. DenSco's failure to disclose did not create an ethical duty for Beauchamp to step into DenSco's shoes (or Chittick's shoes) and make the disclosures himself. As stated above, under ER 1.13, any such disclosures would have been optional, not mandatory, and under ethical and professional standards any disclosures outside the organization (such as to investors) were discouraged. There were no mandatory disclosure obligations under ER 1.6 pertaining to confidentiality in general.

44. Following Chittick's suicide, Beauchamp and Clark Hill's short-lived legal work to help start the administration of his estate and communicate with investors and the Arizona Corporation Commission were discrete tasks that, because of Beauchamp's history with the company, it was logical for his firm to perform. In essence, like Emergency Room doctors, Beauchamp and the firm stabilized the situation and then passed it on to other lawyers. Lawyers are permitted to give legal assistance in an emergency if the assistance is "limited to that reasonably necessary under the circumstances." ER 1.1, cmt. [3].

45. In my opinion, based on my experience and knowledge, Defendants' conduct was at or above the applicable standard of care in Arizona as defined by Arizona lawyers' ethical and professional obligations.

#### **RESERVATION OF RIGHTS**

I reserve the right to amend or supplement this opinion and to offer additional opinions if additional facts are brought to my attention (provided that I believe such additional facts warrant modification of the opinion), if opposing counsel asks questions that require modification or supplementation of the opinions stated herein, or if I am asked to provide a rebuttal opinion or testimony.

**This statement is made under penalty of perjury.**

**DATED this 5th day of April, 2019.**

  
\_\_\_\_\_  
J. Scott Rhodes

**Exhibit A**

# **Exhibit A**

**Curriculum Vitae  
of  
J. SCOTT RHODES**

**GENERAL DATA**

Born May 21, 1957, Washington, DC

**EDUCATION**

J.D., Arizona State University College of Law, 1995

*cum laude*

*Arizona State Law Journal, Executive Managing Editor*

*Sandra Day O'Connor Award*

*Alan A. Matheson Award*

B.A., Yale University (English), 1980

*cum laude*

*Distinction in the English Major*

**PROFESSIONAL**

I am Jennings, Strouss & Salmon's General Counsel. I previously served as the Managing Attorney from December, 2009 to May, 2015, and also served as a member of the firm's three-person Management Committee from May, 2005 to May, 2008.

I am AV® Preeminent™ Peer Review Rated by *Martindale-Hubbell*. I was named by *The Best Lawyers in America®* as the 2011 Phoenix Administrative Lawyer of the Year and the Phoenix Ethics and Professional Responsibility Law Lawyer of the Year in 2013 and 2018. I am the sole member of my firm's legal ethics practice, which was ranked first in the United States by *The Best Lawyers in America® 2010 and #1* in Arizona in 2011. I am included in the 2009-2018 *The Best Lawyers in America®* for Administrative/Regulatory Law, Arbitration, Ethics and Professional Responsibility Law, Legal Malpractice Law - Defendants, Litigation - Municipal, Mediation, and Municipal Law. I also was selected for inclusion in *Southwest Super Lawyers* in 2007 in the categories of Administrative Law, Law and Politics, and from 2011-2017 in the categories of Professional Liability: Defense, State, Local and Municipal, and Utilities Law. I was the co-recipient of the State Bar of Arizona's 2010 Member of the Year Award.

I was a member of the Ethics Committee of the State Bar of Arizona from 2002 to 2014 and served as Chair from 2009 to 2011. I was a member of the Arizona Supreme Court Attorney Discipline Task Force from 2009-2010. The role of this Committee was to review and recommend amendments to the discipline system for lawyers in Arizona. In 2011, the Arizona Supreme Court appointed me to serve on its Attorney Regulation Advisory Committee, which makes recommendations regarding attorney examination, admissions, reinstatement, disability and the lawyer discipline process.

Prior to joining the firm, I served as Law Clerk to the Honorable Robert Corcoran and the Honorable Charles E. Jones, Arizona Supreme Court, in 1995-1996. Before embarking on my legal career, I operated my own business in Paris, France for nine years.

#### *ADMITTED TO PRACTICE*

Arizona

U.S. District Court, District of Arizona

U.S. Court of Appeals, Ninth Circuit

#### *AWARDS*

Arizona State Law Journal, 2018 John S. Lancy Distinguished Alumni Award

Member of the Year Award (co-recipient), selected by the State Bar of Arizona Board of Governors, 2010

Chevalier de l'Ordre du Mérite National (Knight of the Order of National Merit, Republic of France)

#### *RECOGNITION*

AV® Preeminent™ Peer Review Rated, Martindale-Hubbell

Included in *The Best Lawyers in America® 2009-2018*, published by Woodward/White, Inc. in the categories of Administrative/Regulatory Law, Arbitration, Ethics and Professional Responsibility Law, Legal Malpractice Law - Defendants, Litigation – Municipal, Mediation, and Municipal Law.

Named 'Phoenix Ethics and Professional Responsibility Law Lawyer of the Year' in 2013 and 2018 by *The Best Lawyers in America®* published by Woodward/White, Inc.

Named 'Phoenix Administrative Lawyer of the Year 2011' by *The Best Lawyers in America®* published by Woodward/White, Inc.

*Southwest Super Lawyers*, Administrative Law, Law & Politics in 2007; 2011-2017 in the categories of Professional Liability, Defense, State, Local and Municipal, and Utilities Law

#### *ACTIVITIES (Professional)*

*Arizona Equal Justice Foundation*  
Board Member, 2010-present

*Law Firm Alliance*  
Member, Board of Directors (Nov. 2014 – present)

#### **PROFESSIONAL RESPONSIBILITY ACTIVITIES**

Adjunct Professor, Sandra Day O'Connor College of Law at Arizona State University  
*Professional Responsibility* (Fall 2015, Fall 2016, Fall 2017, Spring 2019)



State Bar of Arizona

*Ethics Committee, Member 2002-2014; Chair from 2009 - 2010*

Arizona Supreme Court

*Attorney Regulation Oversight Committee (2011 to present)*

*Attorney Discipline Task Force, Member (2009-2010)*

American Bar Association

*Center for Professional Responsibility, Member*

Association of Professional Responsibility Lawyers

Member

#### *ACTIVITIES (Non-Professional)*

Arizona Town Hall

*Board Chair, 2013-2015*

*Board Chair-Elect, 2012*

*Board Secretary, 2005-2009*

*Chairman, Training Committee*

*Reporter, 70th Arizona Town Hall*

*Report Chair, 77th Arizona Town Hall*

*Panel Chair, 80<sup>th</sup>, 83<sup>rd</sup> & 93th Arizona Town Hall*

Mesa Leadership Training & Development

*Class of 2002*

Mesa Judicial Advisory Board

*Chairman, 2009-2010*

*Member, 2007-2010*

Mesa 2025: Financing the Future

*Citizen Committee Member, 2005-2006*

Acting Honorary Consul for France, 2001-2003

#### *EXPERT TESTIMONY*

*AOW Management, LLC et al v. Scythian Solutions, LLC, et al. (Maricopa County, CV2016-013483) (2018) Deposed on behalf of Defendant/Cross-Claim Defendant.*

*Cantor v. Farmers Insurance Company of Arizona, et al. (Maricopa County, CV2008-052618) (2010). Deposed on behalf of Plaintiffs.*

*In the Matter of a Member of the State Bar of Arizona Edward D. Fitzhugh (Arizona Supreme Court) (State Bar of Arizona File Nos. 08-0477 and 09-0468) (2010). Testimony given at Hearing on behalf of Respondent.*

*Barbara Sloan v. Farmers Insurance Company of Arizona, et al.* (Maricopa County No. CV2009-033244) (2010). Deposed on behalf of Defendant.

*William A. Miller, PLLC, and William A. Miller v. Victims Recovery, LLC* (Arbitration) (2012). Deposition and testimony at hearing on behalf of Respondent.

*Baird Williams & Greer, LLP v. Mike Licano and Trudy Licano, Custom Homes by Via* (Fee Arbitration Committee of the State Bar of Arizona) File No. 12-B272 (2012). Testimony given at Fee Arbitration Hearing on behalf of Petitioner.

*Western Competitive Solutions Inc., et al. v. Eide Bailly et al.* (Maricopa County, CV2012-000422) (2012). Deposed on behalf of Plaintiff.

*Macey & Aleman, Thomas G. Macey, and Jeffrey J. Aleman v. Davis Miles McGuire Gardner PLLC*, in United States District Court, District of Arizona (Case No. 2:12-cv-01419-FJM) (2013). Deposed on behalf of Plaintiffs.

*American National Medical Management, LLC v. PAO Law Firm, PLC, et al.*, American Arbitration Association (No. 01-14-001-4219) (2015). Deposed and testimony given at arbitration hearing on behalf of claimant.

*Your Source Pacific Fund I, LLLP v. Warner Angle Hallam Jackson & Formanek, PLC, and James and Jennifer Valletta, husband and wife*, (Maricopa County, Case No. CV2014-002209). (2015). Deposed on behalf of Defendant.

*Advanced Green Innovations, LLC adv. Perkins Cole.* (2016). Testified at arbitration hearing on behalf of Advanced Green Innovations, LLC.

*Eva Sperber-Porter et al., v. Rickman Brown et al.* (Arbitration). Deposed on behalf of Defendant. (2015). Testimony given at arbitration hearing. (2016)

*Brian N. Sly et al. v. Kingsley Capital Management, LLC, et al.*, before the American Arbitration Association, No. 01-15-0003-6636. (2016) Deposed and testimony given at arbitration hearing on behalf of Plaintiff.

*Five Star Development Resort Communities, LLC and Jerry Ayoub and Claudia Ayoub v. iStar RC Paradise Valley LLC*, (Maricopa County, Case No. CV2011-090503) (2016). Testified at arbitration hearing on behalf of Plaintiff.

*Shasta Industries, Inc. v. Aspen Research Ltd., et al.* (Maricopa County, Case No. CV2016-002714) (2016) Deposed and testimony given at hearing on behalf of Plaintiff.

*CDMG, LLC v. Thomas N. Swift II.*, (Maricopa County Superior Ct., Case No. CV2015-090895). (2016) Deposed on behalf of Defendant.

*Marcel Mattle, et al. v. Zimmermann Neilsen & Colleagues P.L.C., et al. (Maricopa County Superior Court, Case No. CV2015-000019). (2017) Deposed on behalf of Defendant.*

#### *PUBLISHED OPINIONS*

In the Matter of RICHARD B. JOHNSON (2013), Arizona Supreme Court, No. SB-12-0040-R.  
<http://www.azcourts.gov/Portals/0/OpinionFiles/Supreme/2013/SB-12-0040-R.pdf>.

- Featured, "Lawyers Don't Have to 'Peel Back' Layers of 'Psychoanalysis' to Prove Rehabilitation," 29 Law. Man. Prof. Conduct 243, *ABA/BNA Lawyers' Manual on Professional Conduct*<sup>™</sup>, a publication highly regarded as an authoritative source for news and guidance on attorney conduct and legal ethics. The manual is published by the American Bar Association and the Bloomberg BNA.
- Featured, "Delving Into Psyche Unnecessary for Reinstatement," *National Law Journal*, (April 30, 2013)

In the Matter of JANET WHITE-STEINER (2009), Arizona Supreme Court, No. SB-08-0119-D.  
<http://www.azcourts.gov/Portals/0/OpinionFiles/Supreme/2009/SB-08-0119-D.PDF>.

In the Matter of NANCY E. DEAN (2005), Arizona Supreme Court, No. SB-05-0135-D.  
<http://www.azcourts.gov/Portals/23/pdf2006/SB050135D.pdf>.

In the Matter of WALTER E. MOAK (2003), Arizona Supreme Court, No. SB-03-0007-D.  
<http://www.azcourts.gov/Portals/0/OpinionFiles/Supreme/2003/SB-03-0007-D.PDF>.

In the Matter of WILLIAM J. WALKER (2000), Arizona Supreme Court, No. SB-00-0096-D.  
<http://www.azcourts.gov/Portals/23/pdf2001/SB000096D.pdf>.

#### *PUBLICATIONS*

Contributing Author, *Arizona Legal Ethics Handbook*, Third Edition, State Bar of Arizona, Committee on the Rules of Professional Conduct (2015)

Author, "Conflicting State and Federal Marijuana Laws Create Ethical Complications for Lawyers," ABA Member E-newsletter (April 2014)

Author, "Change on the Horizon," *Attorney at Law Magazine* (April 5, 2010)

Author, "Exploring the Unthinkable in Lawyer Discipline: Disbarment, Suspension and Reinstatement," *Advocate: Arizona Trial Lawyers Association* (October 2008)

#### *PRESENTATIONS*

- Presenter, "Representing an Entity in an Internal Investigation: Ethical and Practical Issues", Arizona Society of Healthcare Attorneys, (2019)
- Presenter, "Regulation Year in Review," College of Estate Planning Attorneys (2018)

- Presenter, "Ethical Morning at the Movies", State Bar of Arizona, (2018)
- Presenter, "Braving the Storm: Dealing with Opposing Counsel and the Court State Bar of Arizona, (2018)
- Presenter, "Ethics", Planned Giving Roundtable of Arizona, (2018)
- Presenter, "Twenty-First Annual Public Practice Legal Seminar/HR Summit", Arizona Counties Insurance Pool, the Arizona State Civil Deputies and AMRRP (2018)
- Presenter, "Lawyer Regulation in Arizona; A Review of Recent Trends" West Maricopa County Bar Association (2018)
- Presenter, "Intellectual Property Ethics", Twenty-First Annual Public Practice Legal Seminar/HR Summit, State Bar of Arizona (2018)
- Presenter, "2017 State Bar Convention Ethics Game Show," State Bar of Arizona (2017)
- Presenter, "Third Annual CLE In the Gardens: Practical Lessons for Intellectual Property Practitioners," State Bar of Arizona (2017)
- Presenter, "Out of the Shadows: The Impact of Substance Abuse," State Bar of Arizona (2016)
- Presenter, "Current Topics and Trends in Arizona Ethics," Asimou & Associates, PLC (2016)
- Presenter, "A New Lawyer's Boot Camp Day 2," State Bar of Arizona (2016)
- Presenter, "A Lawyer's Day in Court," State Bar of Arizona (2016)
- Presenter, "Nineteenth Annual Public Practice Legal Seminar," ACIP & Arizona Counties Civil Deputies Association (2016)
- Presenter, "Ethics Update," Asimou & Associates, PLC (2015)
- Presenter, "Managing The Conflict of Interest Maze for Public Lawyers," Arizona Prosecuting Attorneys' Advisory Council (2015)
- Panelist, "Hypos and Hippos: Survival on the Ethical Savannah," U.S. District of Arizona Conference (2015)
- Presenter, "Ethical Considerations for Tribal Prosecutors," Tribal Prosecutors' Association (2015)
- Presenter, "New Year, New Trends: 2014 in Arizona Lawyer Discipline and Ideas for 2015," Asimou & Associates, PLC (2015)
- Presenter, "What Hat Are You Wearing Today?," Association of Professional Responsibility Lawyers (2015)
- Panelist, "The Wild World of Cannabis: A Quick Trip Through the Civil Law Issues of Medical and Legal Marijuana," American Bar Association (2015)
- Presenter, "State Bar of Arizona Course on Professionalism," ASU Sandra Day O'Connor College of Law (2015, 2016)
- Presenter, "How to Work Effectively and Ethically with Investigators," Maricopa County Bar Association (2014)
- Presenter, "New Lawyer Boot Camp Day 1," State Bar of Arizona, Continuing Legal Education (2014)
- Presenter, "Ethics Update," Asimou & Associates, PLC (2014)
- Presenter, "I'll take Ethics Potpourri for \$1000, Please", Tiffany & Bosco, Continuing Legal Education (2014)
- Presenter, "Challenges and Tools in Estate Planning: Ethics and Liability Concerns in Estate Planning, Elder Law and Probate," State Bar of Arizona, Continuing Legal Education (2014)

- Presenter, "Lawyer Ethics and the Business of Marijuana," American Bar Association (2014)
- Presenter, "What All Estate Planning Professionals Should Know About Legal Ethics," Central Arizona Estate Planning Council (2014)
- Presenter, "10 Ethical Concepts for Arizona Lawyers to Know in 2014," Asimou & Associates, PLC (2014)
- Panelist, "Fee Simple, What You Need to Know About Fee Arbitration," Arizona State Bar Convention (2013)
- Panelist, "Let's Talk Fees, An Ethics Update," Arizona State Bar Convention (2013)
- Speaker, "Sixteenth Annual Public Practice Legal Seminar," ACIP & Arizona Counties Civil Deputies Association (2013)
- Speaker, "2013 Ethics CLE," Gurstel Chargo, PA (2013)
- Speaker, Candor, Courtesy & Confidences: Common Courtroom Conundrums, State Bar of Arizona, Continuing Legal Education (2013)
- Speaker, Ethical "Tune-Up" Seminar, City of Phoenix Law Department (2012)
- Speaker, "Ethical Morning at the Movies," State Bar of Arizona, Continuing Legal Education (2012)
- Speaker, Ethical "Tune-Up" Seminar, City of Glendale City Attorney's Office (2012)
- Speaker, "Fifteenth Annual Public Practice Legal Seminar," ACIP & Arizona Counties Civil Deputies Association (2012)
- Speaker, "Ethics and the Public Lawyer," State Bar of Arizona (2012)
- Speaker, "The Ethics of Ancillary Businesses," Warner Angle Hallam Jackson & Formanek, PLC (2012)
- Speaker, "The Lawyer Discipline System: How is it Working?," State Bar of Arizona (2012)
- Speaker, "Dial 'E' for Ethics," State Bar of Arizona (2012)
- Speaker, "Conflict of Interest Restriction after Carrigan: Legislative Voting and First Amendment," American Bar Association, Section of State and Local Government Law (2011)
- Speaker, "Avoiding Ethical Pitfalls: Navigating the Ethics Rules," State Bar of Arizona, Continuing Legal Education (2005, 2006, 2007, 2008, 2009, 2011, 2013, 2015, 2017)
- Speaker, "Moving On: Closing, Selling or Otherwise Leaving Your Practice," State Bar of Arizona (2010)
- Speaker, "Ethics Seminar," West Maricopa Bar Association (2010, 2017)
- Speaker, "Changes to Arizona's Attorney Discipline System," Arizona Attorney General's Office (2010)
- Speaker, "A Lawyer's Day in Court: The Mechanics of Arizona's Attorney Regulation System," State Bar of Arizona's CLE By the Sea Conference (2010)
- Speaker, "Game Show Ethics!," U.S. Attorney's Office - District of Arizona, AUSA Symposium (2010)
  - Panelist, "Minding the Store: Internal Ethics and Liability Management for Law Firms of All Shapes and Sizes," State Bar of Arizona (2010)
  - Speaker "Arizona State Bar Ethics Training," Yavapai County Public Defender's Office, Continuing Legal Education (2009, 2010)
- Speaker, "Are We All In the Same Sandbox? The Various Facets of a Multi-Jurisdictional Practice," State Bar of Arizona, Continuing Legal Education (2009)

- Panelist, "Real World Negotiation Ethics," State Bar of Arizona's Alternative Dispute Resolution Section (2009)
- Speaker, "2009 Course on Professionalism," State Bar of Arizona (2009)
- Panelist, "Minding the Store: Internal Ethics and Liability Management," State Bar of Arizona's CLE By the Sea (2009)
- Speaker, "Ethical Estate Planning and Administration: The Devil's in the Details," Maricopa County Bar Association (2009)
- Speaker, "Lawyer Discipline – And 20 Tips on How to Avoid It," Lorman Seminars, Legal Ethics in Arizona (2009)
  - Panelist, "Balance in Life and Law Practice," State Bar of Arizona, Minority Bar Convention (2009)
  - Speaker, "Changes to Ethics Rules and Trust Account Audits: Lawyers Who Represent Lawyers Explain What You Need to Know," Maricopa County Bar Association, Continuing Legal Education (2009).
  - Speaker, "Ethics Café," State Bar of Arizona, Continuing Legal Education (2008)
- Speaker, "The Ethics of Dealing with Difficult People," City of Glendale, City Attorney's Office (2008)
  - Speaker, "Double Trouble: Concurrent Disciplinary Actions and Legal Malpractice Suits," ABA (2007)
  - Speaker, "The Ethical Challenges and Opportunities of Public Representation," Glendale City Attorney's Office (2007)
  - Speaker, "Annual Ethics Game Show!," State Bar of Arizona (2006)
  - Speaker, "Twenty Ways to Avoid Discipline!," State Bar of Arizona, Continuing Legal Education (2006)
  - Moderator, "Confessions for the Pocketbook as Well as the Soul?," American Bar Association Center for Professional Responsibility National Conference (2005)
  - Speaker, "Due Process and Ethical Considerations in Probate Litigation and Estate Planning," Maricopa County Bar Association Estate Planning, Probate and Trust Section (2005)
  - Speaker, "What to Do When the Bar Comes Knocking at Your Door: What You Should Know About the Discipline Process," Arizona Attorney General's Office (2005)
  - Speaker, "How to Open and Keep Open a Profitable Law Firm," State Bar of Arizona, Continuing Legal Education (2004)
  - Guest Lecturer, "Professional Responsibility," ASU Sandra Day O'Connor College of Law, Professional Responsibility Course (2004)
  - Speaker, "Ethics and Professionalism Seminar," Salt River Project (2003)
  - Speaker, "2003 Amendments to Arizona Rules of Professional Conduct," Blue Cross & Blue Shield of Arizona (2003)
  - Speaker, "Lawyer Discipline System: Introduction," State Bar of Arizona (2002, 2003)
  - Speaker, "Fifth Annual Public Practice Legal Seminar," ACIP & Arizona Counties Civil Deputies Association (2002)

*LANGUAGES*

French (Fluent)

**Exhibit B**

# **Exhibit B**



**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
10/16/17	Complaint
10/17/17	Menaged Information-Indictment
05/16/17	Managed Indictment
10/17/17	Menaged Plea Agreement
04/24/14	Email from D. Chittick to D. Beauchamp [DIC0008660-DIC0008730]
04/14/14	Forbearance Agreement [DIC0008036]
Date Unknown	Transcript of Recorded Conversation Between D. Chittick and S. Menaged
2013	Chittick Corporate Journals [DIC0011918-DIC0012081]
06/14/13	Email from D. Chittick to D. Beauchamp [DIC0000055]
06/14/13	Email chain from D. Chittick to D. Beauchamp [DIC0003633]
01/08/18	Answer to Complaint
Undated	Chittick Letter to Investors
Undated	Chittick Letter to R. Koehler
Undated	Chittick Letter to Heuer
2008	Various Invoices from Bryan Cave [BC_003094 – BC_003131; BC_003135 – BC_003156; BC_001335 – BC_001338; BC_001387 – BC_001394; BC_001780 – BC_001787; BC_000103 – BC_000110; BC_000187 – BC_000190; BC_001821 – BC_001827; BC_001841 – BC_001847; BC_001852 – BC_001855; BC_001874 – BC_001877; BC_001882 – BC_001885; BC_001919 – BC_001921; BC_003074 – BC_003077; BC_001955 – BC_001958; BC_002005 – BC_002012; BC_002027 – BC_002031; BC_003091 – BC_003093]
06/14/13	Emails from D. Beauchamp enclosing FREO lawsuit [DIC0003635 – DIC0003636; BC_001979; DIC0000055 – DIC0000069]
02/17/14	Invoices from Clark Hill
01/16/14	Correspondence from R. Miller to Chittick re: demand Letter [DIC0008607-8626]
05/2014	Private Offering Memorandum – Redlined [DIC0008802 – DIC0008873]
08/17/16	Declaration of David G. Beauchamp in ACC Litigation w/exhibits
03/09/18	Defendants' Initial Rule 26.1 Disclosure Statement
03/09/18	Plaintiff's Initial Rule 26.1 Disclosure Statement
03/09/18	Plaintiff's Notice of Service of Preliminary Expert Opinion

**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
09/07/18	Plaintiff's Disclosure of Areas of Expert Testimony
09/07/18	Defendants' Disclosure of Areas of Expert Testimony
09/19/16	Petition No. 3- DenSco Receivership – Preliminary Status Report
12/13/16	Petition No. 15 – DenSco Receivership – Status Report
12/26/17	Petition No. 50 – DenSco Receivership – Status Report
06/19/18	Deposition of Daniel Schenck
06/21/18	Deposition of Robert Anderson
07/19/18	Deposition of David Beauchamp- Vol. I
07/20/18	Deposition of David Beauchamp – Vol. II
08/22/18	Deposition of Shawna Heuer
08/31/18	Deposition of Mark Sifferman
07/11/18	Plaintiff's 4 <sup>th</sup> Supplemental Disclosure Statement
08/10/18	Defendants' 5 <sup>th</sup> Supplemental Disclosure Statement
07/19/18	Beauchamp Deposition Exhibits
08/22/18	Heuer Deposition Exhibits
06/19/18	Schenck Deposition Exhibits
08/31/18	Sifferman Deposition Exhibits
08/26/16	Transcript of Scott Menaged 341 Testimony
10/20/16	Transcript of Scott Menaged Rule 2004 Testimony
12/08/17	Transcript of Interview of Scott Menaged in ACC proceeding
11/14/18	Plaintiff's 5 <sup>th</sup> Supplemental Disclosure Statement & Exhibits A-E
11/16/18	Transcript of Peter Davis Deposition w/Exhibits
12/03/18	Transcript of Steve Bunger's Deposition w/Exhibits
12/17/18	Transcript of Victor Gojcaj's Deposition w/Exhibits
12/12/18	Transcript of Brian Imdieke's Deposition w/Exhibits
03/13/19	Defendants' 6 <sup>th</sup> Supplemental Disclosure Statement
03/20/14	Email from D. Chittick to S. Menaged [DOCID_0049595]
04/03/14	Email from D. Chittick to S. Menaged [DOCID_0049977]
02/14/14	Email from D. Chittick to S. Menaged [DOCID_0078388]
02/15/14	Email from D. Chittick to S. Menaged [DOCID_0078390]

**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
02/14/14	Email from D. Chittick to S. Menaged [DOCID_0078401]
02/12/14	Email from D. Chittick to S. Menaged [DOCID_0078468]
02/07/14	Email from D. Chittick to Yomtov Menaged [DOCID_0078621]
02/05/14	Email from D. Chittick to S. Menaged [DOCID_0078688]
02/03/14	Email from D. Chittick to S. Menaged [DOCID_0078839]
11/2018	Plaintiff's 5 <sup>th</sup> Supplemental Disclosure Statement - REDLINED
02/08/19	Transcript of Ed J. Hood's Deposition
02/08/19	Word Index for Ed Hood's Deposition
05/03/07	Notes re: Meeting with Denny Chittick (DenSco) [DIC00000939 – DIC00000941]
04/09/09	Notes re Meeting with D. Chittick (DenSco) [DIC0002433]
08/17/16	Notes re: Message from Wendy Cox and T/C with Wendy Scott [DIC0010951]
04/23/09	Draft Memo from D. Beauchamp to D. Chittick re: Applicable Licensing Regulations [BC_000208 – BC_000210]
09/12/13	Letter from D. Beauchamp to D. Chittick re: Representation of DenSco [CH_0000804 – CH_0000810]
03/16/15	Letter from G. Ianneli to D. Chittick and Yomotov Menaged re: Demand for Release of Mortgages [DOCID_00085946 - DOCID_00085946]
08/22/11	Letter from D. Beauchamp to Richard Traveler re: Complaint #4016559 (2012) [DIC0003806 – DIC0003819]
Undated	DenSco Property Investments LLC Confidential Business Plan [DOCID_00087270 – DOCID_00087270]
09/26/16	Email to Cody Jess from S. Menaged re: request for documents [DOCID_00086656] (2 pages)
09/23/16	Email to Cody Jess from Ryan Anderson [DOCID_00086662] (16 pages)
05/22/17	Email from Anne Damos to D. Chittick re: Revised Loan Documents [DIC0002508 – DIC0002509]
04/08/14	Letter from D. Chittick to Sarah Samgado of BofA re: his bank account [CH_EstateSDT_0026610]
03/31/14	Subordination Agreement for Judgment Lien [DOCID_00077527 – DOCID_00077527]
04/10/14	Notes re: Teleconference with Bob Miller [ DIC0005402]
Undated	Notes re: Terms for Settlement [DIC0005430]

**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
09/05/16	Notes re Teleconference with Kevin Merritt [DIC0010972]
08/17/16	Notes re Teleconference with Gary Clapper [DIC0010948]
02/13/13	Email from Laura Boucher to S. Menaged re: EasyInvest Payment [DOCID_00074789 –DOCID_00074789]
06/05/07	Email from Kevin Merritt to D. Chittick [DIC0002475 – DIC0002476]
05/19/07	Email Kevin Merritt to D. Chittick re: Mortgage [DIC0002541 – DIC0002543]
04/23/14	Email from Jody Angel to S. Menaged [DOCID_00076991] 2 Pages
08/28/16	Email from Cody Jess to Ryan Anderson [DOCID_00086937] 5 Pages
Undated	List of Lending Guidelines [DIC0003430]
08/10/14	Handwritten message re: message left by D. Chittick [DIC0005401]
Undated	FORM letter from D. Chittick to S. Menaged [CH_EstateSDT_0066091]
04/16/14	Forbearance Agreement [DOCID_00005438] 24 Pages
05/03/11	Email from D. Chittick to Gus Schneider re: POM Update for DenSco [DIC0004159 – DIC0004160]
02/01/16	Email from Veronica Gutierrez to S. Menaged [DOCID_00087434]
04/23/14	Email from Veronica Gutierrez to D. Chittick re: 2219 W. Bethany Home [DOCID_00077001] 2 Pages
10/09/11	Email response from D. Chittick to S. Menaged [CH_EstateSDT_0039287] 3 Pages
11/02/15	Email from D. Chittick to S. Menaged [DOCID_00038876]
10/22/14	Email from D. Chittick to S. Menaged [DOCID_00024371] 7 Pages
06/16/16	Email from D. Chittick to S. Menaged [DOCID_00044252] 7 Pages
06/15/16	Email from D. Chittick to S. Menaged [DOCID_00044251] 7 Pages
06/14/11	Email from D. Chittick to S. Menaged [DOCID_00044223] 7 Pages
06/01/16	Email from D. Chittick to S. Menaged [DOCID_00043908] 2 Pages
04/06/16	Email from D. Chittick to S. Menaged [DOCID_00042674] 7 Pages
03/13/15	Email from D. Chittick to S. Menaged [DOCID_00030177] 10 Pages
11/10/12	Email from Gregg Reichman to S. Menaged and Jody Angel [DOCID_00074098] 2 Pages
06/05/13	Email from Gregg Reichman to S. Menaged and Jody Angel re: Confirmation of Discussion re: legal fees [DOCID_00074399] 2 Pages

**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
10/18/12	Email from Gregg Reichman to S. Menaged and Jody Angel re: new property financing [DOCID_00074182] 3 Pages
02/08/14	Email from D. Chittick to S. Menaged re: Workshare Professional Doc Distribution [DOCID_00078604] 3 Pages
06/04/13	Email from Debbie Pihl to S. Menaged [DOCID_00074413] 4 Pages
02/10/14	Email from D. Chittick to Yomtov Menaged [DOCID_00078518] 2 Pages
01/14/14	Email from D. Pihl to S. Menaged re: payoffs on properties [DOCID_00079194] 2 Pages
02/08/14	Email from D. Chittick to Yomtov Menaged [DOCID_000798610] 2 Pages
02/07/14	Email from D. Chittick to Yomtov Menaged [DOCID_00078635]
06/13/11	Email from D. Chittick to W. Bush [DIC0004076-DIC0004078]
02/07/14	Email from D. Chittick to Yomtov Menaged [DOCID_00078621]
11/03/15	Email from D. Chittick to S. Menaged [DOCID_00038934] 2 Pages
02/20/14	Email from D. Chittick to S. Menaged [DOCID_00078320] 2 Pages
02/17/14	Email from D. Chittick to S. Menaged [DOCID_00078381] 2 Pages
02/15/14	Email from D. Chittick to S. Menaged [DOCID_00078390]
02/15/14	Email from D. Chittick to S. Menaged [DOCID_00078388] 3 Pages
02/15/14	Email from D. Chittick to S. Menaged [DOCID_00078386]
02/15/14	Email from D. Chittick to S. Menaged [DOCID_00078393]
02/14/14	Email from D. Chittick to S. Menaged [DOCID_00078402] 5 Pages
02/28/14	Email to D. Chittick to S. Menaged [DOCID_00078109]
03/03/14	Email to D. Chittick to S. Menaged [DOCID_00078080] 2 Pages
02/28/14	Email from D. Chittick to S. Menaged [DOCID_00078112] 2 Pages
02/26/14	Email from D. Chittick to S. Menaged [DOCID_00078188] 2 Pages
02/26/14	Email from D. Chittick to S. Menaged [DOCID_00078185] 3 Pages
02/26/14	Email from D. Chittick to S. Menaged [DOCID_00078193] 2 Pages
02/26/14	Email from D. Chittick to S. Menaged [DOCID_00078191] 2 Pages
02/25/14	Email from D. Chittick to S. Menaged [DOCID_00078214]
02/24/14	Email from D. Chittick to S. Menaged [DOCID_00078264] 32 Pages
02/20/14	Email from D. Chittick to S. Menaged [DOCID_00078343] 2 Pages

**DOCUMENTS REVIEWED**

<b>DATE</b>	<b>DOCUMENT</b>
02/11/14	Email from D. Chittick to S. Menaged [DOCID_00078508] 2 Pages
02/10/14	Email from D. Chittick to S. Menaged [DOCID_00078558] 2 Pages
02/05/14	Email from D. Chittick to S. Menaged [DOCID_00078688] 2 Pages
02/14/14	Email from D. Chittick to S. Menaged [DOCID_00078401]
02/05/14	Email from D. Chittick to S. Menaged [DOCID_00078737]
02/13/14	Email from D. Chittick to Scott Menaged [DOCID_00078434] 2 Pages
02/13/14	Email from D. Chittick to S. Menaged [DOCID_00078438] 2 Pages
02/13/14	Email from D. Chittick to S. Menaged [DOCID_00078406] 5 Pages
02/12/14	Email from D. Chittick to S. Menaged [DOCID_00078468] 2 Pages
02/11/14	Email from D. Chittick to S. Menaged [DOCID_00078509]
06/30/11	Email from D. Chittick to various people [DIC0004056 – DIC0004059]
05/17/07	Email from D. Chittick to D. Beauchamp [DIC0000861]
06/12/11	Email from D. Chittick to W. Bush [DIC0004082 – DIC0004083]
05/15/07	Email from D. Chittick to D. Beauchamp re: Officer's and Director's Certificate [DIC0000888]
01/14/16	Email from D. Chittick to S. Menaged [DOCID_00040808] 2 Pages
04/03/14	Email from D. Chittick to S. Menaged [DOCID_00049977]
03/20/14	Email from D. Chittick to S. Menaged [DOCID_00049595] 2 Pages
01/21/14	Email from D. Chittick to S. Menaged [DOCID_00044699]
01/20/14	Email from D. Chittick to S. Menaged [DOCID_00044787 – DOCID_00044789]
01/20/14	Email from D. Chittick to S. Menaged [DOCID_00044785] 6 Pages
01/20/14	Email from D. Chittick to S. Menaged [DOCID_00044736] 2 Pages
05/17/09	Email from D. Chittick to Carol Mulder [DIC0002222 – DIC0002223]
05/09/07	Email from D. Chittick to D. Beauchamp [DIC0000904]
02/14/14	Email from D. Beauchamp to D. Chittick [CH_0002444 – CH_0002447]
05/02/08	Email from D. Chittick to D. Beauchamp [DIC0000637 – DIC0000638]
05/01/13	Email from D. Chittick to D. Beauchamp [DIC0003706 – DIC0003707]
03/17/13	Email from D. Chittick to D. Beauchamp [DIC0000165]
03/10/14	Email from D. Chittick to D. Beauchamp [CH_0002640 – CH_0002642]
02/15/14	Email from D. Chittick to D. Beauchamp [CH_0002448 – CH_0002452]

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<b>DATE</b>	<b>DOCUMENT</b>
02/14/14	Email from D. Chittick to D. Beauchamp [CH 0001804 – CH 0001806]
02/07/14	Email from D. Chittick to D. Beauchamp [CH 0002042 – CH 0002044]
01/10/14	Email from D. Chittick to D. Beauchamp [CH 0001500 – CH 0001501]
07/30/16	Email from D. Beauchamp to Darrell Davis [DOCID 00004406]
09/12/13	Email from D. Beauchamp to D. Chittick [CH 0005451 – CH 0005454]
07/19/11	Email from D. Beauchamp to D. Chittick [DIC0003949 – DIC0003951]
07/21/16	Email from D. Beauchamp to D. Chittick [BC 001224 – BC 001228]
07/15/14	Email from D. Beauchamp to D. Chittick [CH_0005229 – CH_0005231] (DOCID 00003340)
07/18/11	Email from D. Beauchamp to Marvi Parsons [DIC0003969 – DIC0003970]
04/23/09	Email from D. Beauchamp to Ray Burgan [BC 000211 – BC 000214]
08/18/16	Email from D. Beauchamp to Lindsay Grove [DIC0011255 – DIC0011265]
02/04/14	Email from D. Beauchamp to D. Chittick [DIC0006673 – DIC0006675]
01/31/14	Email from D. Beauchamp to D. Chittick [DIC0006615 – DIC0006617]
01/16/14	Email from D. Beauchamp to D. Chittick [DIC0006221 – DIC0006224]
02/14/14	Email from D. Beauchamp to D. Chittick [DIC0006803 – DIC0006807]
04/01/09	Email from D. Beauchamp to D. Chittick [DIC0002326]
03/17/14	Email from D. Beauchamp to D. Chittick [DIC0006968 – DIC0006971]
07/11/11	Email from D. Beauchamp to D. Chittick [DIC0003974 – DIC0003975]
03/13/14	Email from D. Beauchamp to D. Chittick [CH 0002823 – CH 0002824]
06/30/11	Email from D. Beauchamp to D. Chittick [DIC0004050 – DIC0004052]
06/01/07	Email from D. Beauchamp to D. Chittick [DIC0000730]
06/06/11	Email from D. Beauchamp to D. Chittick [BC 001471 – BC 001472]
06/04/13	Email from D. Pihl to S. Menaged [DOCID 00074416] 3 Pages
08/10/16	Email from D. Beauchamp to Lindsay Grove [DOCID 00005926]
01/16/14	Email from D. Beauchamp to D. Chittick [DIC0006528 – DIC0006530]
02/25/14	Email from D. Beauchamp to D. Chittick [CH 0002341 – CH 0002343]
02/04/14	Email from D. Beauchamp to D. Chittick [CH 0001836 – CH 0001837]
01/17/14	Email from D. Beauchamp to D. Chittick [CH 0001472 – CH 0001478]

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<b>DATE</b>	<b>DOCUMENT</b>
01/21/14	Email from D. Beauchamp to D. Chittick [CH_0010097]
01/12/14	Email from D. Beauchamp to D. Chittick [CH_0001579 – CH_0001581]
05/22/07	Email from Anne Damos to D. Beauchamp; Kevin Merritt and Stella Weeks [
Undated	DenSco Property Investments LLC – Confidential Business Plan [DOCID_00087270 ] 3 Pages
09/26/16	Email from Jess Cody to S. Menaged [DOCID_00086656] 2 Pages
09/23/16	Email from Jess Cody to R. Anderson [DOCID_000866662] 16 Pages
05/22/17	Email from Anne Damos to D. Chittick [DIC0002508 – DIC0002509]
04/08/14	DenSco letter to Sarah Samgado at BofA [CH_EstateSDT_0026610]
10/23/14	Copy of Cashier's Check for \$288,109 made payable to David W. Cowles, Trustee for 2917 E. Preston Street [CH_EstateSDT_0025071]
10/02/12	Agreement between Active Funding Group, Easy Investments and Yomtov S. Menaged [R-RFP-Response000918 - R-RFP-Response000921]
04/03/19	Plaintiff's Disclosure of Expert Witness Report re: Standard of Care