

FILED

DISTRICT COURT

LINCOLN COUNTY, NEVADA 3:03

SECURITY PACIFIC NATIONAL BANK,
Plaintiff,

COURT CLERK
LINCOLN COUNTY CLERK

DEPUTY

vs.

JOSEPH STEPHEN FITZPATRICK,
Defendant.

CASE NO. 34-10-90 LC
DEPT. NO.
DOCKET NO.

FOREIGN JUDGMENT AND
AFFIDAVIT OF COUNSEL

The undersigned counsel for SECURITY PACIFIC NATIONAL BANK herewith files a Judgment of the United States Bankruptcy Court for the Central District of California, as a Foreign Judgment and Affidavit of Counsel in the above-entitled Court.

DATED this _____ day of October, 1990.

GIFFORD & VERNON

By:

John R. Lusk
JOHN R. LUSK, ESQ.
Nevada Bar No. 001319
601 South Rancho Drive #C-23
Las Vegas, Nevada 89106
Attorneys for Plaintiff

This document to which this certificate is attached is a full, true and correct copy of the original, on file and of record in the County Clerks Office, Pioche Nevada.

In witness whereof, I have hereunto set my hand and affixed the Seal of the Several Judicial District Court in and for the County of Lincoln, State of Nevada, this 29th day of Oct. 19 90.

Cassie Walker
Clerk

AFFIDAVIT OF JUDGMENT CREDITOR'S COUNSEL

STATE OF CALIFORNIA)
) ss:
COUNTY OF LOS ANGELES)

I, MASON C. BROWN, being first duly sworn, depose and say:

That affiant was the attorney for Security Pacific National Bank in Case No. LA 86-11379-WL, Adv. No. LA 86-02827-WL of the United States Bankruptcy Court for the Central District of California and is making this affidavit in accordance with the terms of N.R.S. 17.360.

That the address of the Plaintiff, Security Pacific National Bank, is 333 South Hope Street, Los Angeles, California 90017.

That the last known address of the Defendant, Joseph Stephen Fitzpatrick and his related entities, is 752 Stonebrook Street, Simi Valley, California 93065.

That in or around July, 1989 the sum of \$32,994.51 was paid by Defendant (which payment has been applied against interest due on the Judgment) and there is now due and owing by Defendant to Plaintiff on the Judgment the principal sum of \$600,000.00, together with interest thereon from September 2, 1987 through September 5, 1990 in the sum of \$97,440.21, together with interest accruing thereon from September 6, 1990 at the legal rate of 7.22% per annum (which equals a daily rate of

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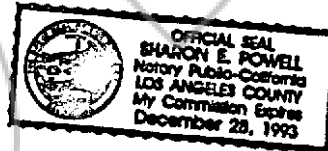
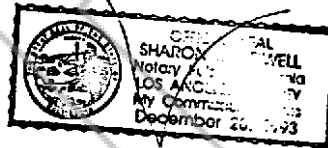
///

1 accrual of \$118.68) until paid in full. Said Judgment is valid
2 and enforceable.
3
4

5 Mason C. Brown
6 Mason C. Brown

7 SUBSCRIBED and SWORN to before me
8 this 7 day of September, 1990.

9 Sharon E. Powell
10 NOTARY PUBLIC in and for said
11 County and State



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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

X Copy SEC 12

Re Joseph Stephen Fitzpatrick Debtor (s)	CASE NUMBER Case No. LA 86-11379 WL Adv. No. LA 86-02827 WL EXEMPLIFIED CERTIFICATE
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I, Jack L. Wagner, Clerk of the United States Bankruptcy Court, Central District of California do hereby certify that the preceding and annexed is a full, true and correct copy of the original Document 18, from Adv. No. LA 86-02827 WL

Stipulation Re:
Dischargeability
of claim; Judgment
thereon

in the above entitled case, on file in my office.

WITNESS my hand and the seal of said Court this

5/29/90
(date)

Jack L. Wagner
CLERK, UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

I hereby certify that the foregoing certificate of the Clerk of the United States Bankruptcy Court, Central District of California, is in due form and that the signature attached thereto is the true signature of the Clerk of said Court.

May 29 1990
, (date)

[Signature]
UNITED STATES BANKRUPTCY JUDGE

I, Jack L. Wagner, Clerk of the United States Bankruptcy Court, Central District of California do hereby certify that the Honorable William J. Lasarow is upon the date hereof a United States Bankruptcy Judge of said Court, and that the signature to the above certificate is the true signature of said Judge.

WITNESS my hand and the seal of said Court this

5/29/90
(date)

Jack L. Wagner
CLERK, UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

SEP 2 1987

1 ROBERT MAYER and MARK T. YOUNG of
2 MAYER & GLASSMAN LAW CORPORATION
3 11726 San Vicente Blvd., Suite 400
4 Los Angeles, California 90049-5006
5 (213) 207-0007

6 Attorneys for Debtor/Defendant
7 JOSEPH STEPHEN FITZPATRICK

ENTERED
SEP - 2 1987
CLERK OF SUPERIOR COURT
CENTRAL DISTRICT OF CALIFORNIA

ORIGINAL

8 UNITED STATES BANKRUPTCY COURT
9 CENTRAL DISTRICT OF CALIFORNIA

FILED
AUG 26 1987
CLERK OF SUPERIOR COURT
CENTRAL DISTRICT OF CALIFORNIA

11 In re:)
12 JOSEPH STEPHEN FITZPATRICK,)
13 etc.,)
14 Debtor.)
15 SECURITY PACIFIC NATIONAL)
16 BANK, etc.,)
17 Plaintiff,)
18 v.)
19 JOSEPH STEPHEN FITZPATRICK,)
20 etc.,)
21 Defendants.)

[Chapter 11]
Case No. LA 86-11379-WL
Adv. No. LA 86-2827-WL

STIPULATION RE
DISCHARGEABILITY
OF CLAIM; JUDGMENT
THEREON

Date: June 18, 1987
Time: 9:00 a.m.
Courtroom: H

22 STIPULATION

23 Plaintiff SECURITY PACIFIC NATIONAL BANK ("SPNB") and
24 Debtor/Defendant JOSEPH STEPHEN FITZPATRICK ("Fitzpatrick") enter
25 into this Stipulation for the purpose of settling and
26 compromising all claims and causes of action which the parties
27 have or claim to have against one another, with reference to the
28 following facts:

1 A. On June 24, 1986, Fitzpatrick initiated the within
2 Chapter 11 proceeding by filing a voluntary Chapter 11 petition.

3 B. On October 14, 1986, SPNB timely filed a "Complaint to
4 Determine Dischargeability of Debt and for Confirmation of State
5 Court Judgment," initiating the within adversary proceeding. On
6 October 17, 1986 and October 30, 1986 SPNB conducted a lengthy
7 examination of Fitzpatrick pursuant to Bankruptcy Rule 2004. As
8 the result of an extension granted by SPNB, Fitzpatrick has never
9 reviewed the transcript of said 2004 examination and has never
10 signed said transcript under penalty of perjury. On December 3,
11 1986, Fitzpatrick filed a "Motion to Dismiss Adversary Proceed-
12 ing; Answer Subject to Motion to Dismiss." The Answer denied the
13 material allegations of the Complaint pertaining to non-
14 dischargeability. On January 6, 1987, SPNB timely filed its Oppo-
15 sition to Fitzpatrick's Motion to Dismiss Adversary Proceedings.
16 The hearing on Fitzpatrick's Motion to Dismiss was continued sev-
17 eral times due to ongoing settlement discussions between the par-
18 ties. On July 16, 1987, the above-entitled Court denied
19 Fitzpatrick's Motion to Dismiss despite ongoing settlement dis-
20 cussions between Fitzpatrick and SPNB.

21 C. SPNB and Fitzpatrick hereby agree to settle and compro-
22 mise all issues, disputes, claims, and contentions between them,
23 whether incorporated within the pending adversary proceeding or
24 not. Accordingly, SPNB and Fitzpatrick agree as follows:

25 1. Except as expressly provided herein, SPNB releases
26 and discharges Fitzpatrick from any and all claims and demands.
27 Said release by SPNB is limited solely to its claims and demands
28 against Fitzpatrick and does not apply to any other parties to

1 the California State Court Action entitled Security Pacific
2 National Bank, a national banking association, Plaintiff v. Delta
3 Investments, a California general partnership, et al., Case No.
4 C545472 ("State Court Action"). Fitzpatrick also releases SPNB
5 from any and all claims and demands.

6 2. Fitzpatrick will pay to SPNB the sum of twenty
7 thousand dollars (\$20,000.00) as follows: ten thousand dollars
8 (\$10,000) by cashier's check made payable to SPNB on or before
9 October 12, 1987, or within ten (10) days after entry of an order
10 converting the within Chapter 11 proceeding to a case under
11 Chapter 7, whichever occurs first, and the additional sum of
12 \$10,000 by cashier's check made payable to SPNB within the ninety
13 (90) day period following the date of the initial payment of ten
14 thousand dollars (\$10,000) provided for in this paragraph.

15 3. For the three (3) consecutive calendar years com-
16 mencing January 1, 1988 and continuing through and including
17 December 31, 1990, Fitzpatrick will pay to SPNB the following
18 amounts by cashier's check made payable to SPNB calculated with
19 reference to Fitzpatrick's gross annual income during each of
20 said annual periods, as follows:

21 (a) Ten percent (10%) of Fitzpatrick's gross
22 annual income up to thirty-six thousand dollars (\$36,000.00);
23 plus

24 (b) Fifty percent (50%) of Fitzpatrick's gross
25 annual income above thirty-six thousand dollars (\$36,000.00) to
26 seventy-two thousand dollars (\$72,000.00); plus

27 (c) Sixty-five percent (65%) of Fitzpatrick's
28 gross annual income over and above seventy-two thousand dollars

1 (\$72,000.00).

2 4. The payments described in Paragraph 3 hereinabove
3 shall be made as follows:

4 (a) On or before April 11, 1988, and thereafter
5 within ten (10) days following the end of each consecutive calen-
6 dar quarter, Fitzpatrick will provide SPNB with a written state-
7 ment disclosing all of his gross income for the immediately pre-
8 ceding quarter, including the sources of such income, with
9 appropriate backup documentation as required by SPNB.

10 (b) With each such quarterly statement,
11 Fitzpatrick shall provide a cashier's check payable to SPNB for
12 at least ten percent (10%) of the gross income amount reflected
13 in the quarterly statement, provided that by the end of each such
14 calendar year, Fitzpatrick shall have paid the full required
15 percentage of his gross income earned during that particular cal-
16 endar year.

17 (c) In addition to such quarterly statements,
18 Fitzpatrick shall provide to SPNB copies of all state and federal
19 income tax returns filed by Fitzpatrick and by any entity and/or
20 individual controlled by Fitzpatrick within ten (10) days after
21 such returns are filed.

22 (d) Fitzpatrick shall permit authorized repre-
23 sentatives of SPNB to inspect and review all documentation which
24 in any way relates to, concerns, documents or supports informa-
25 tion contained in any such quarterly statement and/or tax return,
26 upon reasonable prior notice to Fitzpatrick.

27 5. Fitzpatrick and SPNB acknowledge and agree that
28 the two \$10,000 payments described in paragraph 2 hereof and the

1 payments based upon a percentage of Fitzpatrick's gross income as
2 described in paragraphs 3 and 4 hereof will be calculated with
3 reference to, and will be paid out of, Fitzpatrick's post-
4 petition earnings. Said payments will not be made with property
5 of Fitzpatrick's bankruptcy estate, including without limitation
6 rents, issues and profits of Fitzpatrick's bankruptcy estate.

7 6. Fitzpatrick waives his right to contest the status
8 of SPNB as a secured creditor in this Chapter 11 proceeding and
9 in any Bankruptcy Code proceeding filed by or against Fitzpatrick
10 or any entity controlled by him. SPNB has filed a secured credi-
11 tor's claim in this Chapter 11 proceeding, and shall be deemed to
12 have filed a secured creditor's claim in any Chapter 7 proceeding
13 of Fitzpatrick, either as a conversion of this proceeding or as a
14 separate proceeding. Fitzpatrick hereby stipulates to the
15 amount, extent, validity and priority of SPNB's secured claim
16 both as filed in this Chapter 11 proceeding and as deemed filed
17 in any Chapter 7 proceeding as described above. Fitzpatrick will
18 not object to the receipt by SPNB of its pro rata share as a
19 secured creditor in this proceeding, any conversion of this pro-
20 ceeding, and any other Bankruptcy Code proceeding commenced by or
21 against Fitzpatrick.

22 7. SPNB acknowledges that Fitzpatrick's waiver as
23 described in paragraph 6 hereof is not binding upon any other
24 party-in-interest, including a Chapter 7 trustee in the event
25 that the within Chapter 11 proceeding is converted to a case
26 under Chapter 7 of the United States Bankruptcy Code. SPNB
27 expressly reserves and does not waive any and/or all of its legal
28 arguments, factual claims, and rights to assert and maintain its

1 secured status against any challenge or objection to its secured
2 creditor claim or status by any other party in interest,
3 including a Chapter 7 trustee in the event that the within
4 Chapter 11 proceeding is converted to a case under Chapter 7 of
5 the United States Bankruptcy Code.

6 8. Fitzpatrick will cooperate with SPNB in connection
7 with SPNB's efforts to obtain payment on outstanding sums due to
8 SPNB from Jacob Weissmann, Esther Weissmann and/or their related
9 entities and/or any other person and/or entity named in the State
10 Court Action excluding Joseph Endreola, Kimberly Tracy Lee, and
11 Nita Marie Fitzpatrick. Such cooperation may include reviewing
12 documents, executing declarations, testifying at depositions and
13 in Court, and any other activity reasonably calculated by SPNB to
14 assist SPNB with its collection activities against Jacob
15 Weissmann and/or Esther Weissmann and/or their related entities
16 and/or any other person and/or entity named in the State Court
17 action. Fitzpatrick agrees to continue cooperating with SPNB as
18 described in this paragraph, even after SPNB has collected any
19 and all other amounts from Fitzpatrick and/or Fitzpatrick's bank-
20 ruptcy estate pursuant to this Stipulation, for as long as SPNB
21 continues its efforts to obtain payment on outstanding sums from
22 Jacob Weissmann, Esther Weissmann and/or their related entities
23 and/or any other person and/or entity named in the State Court
24 Action excluding Joseph Endreola, Kimberly Tracy Lee, and Nita
25 Marie Fitzpatrick.

26 9. The obligations of Fitzpatrick to make payments to
27 SPNB and to provide the information to SPNB provided for in
28 Paragraphs 3 and 4 hereinabove shall terminate when Fitzpatrick

1 has fully complied with all of such provisions, or at such ear-
2 lier time as SPNB has received a total of six hundred thousand
3 dollars (\$600,00.00) from Fitzpatrick and/or Fitzpatrick's bank-
4 ruptcy estate. All amounts received by SPNB as a creditor in
5 this proceeding, any conversion of this proceeding, and any other
6 Bankruptcy Code case filed by or against Fitzpatrick shall be
7 credited in full toward this six hundred thousand dollar
8 (\$600,000.00) amount, which is intended by the parties to be an
9 absolute cap on Fitzpatrick's liability to SPNB.

10 10. In the event that Fitzpatrick breaches any of the
11 terms of this agreement, SPNB or its counsel shall send a letter
12 specifying such default by first class mail postage prepaid to
13 Fitzpatrick and to Fitzpatrick's counsel pursuant to Paragraph 12
14 below. If said default is not fully cured within fourteen (14)
15 days from the date on which such letter is deposited in the
16 United States mail, SPNB shall be entitled to immediately enforce
17 this judgment in the amount of six hundred thousand dollars
18 (\$600,000.00), less all amounts received by SPNB from Fitzpatrick
19 and/or Fitzpatrick's bankruptcy estate up to the date of default
20 plus interest at the legal rate from the date of this Stipulation
21 and all reasonable attorneys' fees and costs incurred by SPNB
22 after the date of this Stipulation to enforce any of the obliga-
23 tions of Fitzpatrick provided for herein.

24 11. All obligations hereunder shall be non-
25 dischargeable in this or any other bankruptcy proceeding, or any
26 other Court or administrative proceeding concerning, involving or
27 impacting Fitzpatrick.

28 / / /

1 12. SPNB represents and warrants that it has not
2 assigned, transferred or purported to assign or transfer any
3 claims or causes of action which it has or claims to have against
4 Fitzpatrick.

5 13. The parties hereto acknowledge that no repre-
6 sentation or promise not expressly contained herein has been made
7 by or to them or any of their agents, representatives, employees,
8 officers, directors, or attorneys, and that the parties are not
9 entering into this Stipulation on the basis of any such promise
10 or representation.

11 14. Payments and notices are to be made at or sent to
12 the parties as follows, unless and until written notice of a
13 change of address is sent to all other parties:

14 (a) Fitzpatrick:

15 Mr. Joseph S. Fitzpatrick
16 752 Stonebrook Street
 Simi Valley, California 93065

17 (b) SPNB:

18 Security Pacific National Bank
19 Special Assets Department, H11-50
20 333 South Hope Street
 Los Angeles, California 90071

21 (c) Fitzpatrick's counsel:

22 Mark T. Young, Esquire
23 Mayer & Glassman Law Corporation
24 11726 San Vicente Boulevard
 Suite 400
 Los Angeles, California 90049-5006.

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(d) SPNB's counsel:

Lillick McHose & Charles
725 South Figueroa Street, Suite 1200
Los Angeles, California 90017-2513
Attention: Mason C. Brown, Esquire

DATED: August 6, 1987

SECURITY PACIFIC NATIONAL BANK,
Plaintiff,

By Ting C. Lau
TING C. LAU
Assistant Vice President

DATED: August 6, 1987

Joseph Stephen Fitzpatrick
JOSEPH STEPHEN FITZPATRICK,
Debtor

Approved as to form and content:

Dated: 8/14/87, 1987

LILLICK MCHOSE & CHARLES

By Mason C. Brown
MASON C. BROWN
Attorneys for Plaintiff,
SECURITY PACIFIC NATIONAL
BANK

Dated: August 14, 1987

MAYER & GLASSMAN LAW CORPORATION

By Mark T. Young
MARK T. YOUNG, Attorneys for
Debtor/Defendant,
JOSEPH STEPHEN FITZPATRICK

JUDGMENT

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The Court having reviewed the foregoing Stipulation and finding the same to be reasonable, IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:

1. A non-dischargeable Judgment is entered herein in favor of Plaintiff SECURITY PACIFIC NATIONAL BANK ("SPNB") and against Debtor/Defendant JOSEPH STEPHEN FITZPATRICK and his related entities ("Fitzpatrick") in the amount of six hundred thousand dollars (\$600,000.00), less all amounts received by SPNB from Fitzpatrick and/or Fitzpatrick's bankruptcy estate up to the date of default plus interest at the legal rate from the date of this Stipulation and all reasonable attorneys' fees and costs incurred by SPNB after the date of this Stipulation to enforce any of the obligations of Fitzpatrick provided for herein.

2. SPNB shall accept full performance of the obligations of Fitzpatrick specified in this Stipulation as payment in full of said amount, pursuant to the terms and conditions specified in the Stipulation.

3. All amounts paid by Fitzpatrick or Fitzpatrick's bankruptcy estate to Plaintiff SPNB shall be applied to the Judgment herein.

4. This Judgment is non-dischargeable in this and any other Bankruptcy Code proceeding or any other Court or administrative proceeding concerning, involving or impacting Fitzpatrick and/or his related entities.

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5. All terms of the Stipulation are approved and adopted as the Order of the Court.

DATED: Aug 26, 1987

[Signature]
WILLIAM J. BASAROW, Judge
United States Bankruptcy Court

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No. 095523
FILED AND RECORDED AT REQUEST OF
Gifford & Vernon
Dec. 14, 1990
AT 10 MINUTES PAST 10 O'CLOCK
A.M. IN BOOK 93 OF OFFICIAL
RECORDS, PAGE 549 LINCOLN
COUNTY, NEVADA.
FRANK C. HULSE
COUNTY RECORDER
By [Signature] Deputy