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7 **UNITED STATES DISTRICT COURT**
 8 **FOR THE DISTRICT OF ARIZONA**

9 In Re: Allstate Life Insurance Company
 10 Litigation

Lead Case No. CV-09-8162-PCT-GMS

Consolidated with:
Case No. CV-09-8174-PCT-GMS

11 **NOTICE OF FILING SETTLEMENT**
 12 **OUTLINE**

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 14
 15 Defendants Fain Signature Group, LLC (“FSG”) and Prescott Valley Signature
 16 Entertainment, LLC (“PVSE”), by and through their undersigned counsel, notify the Court
 17 and the parties that the Settlement Outline read in open court today is attached hereto as
 18 Exhibit “A.”

19 **DATED** this 15th day of September, 2014.

20 **DICKINSON WRIGHT PLLC**

21
 22 By: s/ Scot L. Claus
 23 Gary L. Birnbaum
 David J. Ouimette
 Scot L. Claus
 24 1850 N. Central Ave., Suite 1400
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 25 *Attorneys for Fain Signature Group,*
LLC and Prescott Valley Signature
 26 *Entertainment, LLC*

CERTIFICATE OF SERVICE

I hereby certify that on September 15th, 2014, I electronically transmitted the attached document using the CM/ECF system for filing, and which will be sent electronically to all registered participants as identified on the Notice of Electronic Filing, and paper copies will be sent to those indicated as non-registered participants.

s/ Carol J. Thorne

PHOENIX 54097-1 169797v1

EXHIBIT "A"

SETTLEMENT OUTLINE

- (1) PVSE, FSG, and the Town shall pay to the Trustee, for the benefit of all bondholders, One Million Dollars (\$1,000,000) as follows:
 - PVSE LLC/FSG LLC: \$750,000
 - Town: \$250,000

- (2) Notwithstanding the remedies available to Prescott Valley under the Development Agreement (including, but not limited to, §§11.3 & 11.4) and the Lease Agreement (including, but not limited to, Article VIII) in the case of an event of default thereunder by PVEC LLC or any other operator of the PVCEC (including, but not limited to, failure to continue operating the PVCEC for any period), Prescott Valley shall not cease to budget for and make the payments described in § 4.3.7 through the 10/1/2031 term of the Development Agreement (except that Prescott Valley may cease to make the Annual Service payments per §4.3.7.5 of the Development Agreement for any period during which PVEC LLC or any subsequent operator fails to operate the PVCEC). This provision shall be subject to agreement on final language in a comprehensive settlement agreement.

- (3) Allstate and Trustee (on behalf of all bondholders) agree that the Town's Annual Service Payment called for under Section 4.3.7.5 of the Development Agreement shall be applied to operating and/or capital expenses of the PVCEC (in lieu of being paid directly to the Trustee for application toward payments due on the Bonds). The Trustee agrees (and Allstate consents) to amend the Indenture (subject to the Authority's consent) and/or take such other action as may be necessary to accommodate the application of Section 4.3.7.5 payment to the operating and capital needs of the PVCEC.

- (4) Conditions to settlement:
 - Court approval of this settlement (including bar orders)
 - Bondholder/Trustee approval of this settlement (via the same notice and objection process employed with respect to the Kutak, Stinson, and Underwriter Settlements).
 - Entry of Order vacating trial as to PVSE LLC/FSG LLC, PVEC, and Hocking.
 - On-record agreement to this Settlement Outline by all settling parties
 - Documentation sufficient to effect the conditions set forth in paragraph 3 above regarding application of the Town's Annual Service Payment to operations/maintenance of the PVCEC.
 - Final approval by the Town Council.

- (5) Allstate and Trustee (on behalf of all bondholders) agree that they do not object (and will not assert a breach of any provision of any document or instrument) to (a) the use of up to 13 acres of the Expanded Entertainment Center Area (Development Agreement Exh A) for exclusively residential purposes, and (b) any collection by the Town from said users of a 2% fee or surcharge measured by gross rents to be applied to Event Center operating and/or capital expenses.
- (6) Mutual releases of the same scope as those provided in Kutak, Stinson, and Underwriter settlement agreements, and extending to Plaintiffs and the following Defendants, as applicable: PVSE, FSG, PVEC, Town, and Hocking.
- (7) FSG LLC/PVSE LLC shall use its best commercially reasonable efforts to acquire the membership interest of Global in PVEC LLC, and to obtain an assignment or cancellation of Global's interest in the Management Agreement, on its own behalf or for the benefit of an entity designated by PVSE LLC/FSG LLC, on terms and conditions deemed reasonable and appropriate to PVSE LLC and FSG LLC using their business judgment and discretion.
- (8) Subject to paragraph 7, all interests in PVEC LLC will be held by entities owned/controlled by the Fain family or by individuals or entities with substantial financial resources.
- (9) To the extent of their rights and legal obligations, if any, to PVEC LLC (and under the Development Agreement and other existing agreements), PVSE LLC and FSG LLC will cause the management and operation of the Event Center to be in accordance with the Development Agreement and the Event Center Lease Agreement.
- (10) PVSE LLC and FSG LLC will use their best commercially reasonable efforts to cause, or to find an owner/operator who will cause, a minor league hockey team to resume operations at the Event Center on or before October 2015.