

UNITED STATES DISTRICT COURT
DISTRICT OF THE STATE OF RHODE ISLAND

SECURITIES AND EXCHANGE COMMISSION)
)
)
 Plaintiff,)
)
 v.)
)
 PATRICK CHURCHVILLE,)
 CLEARPATH WEALTH MANAGEMENT, LLC)
)
 Defendants,)
)
 and)
)
 CLEARPATH MUTLI-STRATEGY FUND I, L.P.)
 CLEARPATH MULTI-STRATEGY FUND II, L.P.)
 CLEARPATH MULTI-STRATEGY FUND III, L.P.)
 HCR VALUE FUND, L.P.)
)
 Relief Defendants)
)

C.A. No. 1:15-cv-00191-S-LDA

JOINT STIPULATION BETWEEN WELLS FARGO BANK, N.A. AND RECEIVER REGARDING SALE OF REAL PROPERTY LOCATED AT 6 WHITNEY COURT

Wells Fargo Bank, N.A. (“Wells Fargo”), as servicer and on behalf of the mortgagee, Bank of America, N.A. (“BoA”), and the Court-appointed Receiver, Attorney Stephen DelSesto (“Receiver”) (collectively, the “Parties”), to settle and resolve Wells Fargo’s Objection (“Objection”) (ECF No. 68) to the Receiver’s Petition to Sell Condominium Located at 6 Whitney Court, Unit 10 at “The Polo Club” Via Private Sale Free and Clear of Liens, Claims, Mortgages and Encumbrances (“Petition”) (ECF No. 65) and all associated pleadings and orders (collectively the “Litigation”), hereby agree and stipulate as follows:

1. This Stipulation settles and resolves the Litigation.

2. The Receiver agrees that the amount he seeks to “withhold from the NET sale proceeds . . . to satisfy the fees, costs and expenses incurred by the Receiver and Receivership Estate in connection with the protection, market and sale of the Property” (Petition to Sell at “Conclusion”) located at 6 Whitney Court, Unit 10 at “The Polo Club,” Narragansett, Rhode Island (“Property”) will not exceed \$23,000;
3. Wells Fargo agrees not to engage in any further litigation regarding the amount of “fees, costs and expenses incurred by the Receiver and Receivership Estate in connection with the protection, market and sale of the Property;”
4. Wells Fargo agrees to provide an unexecuted copy of the discharge of BoA’s mortgage, pursuant to R.I.G.L. § 34-11-12, to the Receiver for his review and approval by close of business on June 27, 2016;
5. Once Wells Fargo and the Receiver have reached an agreement on the form of the discharge of mortgage, the Receiver will transmit the proceeds from the sale of the Property due and owing to BoA to Wells Fargo’s undersigned counsel at Seyfarth Shaw, LLP, to be held in an escrow account;
6. Upon confirmation of the receipt of the funds in Seyfarth Shaw, LLP’s escrow account, BoA will execute the discharge of mortgage and provide it to Wells Fargo’s counsel, who will in turn provide it to the Receiver;
7. Once the Receiver has confirmed receipt of the fully executed mortgage discharge to Wells Fargo’s counsel, Seyfarth Shaw, LLP, counsel may release the funds from escrow and pay them to Wells Fargo as BoA’s servicer.
8. Except as expressly provided in this Stipulation, the Receiver forever and irrevocably releases Wells Fargo and BoA from all manner of action or actions, suits at law or equity, claims defenses, liabilities, costs, attorney’s fees, demands, contracts, expenses, off sets damages, judgments, levies and executions, whether known or unknown, liquidated or unliquidated, fixed or contingent, direct or indirect, which the Receiver ever had, has, or can ever have, against Wells Fargo and/or BoA, which arise out of or relate to the Property and/or the Litigation. The Parties shall each bear their own expenses, attorney’s fees and costs related to Property and/or the Litigation.
9. This Stipulation represents the full and complete agreement of the Parties and supersedes and replaces any prior agreements, whether written or oral.

Respectfully submitted,

/s/ Stephen F. DelSesto

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Dated: June 24, 2016

Respectfully submitted,

WELLS FARGO BANK, N.A.

/s/ Michael E. Jusczyk

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CERTIFICATE OF SERVICE

I, Michael E. Jusczyk, hereby certify that this document has been filed electronically and is available for viewing and downloading from the ECF system. I further certify that this document will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non-registered participants on June 24, 2016.

/s/ Michael E. Jusczyk

Michael E. Jusczyk