

District Court, Adams County Colorado Adams County Justice Center 1100 Judicial Center Drive Brighton, CO 80601	DATE FILED: May 9, 2023 2:39 PM CASE NUMBER: 2022CV31644
<p>Plaintiff:</p> <p>REUNION METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,</p> <p>v.</p> <p>Defendants:</p> <p>NORTH RANGE METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado; the BOARD OF DIRECTORS OF NORTH RANGE METROPOLITAN DISTRICT NO. 1; NORTH RANGE METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado; and the BOARD OF DIRECTORS OF NORTH RANGE METROPOLITAN DISTRICT NO. 2.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p> <hr/> <p>Case No.: 2022CV31644</p> <p>Division: W</p>
<p>Order Concerning Amended Motion for Appointment of Receiver, For Preliminary Injunction, and For Mandamus Relief</p>	

This matter is before the Court on the Amended Motion for Appointment of Receiver, for Preliminary Injunction, and for Mandamus Relief (the “**Motion**”) filed by Plaintiff Reunion Metropolitan District (“**Reunion**”).

1. The Court has jurisdiction and venue is proper pursuant to C.R.C.P. 98(a).
2. As set forth in the Court’s findings on the record on February 7, 2023 (the “**Hearing**”), Reunion is entitled to the appointment of a Receiver, and to preliminary injunctive relief, granting the relief requested in the Motion. Reunion stated that mandamus relief is not necessary at this time.
3. This Order shall be effective immediately and shall continue in effect until terminated or modified by further order of this Court.

IT IS THEREFORE ORDERED THAT:

A. Injunction. A preliminary injunction is hereby issued as follows:

1. Defendants, North Range Metropolitan District No. 1, the Board of Directors of North Range Metropolitan District No. 1 (collectively, “**NR1**”), North Range Metropolitan District No. 2, and the Board of Directors of North Range Metropolitan District No. 2 (collectively, “**NR2**” and together with NR1, the “**Defendants**”) shall perform all of their obligations under the Mill Levy Equalization and Pledge Agreement (as amended, the “**MLEPA**”)¹, including, without limitation:

(a) Within ten (10) days of entry of this Order, for the period from September 7, 2022 through February 13, 2023 for NR1, and for the period from approximately July 11, 2022 through February 13, 2023 for NR2 (the “**Period of Noncompliance**”), NR1 and NR2 shall each pay to the appropriate party (i) all amounts that were due under the MLEPA, and which were not been paid in full and (ii) to the Receiver, all amounts collected from taxes collected in 2023 generated by the imposition of property tax levies by NR1 and NR2 which exceed the rates authorized by the MLEPA (as more precisely defined herein, the “**Excess Mill Levy Revenues**”), including:

(i) The amount of \$387,915.79 to be paid by NR1,² including:

(1) To UMB Bank, n.a., as trustee of Reunion’s Revenue Bonds, Series 2017 (in such capacity, the “**Reunion Trustee**”), the amount of \$224,969.79 comprising Surplus Debt Mill Levy Revenues (as defined in the MLEPA) collected through December 31, 2022;

(2) To Reunion, the amount of \$156,099.13, comprising Operations and Maintenance Mill Levy Revenues (as defined in the MLEPA) due for the Period of Noncompliance;

¹ Capitalized terms not specifically defined herein have the meaning given to them in the MLEPA.

² Reunion reserves the right to seek a final reconciliation of all amounts owed under the MLEPA, including, without limitation, interest on such amount.

(3) To the Receiver, the amount of \$6,846.87 comprising Excess Mill Levy Revenues collected by NR1 since January 1, 2023 and³

(ii) The amount of \$125,344.80⁴ to be paid by NR2, including

(1) To Reunion the amount of \$122,583.65, comprising Operations and Maintenance Mill Levy Revenues due for the Period of Noncompliance;

(2) To the Receiver, the amount of \$2,380.63 comprising Excess Mill Levy Revenues collected by NR2 since January 1, 2023⁵; and

(3) To the Receiver, the amount of \$380.52 comprising Excess Mill Levy Revenues collected by NR2Sub1 (defined below) since January 1, 2023.

(b) While this Order is in place:

(i) all revenues resulting from taxes imposed by NR1 or NR2 or their Subdistricts (as defined herein), if not paid directly to the Receiver by Adams County, shall be remitted to the Receiver, to be applied by the Receiver as set forth below; and

(ii) any tax revenues collected by NR1 or NR2 or their Subdistricts, if not paid directly to the Receiver by Adams County, shall be paid promptly to the Receiver within (10) ten days after receipt thereof by such party.

³ This amount shall be paid by NR1 to Receiver on a senior priority basis to the amounts owed by NR1 to either the NR1 Trustee or Reunion.

⁴ Reunion reserves the right to seek a final reconciliation of all amounts owed under the MLEPA, including, without limitation, interest on such amount.

⁵ This amount shall be paid by NR2 to Receiver on a senior priority basis to the amounts owed by NR2 to either the NR2 Trustee or Reunion.

(c) NR1 and NR2 shall perform all of their obligations under the parties' Operating Services Agreement, including, without limitation:

(i) NR1 and NR2 shall not interfere with Reunion's ability to own, operate and maintain all Public Improvements (as defined in the Operating Agreement);

(ii) NR1 and NR2 shall not operate or maintain any of the Public Improvements; and

(iii) NR1 and NR2 shall not interfere with Reunion's ability to impose and collect User Fees (as defined in the Operating Agreement) in connection with Reunion's provision of the O&M Services (as defined in the Operating Agreement), or to impose or collect other fees and charges authorized under the Operating Agreement.

2. Reunion is a public entity, and need not post any bond or other security as a condition of the issuance of the preliminary injunction.

B. Appointment of Receiver. The Receiver Group, LLC and Ryan Gulick, its Managing Member ("**Receiver**"), are appointed as Receiver for both NR1 and NR2, and shall forthwith assume control of the Receivership Estate (as defined in paragraph F). Once the Receiver has taken possession of and control of the Receivership Estate, or any part thereof, the Receiver shall deliver and disburse funds as required under the MLEPA and the Operating Agreement, or as otherwise set forth in this Order.

C. Receiver's Oath and Bond. Within seven (7) business days of the date of this Order, the Receiver shall submit to the Court, a signed oath, swearing to perform the duties of the Receiver faithfully and to pay over and account for all money and property which may come into his hands as the Court may direct, and will obey the orders of the Court. Also within seven (7) business days of the date of this Order, the Receiver shall file with this Court a copy of a receiver's bond in the amount of at least \$10,000. In the alternative to filing a copy of a bond, the Receiver may deposit the amount of \$10,000 into the Registry of the Court. The bond, or such deposit, shall serve as security for the performance of the Receiver's duties and is to be released at the conclusion of the receivership. The bond or deposit may be sued upon in the name of the people of the state of Colorado, at the instance and for the use of any party injured.

D. General Powers. Upon taking the necessary Oath, the Receiver shall, unless otherwise ordered by this Court, have all the powers and authority usually held by Receivers and reasonably necessary to accomplish the purposes herein stated, including, but not limited to, the powers more described herein, and all powers conferred upon a receiver by the provisions of C.R.C.P. 66, which may be executed by the Receiver without further order of this Court, except as otherwise provided herein.

E. Notice of Receivership. Reunion shall give notice of the appointment of the Receiver by providing a copy of this Order to the Defendants, as provided in C.R.C.P. 4 and/or C.R.C.P. 5. Pursuant to C.R.C.P. 66(d)(3), the Receiver shall provide written notice of this Order to any persons known or believed to be in possession of any property affected by this Order. Without limitation, the Receiver shall provide written notice of this Order to Adams County, and until further Order of the Court, Adams County shall pay any amounts due to be paid to either of the Defendants or their Subdistricts directly to the Receiver.

F. Receivership Estate. The receivership estate includes all property, monies, and other assets held by, or to be paid to, either NR1 or NR2 (“**Receivership Estate**”). With respect to NR1, the Receivership Estate also includes all property, monies, and other assets held by, or to be paid to, North Range Metropolitan District No. 1 Subdistrict 1 (“**NR1Sub1**”) and North Range Metropolitan District No. 1 Subdistrict 2 (“**NR1Sub2**”). With respect to NR2, the Receivership Estate also includes all property, monies, and other assets held by, or to be paid to, North Range Metropolitan District No. 2 Subdistrict 1 (“**NR2Sub1**”) and together with NR1Sub1 and NR1Sub2, the “**Subdistricts**”). To the extent the Receivership Estate includes interests in any municipal corporation, quasi-municipal corporation, corporation, partnership, trust, limited partnership, limited liability company and/or limited liability limited partnership (collectively “**Entities**”) which Entities themselves own real estate or other assets, the Receivership Estate includes such underlying assets owned by the Entities. The Receivership Estate shall be managed and accounted for separately as it relates to property, monies and other assets of NR1, and property, monies and other assets of NR2. Property, monies and other assets of NR1 and NR2 shall not be comingled. Within the account of NR1, separate accounts or subaccounts shall be established for each of NR1Sub1 and NR1Sub2, in which properties, moneys and other assets shall not be comingled with the properties, moneys and other assets in the other accounts or subaccounts nor with properties, moneys and other assets in the account of NR1. Within the account of NR2, a separate account or subaccount shall be established for NR2Sub1 in which properties, moneys and other assets shall not be comingled with the properties, moneys and other assets in the account of NR2. However, the Receiver may charge NR1 and NR2 each with a pro rata share (based on relative amounts of overall revenues received for each) of the administrative expenses of the Receivership Estate, and neither the Receiver nor its agents must account for time separately between NR1 and NR2.

The Receiver's possession of, and dominion, management and control of the Receivership Estate shall be exclusive of any interest of any Defendant and of any person with any legal or beneficial interest in the Receivership Estate, and of all persons acting in concert or participation with them. All debts, liabilities or obligations incurred by the Receiver in the course of this receivership, including the operation or management of the Receivership Estate, whether in the name of the Receiver, or the Receivership Estate, shall be the debt, liability, and obligation of the Receivership Estate only and not a personal liability of the Receiver or any employee or agent of the Receiver. Nevertheless, to the extent the Receiver advances sums of money in furtherance of the Receivership Estate, such sums and the Receiver's fees may be included as amounts due and owing as costs of the Receivership Estate.

G. Receiver's Powers and Authority. The Receiver shall have all the rights and powers usually held by receivers and the rights and powers reasonably necessary to accomplish the purposes of the receivership. The Receiver may, except as otherwise provided by this Order, exercise such rights and powers without further order of the Court. The Receiver may (but has no duty to), by way of example and not limitation:

1. Take possession and otherwise assume control of the Receivership Estate, including, without limitation, all rights to receive money that NR1 or NR2 or their respective Subdistricts now have or may have in the future;
2. To use reasonable efforts to determine the nature, location, and value of all components of the Receivership Estate;
3. Compel the Defendants to identify any components of the Receivership Estate and otherwise cooperate with the Receiver in performing the Receiver's duties established by this Order.
4. Retain and otherwise obtain the advice and assistance of such legal counsel, accountants, consultants and other professionals as the Receiver may deem reasonably necessary;
5. Manage, operate, and take any action reasonably necessary to protect and preserve the value of the Receivership Estate;
6. Hire and fire such personnel, and to obtain such services as the Receiver may deem reasonably necessary, including but not limited to accountants and attorneys. However, no contract entered into by the Receiver shall extend beyond the termination of this Receivership unless authorized in writing by the parties. The Receiver may utilize its own personnel for such purposes;

7. Open, close, draw upon, or transfer the deposits in bank accounts and trade accounts used in connection with the Receivership Estate;
8. Pay charges, fees, and other expenses and costs reasonably incurred in managing and preserving the Receivership Estate.
9. Demand, collect, enforce and hold the proceeds of all accounts receivables, contracts and claims arising from the Receivership Estate;
10. Commence, defend, intervene in, compromise and settle any court, alternative dispute resolution, or administrative proceedings in the name of the Receiver to obtain possession or enforce collection of any assets of the Receivership Estate, and to otherwise preserve the Receivership Estate;
11. To use the components of the Receivership Estate for the benefit of the Receivership Estate, making payments and disbursements and incurring expenses as may be necessary or advisable in the ordinary course of business in discharging it's duties as Receiver;
12. Borrow from Reunion or third parties on an unsecured basis and on such other reasonable terms as may be acceptable to the Receiver, funds to meet the needs of the Receivership Estate in excess of the income of the Receivership (each an "**Advancing Party**" and collectively, the "**Advancing Parties**");
13. Communicate in full with the parties who have interest in the Receivership Estate;
14. To issue subpoenas for documents and testimony consistent with the Colorado Rules of Civil Procedure, concerning any subject matter within the powers and duties granted by this Order;
15. To bring such legal actions based on law or equity in any state, federal, or foreign court as the Receiver deems necessary or appropriate in discharging his duties as Receiver;
16. Notify appropriate officials of Adams County, Colorado that any proceeds, including, without limitation, tax revenues, collected by the County and to be paid to NR1 or NR2 or their respective Subdistricts (collectively, the "**Tax Revenues**") shall be paid to the Receiver until such time as such officials are advised to the contrary by this Court or until they receive a certificate issued by the Clerk of the Court evidencing the dismissal of this action;

17. To remit to UMB Bank, n.a. as trustee of NR1's Series 2016A and Series 2016B Bonds (in such capacity, the "**NR1 Trustee**"), all Senior Bond Mill Levy Revenues (as defined in the MLEPA), as more particularly set forth in Section H.3(a)(i) below;

18. To remit to UMB Bank, n.a. as trustee of NR2's Senior Series 2017A Bonds (in such capacity, the "**NR2 Senior Trustee**") and to UMB Bank, n.a. as trustee of NR2's Subordinate Series 2017B Bonds (in such capacity, the "**NR2 Subordinate Trustee**"), all Senior Bond Mill Levy Revenues⁶ (as defined in the MLEPA), as more particularly set forth in Section H.4(a)(i) below;

19. To remit to the Reunion Trustee all Surplus Debt Mill Levy Revenues (as defined in the MLEPA), as more particularly set forth in Sections H.3(a)(ii) and H.4(a)(ii) below;

20. To remit to Reunion all Operations and Maintenance Mill Levy Revenues, as more particularly set forth in Section H.3(b) and H.4(b) below; and

21. To hold, in segregated accounts relating to NR1 and NR2 and their Subdistricts, respectively, any Excess Mill Levy Revenues (as such term is defined below), as more particularly set forth in Section H.6 below;

22. Generally, to do such other lawful acts as the Receiver reasonably deems necessary to the effective operation and management of the Receivership Estate, and to perform such other functions and duties as may from time to time be required and authorized by this Court, by the laws of the State of Colorado or by the laws of the United States of America.

H. Holding and Application of Receivership Funds. The Receiver shall deposit and hold all funds in the Receivership Estate not expended by the Receiver in accordance with the provisions of this Order in or more depository accounts with a federally-insured financial institution in the name of the Receiver.

1. Under the MLEPA, in collection year 2023, NR1 and NR2 were to have imposed an Equalization Mill Levy (as defined under the MLEPA), of 88.306 mills comprised of the following mill levies:

⁶ NR2's Series 2017A Senior Bonds and its Series 2017B Subordinate Bonds are both "Senior Bonds" under the MLEPA, designating the priority of such bonds in relation to the revenues pledged to the Reunion Bonds.

- (a) NR1 was to have imposed:
 - (i) 63.954 mills for the Debt Service Mill Levy (as defined in the MLEPA)⁷ and
 - (ii) 24.352 mills for the Operations and Maintenance Mill Levy (as defined in the MLEPA).
- (b) NR2 was to have imposed:
 - (i) 61.480 mills for the Debt Service Mill Levy and
 - (ii) 26.826 mills for the Operations and Maintenance Mill Levy.
- (c) The Subdistricts were to have imposed no mill levies.

2. In collection year 2023, NR1 and NR2 in fact each imposed a mill levy rate of 98.419 mills (the “**2023 Total Mill Levy Rate**”). The breakdown of mill levy rates (for debt service versus operations) imposed by each of the Defendants in collection year 2023 is immaterial because the rates did not conform to the MLEPA. For purposes of this Order, only the additional taxes imposed by the Defendants are relevant, in particular:

(a) The taxes generated by the difference between (1) the 2023 Total Mill Levy rate of 98.419 mills and (b) the Equalization Mill Levy rate of 88.306 mills required in 2023 under the MLEPA. Such differential rate equals 10.113 mills (the “**Excess Mill Levy**”) and the revenues generated by the Defendants from such mill levy are referred to herein as “**Excess Mill Levy Revenues**”.

(b) The taxes generated by each of the Subdistricts: (1) NR1Sub1 at the mill levy rate of 1.000 mills; (2) NR1Sub2 at the mill levy rate of 30.149 mills; and (3) NR2Sub1 at the mill levy rate of 29.586 mills (collectively, the “**Subdistrict Mill Levies**”) and the revenues generated by the Subdistricts from such mill levy are referred to herein as “**Subdistrict Mill Levy Revenues**”.

3. The Receiver is hereby instructed to apply and disburse all tax revenues received from Adams County based on mill levies imposed by NR1 (as opposed to its respective Subdistricts), within 10 days of receipt as follows:

⁷ Each Defendant’s Debt Service Mill Levy generates (a) on a senior basis, the Senior Bond Mill Levy Revenues to pay each Defendant’s respective series of Senior Bonds (as defined by the MLEPA) and (b) to the extent available on a subordinate basis, the Surplus Debt Mill Levy Revenues to pay the Reunion Bonds (as defined by the MLEPA).

(a) 64.981% is to be considered revenues from the Debt Service Mill Levy (the “**NR1 Debt Service Mill Levy Revenues**”). The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 63.954 mills that should have been imposed by NR1 in 2023 as the Debt Service Mill Levy under the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills. The Receiver shall apply and disburse all tax revenues constituting Debt Service Mill Levy Revenues for NR1 as follows:

(i) All NR1 Debt Service Mill Levy Revenues shall be paid to the NR1 Trustee until such time as the total amount of \$2,399,150, plus all amounts due to the NR1 Trustee for fees and costs, has been paid in 2023 (collectively, the “**2023 NR1 Senior Bond Payment**”); and

(ii) After the 2023 NR1 Senior Bond Payment has been made in full, all remaining NR1 Debt Service Mill Levy Revenues shall be considered Surplus Debt Mill Levy Revenues and shall be paid to the Reunion Trustee.

(b) 24.743% is to be remitted to Reunion as Operations and Maintenance Mill Levy Revenues. The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 24.352 mills that should have been imposed by NR1 in 2023 as the Operations and Maintenance Mill Levy under the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills.

(c) 10.276% (comprising the Excess Mill Levy Revenues) is to be held by the Receiver to be used as set forth in Section H.5 of this Order. The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 10.113 mills imposed by NR1 as the Excess Mill Levy in violation of the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills. (The percentage can also be calculated by *subtracting* (1) the aggregate percentages set forth in (a) and (b), above, *from* (2) 100%, and the resulting percentage is slightly different than the percentage for NR2 due to rounding.)

4. The Receiver is hereby instructed to apply and disburse all tax revenues received from Adams County, based on mill levies imposed by NR2 (as opposed to its Subdistrict), within 10 days of receipt as follows:

(a) 62.468% is to be considered revenues from the Debt Service Mill Levy (the “**NR2 Debt Service Mill Levy Revenues**”). The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 61.480 mills that should have been imposed by NR2 in 2023 as the Debt Service Mill Levy under the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills. The Receiver shall

apply and disburse all tax revenues constituting Debt Service Mill Levy Revenues for NR2 as follows:

(i) All NR2 Debt Service Mill Levy Revenues shall be paid to the NR2 Senior Trustee until such time as the total amount of \$2,001,969, plus all amounts due to the NR2 Senior Trustee for fees and costs due, has been paid in 2023, and thereafter to pay the NR2 Subordinate Trustee all principal and interest owed on NR2's Subordinate Series 2017B Bonds, plus all amounts due to the NR2 Subordinate Trustee for fees and costs, until such amounts have been paid in full in 2023 (collectively, the "**2023 NR2 Senior Bond Payments**"); and

(ii) After the 2023 NR2 Senior Bond Payments have been made in full, all remaining NR2 Debt Service Mill Levy Revenues shall be considered Surplus Debt Mill Levy Revenues and shall be paid to the Reunion Trustee. It is not anticipated that there will be any Surplus Debt Mill Levy Revenues for NR2 in 2023.

(b) 27.257% is to be remitted to Reunion as Operations and Maintenance Mill Levy Revenues. The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 26.826 mills that should have been imposed by NR2 in 2023 as the Operations and Maintenance Mill Levy under the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills.

(c) 10.275% (comprising the Excess Mill Levy Revenues) is to be held by the Receiver to be used as set forth below in this Order. The percentage set forth in the preceding sentence is calculated by *dividing* (i) the 10.113 mills imposed by NR2 as the Excess Mill Levy in violation of the MLEPA *by* (ii) the 2023 Total Mill Levy rate of 98.419 mills. (The percentage can also be calculated by *subtracting* (1) the aggregate percentages set forth in (a) and (b), above, *from* (2) 100%, and the resulting percentage is slightly different than the percentage for NR1 due to rounding.)

5. The Receiver is hereby instructed to apply and disburse the Excess Mill Levy Revenues, drawing pro rata, based on relative amounts of collected Excess Mill Levy Revenues, from NR1's Excess Mill Levy Revenues and NR2's Excess Mill Levy Revenues (except in the case of Section H.5.(g) below, in which case the funds shall be drawn from the Excess Mill Levy Revenues for either NR1 or NR2, as applicable) in the following order of priority:

- (a) First, to payment of the Receiver's compensation;
- (b) Second, to the other costs and expenses of the Receivership, including any management fees, taxes, liens, attorney fees and other out of pocket expenses incurred or advanced by the Receiver in connection with the Receivership;
- (c) Third, to the costs of operating, maintaining, repairing, and protecting the Receivership Estate and enforcing and defending claims by or against the Receivership Estate;
- (d) Fourth, to payment of expenses of the Receivership Estate, including but not limited to payment of real and personal property taxes, insurance, utilities, and operating expenses;
- (e) Fifth, to establish a reserve as deemed reasonable by the Receiver to pay amounts set forth in *First* through *Fourth* above;⁸
- (f) Sixth, to any Advancing Party as reimbursement for any and all funds advanced to Receiver as permitted under this Order and (to the extent that there is more than one Advancing Party), on a parity or priority basis, as agreed to among the Receiver and such Advancing Parties;
- (g) Seventh:
 - (i) For NR1, until the total amount remitted equals the \$381,068.92 not paid by NR1 during the Period of Noncompliance, the Receiver shall remit the pro-rata portion of such amount:
 - (1) 59.037% to the Reunion Trustee as Surplus Debt Mill Levy Revenues (as more particularly set forth in Section A.1(a)(i)(1) above) and
 - (2) 40.963% to Reunion as Operations and Maintenance Mill Levy Revenues (as more particularly set forth in Section A.1(a)(i)(2), above).
 - (ii) For NR2, until the total amount remitted equals the \$122,583.65 not paid by NR2 during the Period of Noncompliance, the Receiver shall remit Excess Mill Levy Revenues to Reunion as Operations

⁸ Reflecting the reality that tax revenues are not collected in even installments by the Defendants; rather, the vast majority of tax revenues are collected in the months of March, May and July.

and Maintenance Mill Levy Revenues (as more particularly set forth in Section A.1(a)(ii), above);

(h) Eighth, to the extent authorized by the Court:

(i) For NR1, to NR1 for payment of operating expenses of NR1, up to the total amount authorized by the Court. In the event funds are transferred to NR1 pursuant to this provision, such funds shall not be considered a part of the Receivership Estate and may be spent by NR1 on operating expenses, in its discretion and consistent with any Order of the Court; and

(ii) For NR2, to NR2 for payment of operating expenses of NR2, up to the total amount authorized by the Court. In the event funds are transferred to NR2 pursuant to this provision, such funds shall not be considered a part of the Receivership Estate and may be spent by NR2 on operating expenses, in its discretion and consistent with any Order of the Court; and

(i) Ninth, any remaining Excess Mill Levy Revenues shall be held in a segregated account pending further Order of the Court.

6. The Receiver is hereby instructed to hold all Subdistrict Mill Levy Revenues in segregated accounts for each of the Subdistricts pending further Order of the Court

I. Advances by Reunion. In the event sums are loaned or advanced by Reunion for the purposes of this Receivership, such sums shall be debt of the Receivership Estate. The Receiver has the authority to issue receiver certificates upon Court approval which shall serve as a first priority lien against the Receivership Estate. Payment of amounts owed on such debts may be paid by the Receiver as set forth above.

J. Receiver's Compensation. Until the Receivership Estate is terminated, the Receiver shall be compensated for services performed pursuant to this Order at the rate of \$275.00 per hour, and such other rates as set forth in the Receiver's current rate sheet, a copy of which is attached hereto as **Exhibit A**. The Receiver may reasonably update its rate sheet periodically, and shall provide a copy of any such updated rate sheet to counsel for Reunion and the Defendants. Such updated rates shall apply unless objected to, by Motion to the Court, filed within ten (10) business days of receipt. The Receiver may, in addition, reimburse itself for customary expenses and other expenses, costs, obligations and the like incurred pursuant to this Order.

K. Periodic Receiver Reports. Receiver shall account to this Court for all sums received and expenditures made and file periodic reports to this Court from time to time. The first report shall be filed within thirty (30) days of this Order, and thereafter not less than every three (3) months. Filings shall be made in editable Microsoft Word format. The Receiver shall not be required to, but as reasonably necessary may, follow generally accepted accounting principles, or use auditors or accountants in the preparation of its reports to the Court. The Receiver shall elect between accrual-basis or cash-basis accounting before publishing its First Receiver's Report, but may change if the Receiver later determines the other method is more appropriate. Reports shall be provided to Reunion, the Defendants, and all persons who file an appearance in the case by first class, U.S. mail, the Colorado Courts e-filing system, or, with the written consent of such person, by email.

L. Final Report and Accounting. Following the termination of the Receivership Estate, the Receiver shall issue a Final Report accounting for sums received and expenditures made as Receiver. Such Report shall be provided to Reunion, the Defendants, and all persons who file an appearance in the case by first class, U.S. mail, the Colorado Courts E-Filing system, or, with the written consent of such person, by email.

M. Orders Applicable to the Defendants and Other Parties. The Defendants, and all persons, are hereby ordered to:

1. Cooperate with the Receiver in carrying out the Receiver's duties under this Order in all reasonable ways, including, without limitation, providing documentation requested by the Receiver in aid of identify and taking possession of the Receivership Estate, which documents may include, but are not limited to, tax returns, insurance certificates and policies, trust agreements, bank statements, and the like, as well making provisions of keys, passwords, and training on any specialized equipment.

2. With respect to any items required to be turned over to Receiver under this Order, the Receiver, may, in the Receiver's sole discretion, accept copies of such documents accompanied, in each case, by the certificate of the person delivering the copy that such document is a true, correct, and complete copy of the original. In such event, the Receiver shall have the right at any reasonable time, on reasonable notice, to inspect the originals of any such documents.

N. Defendants and Others Enjoined. Except as may be expressly authorized by this Court after notice and hearing, the Defendants, their agents, employees and all persons in active participation with them, and all other persons are enjoined from:

1. Collecting any revenues from the Receivership Estate or withdrawing funds from any bank or other depository account containing funds related to the Receivership Estate.

2. Terminating, or causing to be terminated, any license, permit, lease, insurance policy, contract or agreement relating to the Receivership Estate or the operation of any business on the Receivership Estate, if and to the extent such termination would interfere with the Receiver's ability to carry out this Order;

3. Exercising dominion, control or management over, or possession of the Receivership Estate and/or the Receivership in violation of the exclusive rights to possession, management, control and dominion over the same vested in the Receiver by this Order.

4. Contracting or otherwise causing construction or other improvements to be made upon Receivership Estate.

5. Causing liens or other encumbrances from attaching to the Receivership Estate.

6. Transferring, disclaiming, or otherwise hypothecating, directly or indirectly, the Defendants' interests in the Receivership Estate.

7. Committing waste upon the Receivership Estate; and

8. Otherwise interfering with the Receiver's discharge of its duties under this Order as well as the Receiver's exclusive possession, management and control of the Receivership Estate.

O. Actions Equitable. Other than this action, all actions which are equitable in nature or purport to seek equitable relief against the Receiver, or the Receivership Estate are hereby stayed. Nothing in this Order shall be construed as interfering with or invalidating any lawful lien or claim by any person or entity.

P. Access to information:

1. The officers, board members, members, managers, trustees, attorneys, accountants, agents, affiliates, and employees of the Defendants, as well as those acting on their behalf, are hereby ordered and directed to preserve and turn over to the Receiver forthwith all paper and electronic information of, and/or relating to, the Defendants and/or all Receivership Estate; such information shall include but not be limited to books, records, documents, accounts, and all other instruments and papers, including the

provision of access to any and all hardware devices, passwords, credentials, and cryptographic keys necessary to access such information.

2. The officers, board members, members, managers, trustees, attorneys, accountants, agents, affiliates, and employees of the Defendants, as well as those acting on their behalf, shall answer to the Receiver all questions which the Receiver may put to them and produce all documents as required by the Receiver regarding the business of the Defendants, the Receivership Estate, and any other matter relevant to the operation or administration of the receivership or the collection of funds due to the Defendants. In the event that the Receiver deems it necessary to require the appearance of the aforementioned persons or entities, the Receiver shall make discovery requests in accordance with the Colorado Rules of Civil Procedure.

3. The Defendants, as well as the officers, board members, members, managers, trustees, attorneys, accountants, agents, affiliates, and employees of the Defendants, as well as those acting on their behalf, are required to assist the Receiver in fulfilling his duties and obligations. As such, they must respond promptly and truthfully to all requests for information and documents from the Receiver

Q. Access to Books, Records, and Accounts:

1. The Receiver is authorized to take immediate possession of all assets, bank accounts, credit card accounts, or other financial accounts, books and records and all other documents or instruments relating to the Defendants.

2. The Defendants, as well as any of its officers, board members, members, managers, trustees, attorneys, accountants, agents, affiliates, employees, and any other persons acting for or on behalf of the Defendants, and any persons receiving notice of this Order by personal service, email, facsimile, or otherwise, having possession of the property, business, books, records, accounts, or assets of the Defendants, or other components of the Receivership Estate (including but not limited to hardware wallets and digital asset storage devices in any form), are hereby directed to deliver the same to the Receiver, his agents and/or employees. All persons and entities having control, custody, or possession of any components of the Receivership Estate are hereby directed to turn such monies, property or assets over to the Receiver, together with all passwords, credentials, and cryptographic keys necessary for accessing and exercising control over such property.

3. All banks, brokerage firms, financial institutions, digital asset trading platforms, and other persons or entities which have possession, custody, or control of any components of the Receivership Estate that receive notice of this Order by personal service, email, facsimile, or otherwise shall:

(a) Not liquidate, transfer, sell, convey, or otherwise transfer any part of the Receivership Estate except upon express and written instructions from the Receiver;

(b) Not exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;

(c) Within five (5) business days of receipt of notice of this Order, serve upon the Receiver and counsel for all parties to this case a certified statement setting forth, regarding any account or other asset that is a part of the Receivership Estate, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice; and

(d) Cooperate expeditiously in providing information and transferring funds, assets, and accounts to the Receiver or at the direction of the Receiver.

R. Mail. The Receiver is authorized to instruct the United States Postmaster to hold and/or reroute mail which is related, directly or indirectly, to the business, operations or activities of the Defendants including all mail addressed to, or for the benefit of, the Defendants (the "**Receiver's Mail**"). The Postmaster shall not comply with, and shall immediately report to the Receiver, any change of address or other instruction given by anyone other than the Receiver concerning the Receiver's Mail. The foregoing instructions shall apply to any proprietor, whether individual or entity, of any private mailbox, depository, business or service, or mail courier or delivery service, hired, rented, or used by the Receivership. Following receipt and review of the Receiver's Mail, the Receiver may forward copies of the Receiver's Mail to NR1 or NR2 as applicable.

S. Further Orders. The Receiver, and any other party to this action, may at any time, by motion and notice to all parties that have appeared in this action, apply to this Court for further orders or instructions or for the approval of any action taken or contemplated by the Receiver, whether or not such action requires Court approval.

T. Notice. Notice of a motion seeking additional orders or instructions or approvals may be given to the parties by any method permitted by C.R.C.P. 5. To the extent that the party filing a motion determines that notice to interested non-parties is appropriate, service may be accomplished by mailing by U.S. Mail Certified Return Receipt Requested, or by any other means consented to by the party served.

U. Approval of Motions. Court approval of any motion filed by the Receiver shall be given as a matter of course, unless a party files an objection with the Court

within ten (10) days after service. In the event of an objection, the Court shall promptly hold a hearing on the motion upon at least three (3) days' prior written notice to all objecting parties.

V. Service. All pleadings filed herein by any party shall be served upon the Receiver by service upon legal counsel appearing herein for the Receiver.

W. Winding Up. The Receiver shall continue in exclusive possession and dominion of the Receivership Estate until such possession is terminated or the Receiver is discharged by the Court. The Receiver shall endeavor to wind up the Receivership expeditiously in cooperation with Reunion or otherwise at the direction of the Court. To wind up the receivership, the Receiver shall file a Final Report and a motion seeking the discharge of the Receiver and if one exists, the dismissal of the Receiver's bond. Such motion may be served on any party appearing in this action by any method permitted by C.R.C.P. 5. If no objections to the Final Report and motion to discharge the Receiver are filed with the Court within fifteen (15) days after the Final Report and motion for discharge are filed with the Court, the Final Report will be accepted by the Court, and the Court will enter an order terminating the Receivership, discharging the Receiver, and dismissing the Receiver's bond.

X. Officer of the Court. The Receiver's actions in the performance and discharge of its duties are performed in a representative capacity as an officer of this Court. Except for claims of misfeasance or malfeasance outside the scope of its duties, the Receiver is not and shall not be personally liable to any person or governmental entity under any law, statute, rule, regulation, or other doctrine of law or equity. Any claim alleging the Receiver's misfeasance or malfeasance outside the scope of its duties must be made to this Court prior to the time the order discharging the Receiver is entered by the Court. All persons acting on behalf of the Receiver at the Receiver's request are protected and privileged with the same protections of this Court as the Receiver, including, without limitation, the officers, directors, employees, agents and contractors of the Receiver.

Y. Agents. All who act on behalf of the Receiver at the request of the Receiver are protected and privileged with the same protections of this Court that the Receiver is granted by this Order. In order to avail the agents of the Receiver with these protections and privileges, the Receiver should file a notice of the appointment of all such agents with this Court, which shall be freely available to the public. All persons acting on behalf of the Receiver at the Receiver's request are protected and privileged with the same protections of this Court as the Receiver, including, without limitation, the officers, directors, employees, agents and contractors of the Receiver.

Z. Receivership Estate Debts. Any debts, liabilities or obligations incurred by the Receiver in the course of this Receivership, including the operation or management of the Real Property, whether in the name of the Receiver, or the Receivership Estate, shall be the debt, liability and obligation of the Receivership Estate, only, and not of the Receiver or any employee or agent, personally.

AA. Utilities. Any and all providers of utilities to the Receivership Estate shall cooperate with the Receiver and provide any and all necessary information, including any information regarding billing, occupancy or history, the utility provider may have. This Court Order shall have the same weight and effect as a subpoena for such information.

BB. Enforcement. This Order shall be enforceable by the contempt power of the Court. The Sheriff of Adams County is hereby authorized to enforce the terms of this Order in the form of peace-keeping duties by assisting the Receiver in serving notices, escorting unauthorized individuals or tangible things from any of the Receivership Estate and providing any other assistance that the Receiver may need in the performance of its respective duties contained herein.

Ordered on May 9, 2023

BY THE COURT:



District Court Judge

Exhibit A
Current Rate Sheet



Rate Card and Cost Schedule

File Intake	Notes	Cost
Initiate / Intake, Prep, Case Review	Flat Fee Charge	\$750.00

Professional Services Fees

Court Appointment for Asset Protection and Operation of Estates of Business Equity, Real Property, & Judgment Collection		
Court Appointed Receiver / Agent	Per Hour	\$275.00
Level 1 Agent	Per Hour	\$225.00
Level 2 Agent	Per Hour	\$150.00
Court Hearing or Testimony / Pre-Appointment	Per Hour	\$275.00

General Costs

Surety Bond (\$10 per \$1,000, \$100 minimum)	\$1 - \$10,000	\$100.00
	> \$10,000	\$10.00 per \$1k
Notary Public	Per Notary	\$5.00
Database Reports	Flat Rate	\$20.00
General Office – Printing, Supplies, Office Services	Flat Rate	\$50.00-\$150
Copies	Per Page	\$0.15
Postage & Envelopes	At Cost	Varies
Financial Software Package (QuickBooks)	Subscription	\$60-\$100
Scanning	Per Page	\$0.50
Mileage (IRS Rate)	Per Mile / Federal Rate	Current IRS Rate

Other Costs Associated with Receivership or Agents Administration

Receivership fees and costs are tracked in financials for the estate and reported to the Court. In most cases the Receiver will advance funds necessary for minor expenses to initiate work and accomplish tasks expeditiously. All costs advanced by the Receiver are invoiced for reimbursement unless assets exist within the estate to cover them. Approval and funding from petitioner or plaintiff parties is sought for major capital expenditures associated with the estate or as required by the Order of Appointment. Costs are pass through and not marked up by Receiver.

Fees and Costs are paid in accordance with the Order of Appointment and as approved by the Receivership Court.

Counsel for Receiver, Representation and Filings	Hourly Rate	+ Costs
CPA or Forensic Accountant, Consultant	Hourly Rate	+ Costs
Property Management (Exclusive of Receiver)	Contracted Rate	+ Costs
Misc. Professional Services	Contracted Rate	+ Costs
Evictions	Hourly Rate + court fees	+ Costs



Payment Schedule & Terms

1. On a monthly basis, the Receiver is to pay for its services as Receiver and its staff at the following hourly rates: \$275.00 per hour for principals of The Receiver Group, LLC; \$225.00 per hour for Level 1 Agents of the Receiver, and \$150.00 per hour for Level 2 Agents/Admins of the Receiver.
2. The Receiver may incur and shall be reimbursed for costs of the Receivership, which may include but are not necessarily limited to surety bond, notary public, public database reports, general office supplies, mileage, locksmith, legal counsel, CPA, property management, evictions, etc.
3. The Receiver shall prepare its invoices on a monthly basis. If there are enough assets or income in the estate to pay receivership fees and costs, they will be paid on a monthly basis through the estate. If assets or income of the estate is not enough to cover the receivership fees and costs, the Receiver shall submit invoices monthly to Plaintiff for payment while the matter is pending. Receiver will submit and include all billing and invoices in periodic Court Reports for review and approval.