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13 Attorneys for Receiver
14 GEOFF WINKLER

15 UNITED STATES DISTRICT COURT
16 CENTRAL DISTRICT OF CALIFORNIA
17 WESTERN DIVISION

18 SECURITIES AND EXCHANGE
19 COMMISSION,

20 Plaintiff,

21 v.

22 RALPH T. IANNELLI and ESSEX
23 CAPITAL CORP.,

24 Defendants.

Case No. 2:18-cv-05008-FMO-AFM

DECLARATION OF RECEIVER,
GEOFF WINKLER, IN SUPPORT OF
MOTION FOR ORDER APPROVING
AND AUTHORIZING PERFORMANCE
OF SETTLEMENT AGREEMENT AND
RELEASE

[Notice of Motion and Motion submitted
concurrently herewith]

Date: February 6, 2020
Time: 10:00 a.m.
Ctrm: 6D
Judge Hon. Fernando M. Olguin

25 **DECLARATION OF GEOFF WINKLER**

26 I, Geoff Winkler, declare as follows:

27 1. I am the Court-appointed permanent receiver (the "Receiver") for
28 Defendant Essex Capital Corporation ("Essex") and its subsidiaries and affiliates
(collectively, the "Receivership Entities" or "Entities"). I was initially appointed as
Receiver for the Entities in the above-captioned action on December 21, 2018, by
virtue of the Court's Order Regarding Preliminary Injunction and Appointment of a
Permanent Receiver (the "Appointment Order") (Dkt. No. 66). I have personal

1 knowledge of the facts detailed in this Declaration, and make this Declaration in
2 support of my concurrently filed Motion for Order Approving and Authorizing
3 Performance of Settlement Agreement and Release (the "the Settlement Motion")
4 regarding Vivek Garipalli, Sequoia HealthCare Services, LLC, and Winthrop Hayes
5 (collectively, the "Defendants") in a Southern District of New York action styled
6 Essex Cap. Corp. v. Garipalli, et al., Case no. 1:17-cv-6347-JFK (the "Sequoia
7 Action").

8 2. I have reviewed the Settlement Agreement and Release relating to the
9 Sequoia Action (the "Settlement Agreement"), and I believe the terms and
10 settlement amount identified therein to be fair and reasonable. I likewise believe
11 that the Estate of the Receivership Entities (the "Estate") will benefit from the
12 Settlement Agreement.

13 3. At the time the Appointment Order was entered, the Sequoia Action
14 was already well underway. In its First Amended Complaint, Essex alleged, among
15 other things, that the Defendants induced Essex to enter into a series of sale-
16 leaseback agreements by providing misleading financial statements, ultimately
17 leading to significant damages. The Defendants deny Essex's allegations.

18 4. Upon my appointment as Receiver, and with the Court's permission, I
19 retained special litigation counsel to continue the prosecution of the Sequoia Action,
20 in order to recover damages for the causes of action alleged or reach a settlement
21 beneficial for the Receivership Entities. Accordingly, I engaged in strategic
22 discovery and negotiations, culminating in an agreement to settle the litigation
23 subject to Court approval, on the terms reflected in the Settlement Agreement.
24 Pursuant to the terms of the Settlement Agreement, Sequoia has agreed to pay the
25 Receiver \$925,000, in exchange for the dismissal of the Sequoia Action, a dismissal
26 of all parties, and a mutual release. The Settlement Agreement is contingent upon a
27 Court approval. A true and correct copy of the Settlement Agreement is attached
28 hereto as **Exhibit A**.

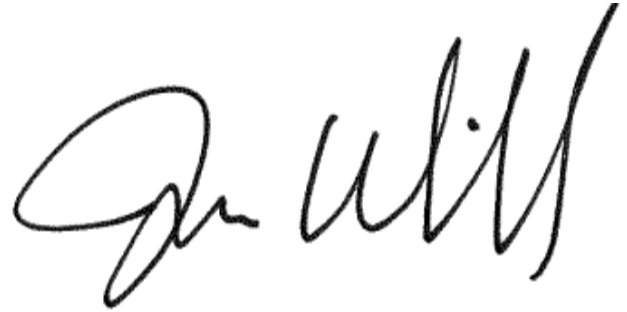
1 5. My office has conducted an extensive review of thousands of
2 documents identified and produced during initial discovery in the Sequoia Action.
3 From this review, I have concluded that, while the claims alleged in the Sequoia
4 Action were prosecuted in good faith, the discovery completed to date suggest that
5 there is a material risk that Essex may not develop evidence sufficient to prove fraud
6 against Defendants. The further pursuit of claims will require extensive additional
7 discovery, potentially at significant expense to the Estate and, even were the
8 litigation pursued, the likelihood of prevailing would remain uncertain. Moreover,
9 based on my review of the currently available documents, the \$925,000 settlement
10 payment contemplated in the Settlement Agreement reflects a significant percentage
11 of the damages that Essex could prove it suffered. Pursuing diminishing returns
12 does not reflect an appropriate disposition of limited receivership estate resources.
13 Accordingly, I believe that the payment contemplated in the Settlement Agreement
14 reflects an appropriate compromise, sufficient to adequately compensate the
15 Receivership Entities.

16 6. As the Receiver, I have weighed the benefits and risks of litigation and
17 I have concluded that the Settlement Agreement is in the best interests of the
18 Receivership Entities, including their investors and creditors, because it: (1) will
19 result in the near term recovery of nearly \$1 million for the benefit of the
20 Receivership Entities and their Estate; and (2) avoids lengthy, costly, and uncertain
21 litigation. I therefore respectfully request that the Court approve the settlement as
22 memorialized by the Settlement Agreement, and authorize me to perform my agreed
23 upon obligations thereunder.

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1 I declare under penalty of perjury under the laws of the State of California
2 that the foregoing is true and correct.

3 Executed this 6th day of January, 2020, at Salem, Oregon.
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10 _____
11 GEOFF WINKLER, Receiver
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SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement (the "**Agreement**") is made and entered into as of this 5th day of December, 2019, by and among plaintiff, Essex Capital Corporation ("Essex"), by Geoff Winkler, the Court appointed receiver for Essex and its affiliates and subsidiaries ("**Winkler**", "**Plaintiff**" or the "**Permanent Receiver**"), defendant, Vivek Garipalli, with an address at c/o Sattie Ramsaywack, CPA, One Penn Plaza, 36th Floor, New York, NY 10119 ("**Garipalli**"), defendant, Sequoia Healthcare Services, LLC ("**Sequoia**") with an address at c/o Sattie Ramsaywack, CPA, One Penn Plaza, 36th Floor, New York, NY 10119 and defendant, Winthrop Hayes with an address at 161 Poplar Street, Garden City, NY 11530 ("**Hayes**" and together with Garipalli and Sequoia "**Defendants**") (Defendants and Plaintiff, each a "**Party**" and together the "**Parties**").

RECITALS

WHEREAS, on April 27, 2017, Essex filed a complaint in the Superior Court of California, Santa Barbara County (the "**California Action**").

WHEREAS, the California Action was removed to the United States District Court for the Central District of California, which dismissed the California Action for lack of personal jurisdiction.

WHEREAS, following the dismissal of the California Action, on August 21, 2017, Essex commenced an action in the United States District Court for the Southern District of New York (the "**NY District Court**"), captioned, ESSEX CAPITAL CORPORATION, Plaintiff, v. VIVEK GARIPALLI, SEQUOIA HEALTHCARE SERVICES, LLC AND WINTHROP HAYES, Defendants, Case No. 17 Civ 6347 (JFK) (KHP) (the "**New York Action**").

WHEREAS, pursuant to an order of the United States District Court for the Central District of California (the "**CA District Court**") in the action captioned SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. RALPH T. IANELLI AND ESSEX CAPITAL CORP., Defendants, Case No. 2:18-cv-05008-FMO-AFM (the "**Receivership Action**"), Geoff Winkler was appointed as Permanent Receiver for Essex.

WHEREAS, in his capacity as Permanent Receiver for Essex, Winkler continued the prosecution of the New York Action and has the capacity and authority to enter in this agreement on behalf of Essex.

WHEREAS, Defendants have produced documents to Plaintiff in connection with the New York Action.

WHEREAS, the Permanent Receiver has reviewed the document production made by Defendants and is in the process of reviewing documents received from Ralph T. Iannelli, Essex's former principal, and Essex, for production to Defendants.

WHEREAS, the Parties expect to incur significant additional legal expense in connection with discovery, including but not limited to, document review, establishing protocols for electronic discovery, review of electronic discovery, party and non-party depositions, motion practice and trial.

WHEREAS, the Permanent Receiver has been advised as to the burden of proof with respect to the claims of fraud as against Garipalli and Hayes and the evidence currently available to meet such burden.

WHEREAS, the Permanent Receiver has been advised as to the cost of the continued prosecution of the New York Action.

WHEREAS, in connection with reaching a settlement with the Defendants, the Permanent Receiver has determined that, while there was originally a good faith basis to prosecute the claims and discovery is not yet complete, based upon all of the information produced by the Defendants and reviewed by the Permanent Receiver to date, there is insufficient evidence to prove the fraud claims against Garipalli, Sequoia, or Hayes, substantial additional discovery would be necessary to continue the prosecution of the New York Action, and there is a substantial risk that Receiver would not prevail on such claims against Garipalli, Sequoia, or Hayes.

WHEREAS, in order to avoid further costs and risks of litigation and to resolve the issues among them, without any admission of fault or wrongdoing, the Parties have entered into this Agreement.

NOW THEREFORE, the Parties hereby stipulate and agree as follows:

1. Incorporation by Reference: Each of the Whereas Clauses set forth above is incorporated herein by reference as if fully set forth and is expressly relied upon by the Parties in entering into this Agreement.
2. Execution Deadline: This Agreement and the Stipulations (defined below) shall be executed by the appropriate Parties and circulated among counsel for the parties on or before 5:00 p.m. (Eastern prevailing time) on December 9, 2019 (the "Execution Date"). Promptly after the Execution Date, counsel for Plaintiffs shall confirm receipt of the fully executed Agreement and Stipulations and shall hold the fully conformed Agreement and Stipulations in escrow pursuant to the terms of this Agreement.
3. Condition Precedent to Effectiveness: This Agreement and the Stipulations in their entirety are subject to an order approving this Agreement and the Stipulations by the CA

District Court in the Receivership Action. Within forty-five (45) business days following the Execution Date, counsel for the Permanent Receiver shall file with the CA District Court in the Receivership Action an application for approval of this Agreement and the Stipulations.

- a. In the event that the CA District Court in the Receivership Action does not approve the Agreement and the Stipulations, (i) the Agreement and Stipulations shall be null and void, (ii) the fact that the Parties executed the Agreement and the Stipulations shall not be admissible in any court or any proceeding for any reason; (iii) none of the statements or content of the Agreement or Stipulations shall be admissible in any court or any proceeding for any reason; and (iv) the Parties shall resume the prosecution of the New York Action.
 - b. In the event that the CA District Court in the Receivership Action approves the Agreement and Stipulations, promptly following receipt of the Settlement Amount (as defined below), the Permanent Receiver shall cause the Stipulations to be filed with the NY District Court in the New York Action.
 - c. The "Effective Date" of this Agreement shall be the date that an order issued by the CA District Court in the Receivership Action approving the Agreement and Stipulations becomes a final and non-appealable order.
4. Dismissal of all claims against Defendants Garipalli and Hayes: Within three (3) business days after receipt of the Settlement Amount, the Permanent Receiver shall cause the stipulation of dismissal held in escrow by the Permanent Receiver and attached hereto as Exhibit A to be released from escrow and filed in the New York Action (the "Garipalli and Hayes Stipulation").

5. Dismissal of Action. Within three (3) business days after receipt of the Settlement Amount, the Permanent Receiver shall cause the stipulation of dismissal held in escrow by the Permanent Receiver and attached hereto as Exhibit B to be released from escrow and filed in the New York Action (the "Dismissal Stipulation" and together with the Garipalli and Hayes Stipulation, the "Stipulations").

6. Settlement Amount. Within three (3) business days after the occurrence of the Effective Date, Sequoia shall pay to the Permanent Receiver the sum of NINE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$925,000.00 USD) (the "Settlement Amount") by wire transfer as follows:

Essex Capital Corporation
c/o Geoff Winkler, Receiver
Axos Bank
Account #7475021000010
ABA #122287251

7. Preferential Payments: To the extent the Settlement Amount is received by the Permanent Receiver in connection with this Agreement and all or any part of the Settlement Amount is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be transferred or repaid by the Permanent Receiver or transferred or paid over to a trustee, receiver or any other person claiming under or in connection with the party paying the Settlement Amount, pursuant to a final, non-appealable order, whether under any bankruptcy act or otherwise, (any such payment or transfer being a "Preferential Payment"), then the payment of the Settlement Amount (or any part thereof) which shall be a Preferential Payment, shall be an absolute and unconditional joint and several obligation of each of Garipalli, Hayes, and Sequoia and if not paid within thirty (30) days of such disgorgement, Plaintiff shall reopen the New York Action and be entitled to judgment by default against the Defendants, jointly and severally, in the amount of the Preferential Payment plus costs and expenses, including legal fees incurred to

collect the amount of the Preferential Payment. Acceptance of any payment which is less than the Settlement Amount shall not constitute a waiver of the right to receive the full Settlement Amount, jointly and severally from the Defendants.

8. Representations of Permanent Receiver: Following the execution of this Agreement and the Stipulations, to the extent that the Permanent Receiver is required to file any public reports regarding the Receivership Action, the Permanent Receiver shall not include any statements regarding alleged fraud by Garipalli or Hayes and shall include a statement that the New York Action is the subject of a settlement, subject to final approval by the CA District Court, and the terms of the settlement expressly provide for no admission or finding of fraud or wrongdoing by any Defendant.

9. Representations of Parties: Each Party represents and warrants that (i) it has not transferred, conveyed or encumbered any claim or defense which the subject of this Agreement; (ii) it has the power and authority to enter and perform the terms of this Agreement; (iii) it has been represented by counsel of its choosing; (iv) is entering into this Agreement freely and without coercion; and (v) it has relied solely upon their own judgment, belief and knowledge, and the judgment, belief, and knowledge of an attorney of their choice, concerning the nature, extent and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the Agreement by any representations or statements by any Party that are not expressly contained or referred to therein.

10. Release of Plaintiff by Defendants: For good and valuable consideration as set forth in this Agreement, upon the occurrence of the Effective Date, Defendants hereby irrevocably and fully release and fully discharge the Permanent Receiver, Essex and Plaintiff and their respective predecessors, successors and assigns and professionals of and from any and all

actions, manner of actions, causes of action, suits, proceedings, debts, contract claims, liabilities, monies, reimbursements, judgments, promises, covenants, claims, complaints, controversies, damages, costs and expenses (including attorneys' fees and costs actually incurred), and demands of any kind, whether known or unknown, direct or indirect, liquidated or unliquidated, in law or equity, contract or tort, that Defendants may now have, ever had, or ever may have, arising from or relating to the New York Action, the California Action and the Receivership Action. For the avoidance of doubt, such waivers and releases include waivers and releases of any claims which Defendants may have against Essex and have asserted or may assert in connection with the Receivership Action.

11. Release of Defendants by the Permanent Receiver: For good and valuable consideration as set forth in this Agreement, upon receipt of the Settlement Amount (subject to ¶7 above), the Permanent Receiver, on behalf Essex, irrevocably and fully releases and forever discharges Defendants and their respective predecessors, successors and assigns (and in the case of a corporate entity, its predecessors, successors, affiliates, assigns, officers, members, managers, directors, employees, agents, and/or other representatives) of and from any and all actions, manner of actions, causes of action, suits, proceedings, debts, contract claims, liabilities, monies, reimbursements, judgments, promises, covenants, claims, complaints, controversies, damages, costs and expenses (including attorneys' fees and costs actually incurred), and demands of any kind, whether known or unknown, direct or indirect, liquidated or unliquidated, in law or equity, contract or tort, that the Plaintiff may now have, ever had, or ever may have, arising from or relating to the New York Action and the California Action.

12. For the avoidance of doubt none of the releases herein release any Party from any obligations or breach under this Agreement.

13. Events of Default. The following shall each constitute an Event of Default under this Agreement (an "Event of Default"):

- a. Failure by any Party to make any payment when due as required by this Settlement Agreement; and
- b. Any failure of any Party to perform as required under this Agreement, which continues for a period of ten (10) business days following receipt of notice by the breaching Party.

14. Attorneys' Fees and Expenses: Each Party shall bear their own attorneys' fees, costs and expenses in connection with the New York Action and this Agreement. Notwithstanding the foregoing, in the event that a dispute arises in connection with the enforcement of this agreement, the prevailing party in such a dispute shall be entitled to collect its costs, expenses, and reasonable attorneys' fees, incurred in connection with enforcement of this Agreement.

15. Notices. Any notices or consents required or permitted by this Agreement shall be in writing and shall be deemed delivered, if delivered by electronic means (email or facsimile), in person to the person listed below or if by next day overnight delivery on the business day after mailing, unless such address is changed by written notice hereunder:

If to Plaintiff,

Jay Teitelbaum, Esq.
Teitelbaum Law Group, LLC
1 Barker Avenue, 3rd Floor
White Plains, NY 10601
jteitelbaum@tblawllp.com

and

Joshua A. del Castillo Esq.
Allen Matkins Leck Gamble Mallory &
Natsis LLP
865 South Figueroa Street, Suite 2800, Los

Angeles, CA 90017-2543
jdelcastillo@allenmatkins.com

If to Defendant(s):

Louis A. Modugno , Esq.
McElroy, Deutsch, Mulvaney &
Carpenter, LLP
1300 Mount Kemble Avenue,
P.O. Box 2075
Morristown, New Jersey 07962-2075
lmodugno@mdmc-law.com

16. Rules of Construction: Because each Party's attorney has reviewed the Agreement and exhibits hereto, or has had the opportunity for an attorney of their own choosing to review the Agreement, the Agreement shall be deemed to be drafted by all Parties and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of the Agreement.

17. No Admission of Liability: The Parties are entering into this Agreement as a compromise to resolve disputed claims. The Parties agree that entering into this Agreement is not, and shall not be construed to be, an admission of wrongdoing by any Party, any such wrongdoing being expressly denied by such respective Party.

18. Choice of Law. The Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of New York.

19. Venue and Jurisdiction: For purposes of enforcing the terms of this Agreement, the Parties hereby consent to the jurisdiction and venue of the United States District Court for the Southern District of New York. The United States District Court for the Southern District of New York, will retain jurisdiction over the New York Action to enforce the terms of this Agreement including jurisdiction over Defendants' compliance with the terms of payments to Plaintiff required by this Agreement and a plenary action is not necessary to enforce the Defendants' payment obligations to Plaintiff as set forth herein.

20. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

21. Severability: The provisions of this Agreement and all other documents referred to herein are to be deemed severable, and the invalidity or unenforceability of any provision shall not affect or impair the remaining provisions which shall continue in full force and effect.

22. Use of Headings: The use in this Agreement of paragraph headings is for convenience only and is not intended to limit or enlarge the rights of any Party.

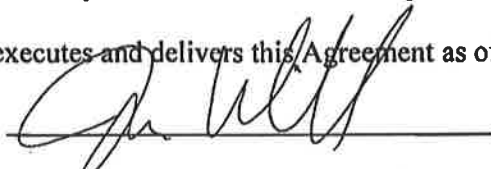
23. Counterparts and Signatures: This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one instrument. This Agreement may be executed by exchange of facsimile or electronic copies of original executed signatures and each such copy shall be deemed to be an original executed signature.

24. Entire Agreement; Modification, Amendment, Etc: This Agreement sets forth the complete agreement of the Parties with respect to the subject matter hereof and may not be

modified, waived, or changed, except by a writing signed by the Party to be bound thereby. This

Agreement is binding upon the Parties and their respective successors and assigns.

WHEREFORE, each of the Parties hereto executes and delivers this Agreement as of the date first set forth above.



Geoff Winkler, In His Capacity As Permanent Receiver for Essex Capital Corp. and its affiliates and subsidiaries

Sequoia Healthcare Services, LLC

By:
Its:

Vivek Garipalli

Winthrop Hayes

Teitelbaum Law Group LLC, as Escrow Agent



By: Jay Teitelbaum
Its: Managing Member

modified, waived, or changed, except by a writing signed by the Party to be bound thereby. This Agreement is binding upon the Parties and their respective successors and assigns.

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Geoff Winkler, In His Capacity As Permanent Receiver for Essex Capital Corp. and its affiliates and subsidiaries

Sequoia Healthcare Services, LLC

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By: VIVEK GARIPALLI
Its: MANAGER

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Vivek Garipalli

Winthrop Hayes

Teitelbaum Law Group LLC, as Escrow Agent



By: Jay Teitelbaum
Its: Managing Member

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Geoff Winkler, In His Capacity As Permanent Receiver for Essex Capital Corp. and its affiliates and subsidiaries

Sequoia Healthcare Services, LLC

By:
Its:

Vivek Garipalli

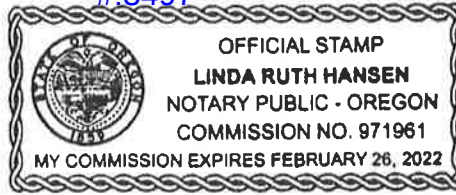


Winthrop Hayes

Teitelbaum Law Group LLC, as Escrow Agent



By: Jay Teitelbaum
Its: Managing Member



STATE OF Oregon)
COUNTY OF Marion)

On the 9th day of December 2019, before me personally came GEOFF WINKLER to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, in his capacity as Permanent Receiver for ~~Ralph T. Janelli~~ and Essex Capital Corp.

GW *LRH*

Linda Ruth Hansen
Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came _____ to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually and in his capacity as _____ of . SEQUOIA HEALTHCARE SERVICES, LLC

Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came VIVEK GARIPALLI to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

Notary Public

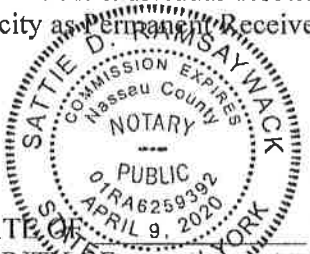
STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came WINTHROP HAYES to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

Notary Public

STATE OF _____)
COUNTY OF _____)

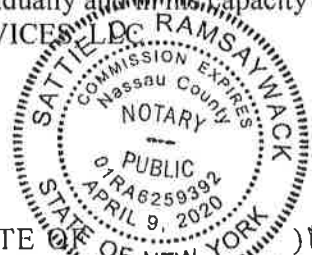
On the ___ day of December 2019, before me personally came GEOFF WINKLER to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, in his capacity as Permanent Receiver for Ralph T. Ianelli and Essex Capital Corp.



Notary Public

STATE OF NEW YORK) NEW YORK
COUNTY OF NEW YORK) NEW YORK

On the 6th day of December 2019, before me personally came VIVEK GARIPALLI to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually and in his capacity as Manager of SEQUOIA HEALTHCARE SERVICES LLC



Sattie Ramsay
Notary Public

STATE OF NEW YORK) NEW YORK
COUNTY OF NEW YORK) NEW YORK

On the 6th day of December 2019, before me personally came VIVEK GARIPALLI to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

Sattie Ramsay
Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came WINTHROP HAYES to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came GEOFF WINKLER to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, in his capacity as Permanent Receiver for Ralph T. Ianelli and Essex Capital Corp.

Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came _____ to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually and in his capacity as _____ of . SEQUOIA HEALTHCARE SERVICES, LLC

Notary Public

STATE OF _____)
COUNTY OF _____)

On the ___ day of December 2019, before me personally came VIVEK GARIPALLI to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

Notary Public

STATE OF New York)
COUNTY OF Nassau)

On the 10 day of December 2019, before me personally came WINTHROP HAYES to me known or proven by government issued identification, who being by me duly sworn, did depose and say that he is the individual described in and who also executed the foregoing instrument, individually.

CLAUDINE M. BERMINGHAM
Notary Public, State of New York
No. 01BE6175003
Qualified in Nassau County
Term Expires October 1, 2023

Claudine M. Bermingham
Notary Public

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ESSEX CAPITAL CORPORATION	:	
Plaintiff	:	No. 17 Civ 6347 (JFK) (KHP)
	:	
against	:	
	:	
VIVEK GARIPALLI, SEQUOIA	:	
HEALTHCARE SERVICES, LLC	:	
AND WINTHROP HAYES	:	
Defendants	:	

STIPULATION DISMISSING DEFENDANTS VIVEK GARIPALLI AND WINTHROP HAYES

IT IS HEREBY STIPULATED AND AGREED by and between counsel for plaintiff, Essex Capital Corporation, by its court appointed permanent receiver, Geoff Winkler, and counsel for defendants, Vivek Garipalli and Winthrop Hayes, that, no party being an infant, an incompetent person for whom a committee has been appointed, or a conservatee, any and all claims and causes of action asserted by Plaintiff against Defendants Vivek Garipalli and/or Winthrop Hayes, together with any and all affirmative defenses, cross-claims and counterclaims asserted by such Defendants, be and the same hereby is discontinued and dismissed with prejudice and without costs to any party; and

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be executed in counterparts, each of which shall be deemed to be an original and the signatures of any or all parties may be exchanged via email, facsimile, or other electronic means; and

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be filed with the Clerk of the Court without further notice, and an order effecting the discontinuance may be entered without further notice.

Dated: December 5, 2019

TEITELBAUM LAW GROUP, LLC
Attorneys for Plaintiff



By: Jay Teitelbaum, Esq.
1 Barker Avenue, Third Floor
White Plains, New York 10601
jteitelbaum@tblawllp.com

**McElroy, Deutsch, Mulvaney &
Carpenter, LLP**
*Attorneys for Defendants Garipalli
and Hayes*



By: Michael Rato, Esq.
1300 Mount Kemble Avenue,
P.O. Box 2075
Morristown, New Jersey 07962-2075
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EXHIBIT B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ESSEX CAPITAL CORPORATION

Plaintiff

against

VIVEK GARIPALLI, SEQUOIA
HEALTHCARE SERVICES, LLC
AND WINTHROP HAYES

Defendants

No. 17 Civ 6347 (JFK) (KHP)

STIPULATION DISCONTINUING ACTION

IT IS HEREBY STIPULATED AND AGREED by and between counsel for plaintiff, Essex Capital Corporation, by its court appointed permanent receiver, Geoff Winkler, and counsel for defendant, Sequoia Healthcare Services, LLC, that, no party being an infant, an incompetent person for whom a committee has been appointed, or a conservatee, the above-entitled action, including any and all claims and causes of action asserted by Plaintiff, together with any and all affirmative defenses, cross-claims and counterclaims asserted by Defendant, be and the same hereby is discontinued and dismissed with prejudice and without costs to any party; and

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be executed in counterparts, each of which shall be deemed to be an original and the signatures of any or all parties may be exchanged via email, facsimile, or other electronic means; and

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be filed with the Clerk of the Court without further notice, and an order effecting the discontinuance may be entered without further notice.

Dated: December 5, 2019

TEITELBAUM LAW GROUP, LLC
Attorneys for Plaintiff



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Attorneys for Defendant Sequoia Healthcare Services, LLC



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PROOF OF SERVICE

Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation
USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017-2543.

On **January 7, 2020**, I caused to be served the document entitled: **DECLARATION OF RECEIVER, GEOFF WINKLER, IN SUPPORT OF MOTION FOR ORDER APPROVING AND AUTHORIZING PERFORMANCE OF SETTLEMENT AGREEMENT AND RELEASE** on all the parties to this action addressed as stated on the attached service list.

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

OVERNIGHT DELIVERY: I deposited in a box or other facility regularly maintained by express service carrier, or delivered to a courier or driver authorized by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelope(s) or package(s) designed by the express service carrier, addressed as indicated on the attached service list, with fees for overnight delivery paid or provided for.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on **January 7, 2020** at Los Angeles, California.

/s/ Martha Diaz

Martha Diaz

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SERVICE LIST

Securities and Exchange Commission v. Ralph T. Iannelli and Essex Capital Corporation
USDC, Central District of California – Case No. 2:18-cv-05008-FMO-AFM

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