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CODE:1880
Michael A. Nivinskus, State Bar No. 4708
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(775) 827-2000

FILED
NOV 21 2002
RONALD A. LAMONTAGNE, JR., CLERK
By _____ DEPUTY

Attorneys for Plaintiff
FIRST NATIONAL OF NORTH AMERICA, LLC
a Michigan limited liability company

IN THE SECOND JUDICIAL DISTRICT COURT
STATE OF NEVADA, WASHOE COUNTY

FIRST NATIONAL OF NORTH AMERICA,)
LLC, a Michigan limited liability,)
company,)

Plaintiff,)

v.)

CASE NO. CV01-01974

WESTERN SECURITIES TRUST, a)
Nevada business trust; PETER)
AMUNDSON, individually and)
as Executive Trustee of Western)
Securities Trust; MAILE)
DROMIACK-AMUNDSON, individually)
and as Second Trustee of Western)
Securities Trust; RUSSELL FRED)
BRASELTON, TRUSTEE of the RF)
BRASELTON TRUST; TITLE SERVICE)
AND ESCROW COMPANY, a Nevada)
corporation; ASSOCIATES FINANCIAL)
SERVICES COMPANY, INC., a)
Delaware corporation; ALBERT AND)
MOLLY RAKESTRAW, TRUSTEES of the)
RAKESTRAW FAMILY TRUST; BRANDI)

DEPT. NO. 6

1 MONK; HAVAS LEASING COMPANY,)
 2 CONSULTING SERVICES, INC., a)
 3 Nevada corporation; BYRON YOUNG;)
 4 JOYCE YOUNG; JAMES ROSE; and DOES)
 5 1 through 10, inclusive,)
 6 Defendants.)

STIPULATED JUDGMENT AND ORDER AND JUDGMENT

7 Plaintiff FIRST NATIONAL OF NORTH AMERICA, LLC, a Michigan
 8 limited liability company ("FIRST NATIONAL"), by and through its
 9 undersigned counsel, and Defendants WESTERN SECURITIES TRUST, a
 10 Nevada business trust ("WST") and PETER AMUNDSON ("AMUNDSON"),
 11 individually and as executive trustee of WST, in pro per, hereby
 12 stipulate and consent that the Court enter a judgment in favor of
 13 FIRST NATIONAL and against WST and AMUNDSON as follows:

FACTS GIVING RISE TO JUDGMENT

15 1. On August 24, 2001, FIRST NATIONAL filed its First
 16 Amended Complaint ("Complaint"), a copy of which was served on
 17 AMUNDSON. AMUNDSON accepts as true all factual allegations
 18 concerning the conduct of AMUNDSON and WST, as set forth in detail
 19 in the Complaint, all of which are hereby incorporated by this
 20 reference into this Stipulated Judgment.

22 2. In summary format, some of the facts which occurred are
 23 as follows: On or about June 26, 1998, the parties executed a
 24 Commercial Loan and Servicing Agreement, with a revolving line of
 25 credit of \$400,000. WST executed the Promissory Note and AMUNDSON
 26

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1 executed a personal Guarantee. The purpose of the loan agreement
 2 was to provide working capital for WST to purchase real estate
 3 notes and land sale contracts. On some occasions, WST would
 4 purchase a note, which would be secured by a deed of trust on real
 5 property; on other occasions, WST would purchase a land sale
 6 contract. In either case, WST's interest was assigned as security
 7 to FIRST NATIONAL in exchange for monies being lent by FIRST
 8 NATIONAL to WST. As of August 23, 2000, the amount owed by WST to
 9 FIRST NATIONAL was \$454,963.63, plus interest at the default rate
 10 specified in the loan agreement, as well as attorney's fees and
 11 costs incurred in prosecution of this action.

12
 13 3. On many of the transactions entered into, WST and
 14 AMUNDSON committed fraud and obtained money under false pretenses.
 15 Specifically, as is set forth in detail in the Complaint, on a
 16 number of occasions, after making a collateral assignment of notes
 17 and deeds of trust or land installment contracts to FIRST NATIONAL,
 18 WST, through AMUNDSON, subsequently knowingly made fraudulent
 19 assignments of the same security interests to third parties;
 20 AMUNDSON knowingly submitted fraudulent opinions of value on
 21 properties, thereby causing FIRST NATIONAL to believe that the
 22 values of the security interests that it was lending money upon
 23 were substantially more than they actually were; AMUNDSON knowingly
 24 created fraudulent documentation which purported to show that FIRST
 25

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1 NATIONAL had released its security interests in certain property;
 2 and AMUNDSON knowingly provided fraudulent documentation to FIRST
 3 NATIONAL which purported to show that AMUNDSON was the owner of
 4 certain property when he was not, as well as knowingly submitting
 5 a fraudulent Preliminary Title Report to FIRST NATIONAL for a
 6 property which did not exist. Each of these matters was known by
 7 AMUNDSON to be false. AMUNDSON nevertheless engaged in this
 8 conduct and made these representations to deceive FIRST NATIONAL so
 9 that FIRST NATIONAL would provide AMUNDSON (through WST) with
 10 working capital and extend credit under the Commercial Loan and
 11 Servicing Agreement between them. FIRST NATIONAL was not aware
 12 that the conduct in which AMUNDSON engaged and the representations
 13 which he made were false and, as a result, justifiably relied upon
 14 them as a basis for extending credit and lending money to WST. As
 15 a result of its reliance on AMUNDSON's false and deceptive conduct
 16 and representations, FIRST NATIONAL provided substantial monies to
 17 AMUNDSON, through WST, which AMUNDSON and WST have failed or
 18 refused to repay.

20 II. JUDGMENT

21 In settlement of FIRST NATIONAL's claims against AMUNDSON and
 22 WST, the parties agree as follows:

23 / / /

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1 A. Assignments

2 4. As part of this Stipulated Judgment, AMUNDSON, on behalf
3 of himself and WST, hereby agrees to execute whatever documents are
4 necessary, including assignments and/or warranty deeds, in order to
5 transfer to FIRST NATIONAL any and all interest which WST and/or
6 AMUNDSON possess in the notes, deeds of trust, land sale contracts
7 and properties for the following files which are described in FIRST
8 NATIONAL's Complaint: Lynch (described in paragraphs 34-43 of
9 Complaint); Johnson (described in paragraphs 51-57 of Complaint);
10 Havas (described in paragraphs 62-63 of Complaint); Conratt
11 (described in paragraphs 64-66 of Complaint); and Cummings
12 (described in paragraphs 76-80 of Complaint). Note that FIRST
13 NATIONAL has determined that there is little or no value with
14 respect to the Keeney, Monk and Baluyot files, and, thus, the
15 parties are taking no action with respect to these files.

17 5. In the event that AMUNDSON fails or refuses to execute
18 the documents required to be executed under paragraph 4, then after
19 ten days notice sent to AMUNDSON's last known address at 1955 Kings
20 Row, Reno, NV 89503, the parties agree that the Court shall be
21 empowered to execute whatever documents are necessary to effectuate
22 the transfers described in paragraph 4 above. Additionally, the
23 parties agree that if this occurs, then the amount of the money
24 portion of this Judgment shall be increased from \$250,000 to
25

1 \$350,000, which is still less than the amount of FIRST NATIONAL'S
2 claim against AMUNDSON.

3 B. Money Judgment

4 6. As part of this Stipulated Judgment, the parties agree
5 that Judgment is hereby entered in favor of FIRST NATIONAL, and
6 against AMUNDSON and WST, jointly and severally, in the amount of
7 \$250,000 (Two Hundred Fifty Thousand Dollars). Judgment shall
8 immediately issue, with interest at Nevada's legal rate specified
9 in NRS 17.130(2), from the date of execution of this Stipulated
10 Judgment until satisfied, and FIRST NATIONAL shall have all rights
11 of immediate execution.
12

13 7. Judgment is being entered on all of FIRST NATIONAL'S
14 claims against AMUNDSON and WST, including FIRST NATIONAL'S Fourth
15 Claim for Relief for punitive damages based upon fraud and
16 misrepresentation. Further, since FIRST NATIONAL'S claims against
17 AMUNDSON are based upon fraud and obtaining money under false
18 pretenses, it is agreed that FIRST NATIONAL'S Judgment against
19 AMUNDSON shall not be dischargeable in the event that AMUNDSON
20 files for bankruptcy under any chapter of the Bankruptcy Code.
21 Further, settlement of FIRST NATIONAL'S claims against AMUNDSON
22 shall in no way prohibit FIRST NATIONAL from pursuing a
23 nondischargeability claim against AMUNDSON in bankruptcy
24 proceedings of the Judgment entered herein, objecting to the entry
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1 of a discharge, or asserting any other applicable rights of a
2 creditor under the Bankruptcy Code or under state law to the extent
3 authorized by the Bankruptcy Code or the Bankruptcy Court.

4 C. Assignment of Proceeds From AMUNDSON's Lawsuit Against
5 Purdue Pharma, LP

6 8. AMUNDSON has represented to FIRST NATIONAL that he has a
7 pending lawsuit against Purdue Pharma, LP. AMUNDSON has agreed to,
8 and hereby does, assign to FIRST NATIONAL any proceeds which
9 AMUNDSON will receive from settlement or litigation of that
10 lawsuit, until the Judgment is satisfied. AMUNDSON agrees to
11 execute whatever additional documents are necessary, if any, to
12 effectuate this assignment. Further, the parties incorporate the
13 provisions of paragraph 5 above, in full, in the event that
14 AMUNDSON fails or refuses to execute the necessary additional
15 assignment documents.

16 9. This assignment shall in no way affect FIRST NATIONAL's
17 right to immediately execute on its Judgment herein.

18 D. Court Ordered Restitution

19 10. The parties anticipate that in AMUNDSON's criminal
20 proceedings, the Court will order him to pay restitution to FIRST
21 NATIONAL in the approximate amount of \$125,000. Any amounts paid
22 under the Court Ordered Restitution shall reduce the amount owed by
23 AMUNDSON and WST to FIRST NATIONAL on the Judgment entered herein.
24 However, the Court Ordered Restitution shall in no way affect FIRST
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1 NATIONAL's right to immediately execute on its Judgment entered
2 herein.

3 E. Waiver of Findings of Fact and Conclusions of Law

4 11. The parties expressly waive findings of fact and
5 conclusions of law, and agree that an order and judgment shall be
6 entered in this action as agreed to herein.

7 Dated this 14th day of November, 2002.

8 WALTHER, KEY, MAUPIN, OATS,
9 COX & LEGOY

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By: Michael A. Nivinskus
Michael A. Nivinskus, Esq.
Attorneys For Plaintiff
FIRST NATIONAL OF NORTH
AMERICA, LLC

Peter G. Amundson
PETER G. AMUNDSON
In Pro Per

WESTERN SECURITIES TRUST

By: Peter G. Amundson
PETER G. AMUNDSON
Executive Trustee

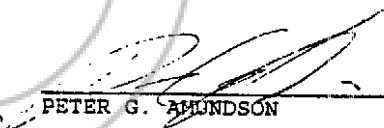
VERIFICATION

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STATE OF NEVADA)
) ss:
COUNTY OF WASHOE)

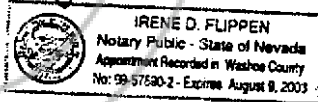
PETER G. AMUNDSON being first duly sworn, and under penalty of perjury, deposes and says:

That he is a Defendant in the above-entitled action, both individually and as Executive Trustee of Western Securities Trust; that he had read the foregoing STIPULATED JUDGMENT, states that he knows the contents thereof; that the same is true of his own knowledge, except as to those matters therein stated upon information and belief, and as to those matters he believes them to be true; and that he agrees to be bound by the Stipulated Judgment.


PETER G. AMUNDSON

Subscribed and sworn to before me
this 14th day of November, 2002.


Notary Public



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ORDER AND JUDGMENT

The Court, having reviewed and approved the Stipulated Judgment submitted by the parties, and good cause appearing therefor,

It is hereby ordered that the Judgment shall be entered in favor of Plaintiff FIRST NATIONAL and against Defendants AMUNDSON and WST in the manner stipulated above.

Dated this 18 day of November 2002.

Scott Adams

DISTRICT JUDGE

120171

FILED FOR RECORDING
AT THE REQUEST OF
Michael A. Nurnstus
2003 MAY 16 AM 10 13
LINCOLN COUNTY RECORDED
FEE \$30
LESLIE BOUCHER

CERTIFIED COPY
The document is a true and correct copy of the original as shown to me by the person who presented it for recording.
LESLIE BOUCHER
Deputy