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10 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

11 IN AND FOR MARICOPA COUNTY

12 ARIZONA CORPORATION
13 COMMISSION,

14 Plaintiff,

15 v.

16 TREND MANAGEMENT GROUP,
17 INC.; TREND CAPITAL, L.L.C.,

18 Defendants.

Cause No. CV 2006-016822

STIPULATION TO STAY
ADJUDICATION OF CLAIM OF
ARMANDO AND GISELLE NAVAS
UNTIL A DECISION IN *DAVIS V.*
NAVAS 1CA-CV 07-0546 IS MADE BY
THE ARIZONA COURT OF APPEALS

(Assigned to the Honorable A. Craig
Blakey, II)

19
20 Peter S. Davis, the Court Appointed Receiver for Trend Management Group Inc.,
21 Trend Capital LLC and The Trend Group Inc. ("Receiver") and Armando Navas, Sr. and

Gutilla Murphy Anderson, P.C.
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1 Giselle Navas (the "Navases") through their respective counsel stipulate and agree to the
2 following:

3 1. On November 28, 2007, the Court entered its *Order Re: Petition No. 18 Order*
4 *Establishing Procedures for the Adjudication of Claims*, which established the procedure by
5 which Proofs of Claim shall be filed in the Trend Receivership. Pursuant to *Order Re:*
6 *Petition No. 18*, the Receiver notified the Navases of the claims' bar date and of the Navases
7 right to file a claim in the Trend Receivership. The Receiver's notice to the Navases was
8 accompanied by a copy of the Proof of Claim form.

9 2. On January 14, 2008, the Navases timely submitted a proof claim to the
10 Receiver in the amount of \$177,353.52 with a notation "plus interest at 10% until paid".

11 3. The Navases were investors into Trend Capital and the Navases claim is based
12 the Navases investment into Trend Capital and eventual default judgment obtained against
13 Trend Management.

14 4. On March 14, 2008, the Receiver mailed to the Navases a copy of the
15 Receiver's Claim's Report. In the Receiver's Claim's Report, the Receiver recommends that
16 the claim of the Navases be approved in an amount equal to their net investment of
17 \$115,119.70.

18 5. On April 15, 2008 the Navases' filed an objection to the Receiver's Claim's
19 Report entitled *Interested Parties' Armando and Giselle Navas' Objection to the Receiver's*
20 *March 14, 2008, Claim Report*. The parties stipulate and agree that the Navases' objection
21 was timely.

1 6. During the entirety of the Trend Claims process, the Receiver and the Navases
2 have been litigating an appeal in the Arizona Court of Appeals, Division One 1CA-CV
3 070546. The appeal arises out of a dispute about whether the Receiver is required to pay to
4 the Navases under the default Judgment it obtained prior to the establishment of the
5 Receivership. Since the filing of the appeal the parties have fully briefed the issue and
6 participated in oral argument and agree that the Court of Appeals could render a decision that
7 could moot the Trend claims process.

8 Accordingly, the parties stipulate and agree to the following:

9 1. Armando and Giselle Navas' Objections to the Receiver's March 14, 2008
10 Claim's Report was timely received by the Receiver on April 15, 2008.

11 2. The appeal in 1CA-CV 070546 may render the Receiver's March 14, 2008
12 Claim's Report and/or interested parties Armando and Giselle Navases' Objection to the
13 Receiver's March 14, 2008 Claim's Report moot.

14 3. The adjudication by this Court of any claim of Armando and Giselle Navas will
15 be stayed and held in abeyance until appeals process in the Court of Appeals case 1CA-CV
16 070546 is complete.

17 4. When the appeal process is complete, the parties will notify this Court of any
18 necessary issues that need to be addressed in connection with the Navases claim.

19 5. If all proceedings in this Court in connection to the Receivership, but for the
20 Navses claim, are complete prior to the completion of the appeal process, this Court will
21 retain jurisdiction over any issues in the Receivership concerning the Navas claim.

MASTER SERVICE LIST

Arizona Corporation Commission v. Trend Management Group, Inc.

Maricopa County Superior Court

CV 2006-16822

(Rev. 2/28/08)

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