

**Exhibit "A"**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

	)	
SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 1:12-CV-3261-WSD
	)	
ANGELO A. ALLECA, SUMMIT	)	
WEALTH MANAGEMENT, INC.,	)	
SUMMIT INVESTMENT FUND,	)	
LP, ASSET DIVERSIFICATION	)	
FUND, LP, and PRIVATE CREDIT	)	
OPPORTUNITIES FUND, LLC,	)	
	)	
Defendants.	)	

**COMPROMISE SETTLEMENT AND RELEASE AGREEMENT**

This COMPROMISE SETTLEMENT AND RELEASE AGREEMENT (the "Agreement") is made by and among, on the one hand, Summit Wealth Management, Inc. ("Summit"), Summit Investment Fund LP, Asset Class Diversification Fund, LP, and Private Credit Opportunities Fund, LLC (collectively, the "Receivership Entities"), by and through their receiver, Robert D. Terry ("Receiver") and, on the other hand, Alexandria Capital, LLC ("Alexandria"). (Collectively, the Receivership Entities, the Receiver, and Alexandria will be referred to as the "Parties").

**1. DEFINITIONS**

1.1. "Bar Order" shall mean an order or judgment by the Court that permanently bars and enjoins any and all Receivership Entities and Third Parties, as defined below, from commencing or continuing any judicial, administrative, arbitration, or other proceeding and/or asserting or prosecuting any claims against Alexandria, in any forum, arising out of, in connection with, or relating to any claims set forth in the Lawsuits. Without limiting the

generality of the foregoing, to constitute a Bar Order for purposes of triggering Alexandria's payment obligation herein, the order must be binding on all Parties, Receivership Entities and Third Parties. A proposed Bar Order in a form approved by the Parties is attached as Exhibit 1.

- 1.2. "Claim Bar Notice" shall mean the written notice given by the Receiver of his filing of a motion seeking approval of this Agreement and the entry of a Bar Order (as defined below) to be sent to all persons known by the Receiver or by Alexandria to be the owner of any legal claim related to the Lawsuits or the Underlying Claims, which at the entry of the date of this Agreement consists solely of Mistina. Said Notice shall be posted in its entirety with appropriate identification on the website established by the Receiver in connection with this action, to provide notice to potential claimants and other parties. The Receiver shall also send the Claim Bar Notice to all persons who have filed claims in the Receivership via reasonable means, which may include electronic mail. Such Claim Bar Notice shall include copies of the motion seeking approval of this Agreement (without exhibits) and the proposed Bar Order. A proposed Claim Bar Notice in a form approved by the Parties is attached as Exhibit 2.
- 1.3. "Alexandria" shall include Alexandria Capital, LLC, its parents, subsidiaries, and all affiliated companies, all predecessor or successor entities, and all their respective present and former employees, officers, directors, general and limited partners, members, administrators, shareholders, insurers, reinsurers, agents, attorneys, adjusters, and other representatives.
- 1.4. "Alexandria Lawsuit" shall mean *Robert D. Terry v. Alexandria Capital, LLC*, United States District Court for the Northern District of Georgia, Atlanta Division, Case No. 1:17-CV-03678-WSD.
- 1.5. "Mistina Lawsuit" shall mean *Mistina v. Alexandria Capital, LLC*, United States District Court for the Eastern District of Virginia, Case No. 1:13-CV-00692-CMM/TRJ.
- 1.6. "Lawsuits" shall mean the Alexandria Lawsuit and the Mistina Lawsuit.
- 1.7. "Potential Receiver Claims" shall include all claims and potential claims planned or contemplated by or within the rights of the Receiver or his designee against Alexandria, including but not limited to all potential direct

or indirect claims, as well as all claims that potentially could be brought by the Receiver on behalf of any Third Parties or on behalf of any other individuals or entities that may have any claim or potential claim to assert any damages against Alexandria.

- 1.8. "Receivership Entities" shall include Summit, Summit Investment Fund LP, Asset Class Diversification Fund, LP, and Private Credit Opportunities Fund, LLC, all of their parent and subsidiary entities and their respective divisions and affiliates, and all of their respective officers, directors, agents, employees, adjusters, investigators, attorneys, representatives, reinsurers, successors, and assigns.
- 1.9. "Released Claims" shall refer to and include, collectively, all claims, demands, rights, actions, and causes of action of any kind and nature whatsoever, whether known or unknown at the present time, including causes of action in tort, contract, pursuant to statute, or on any other basis at law or in equity, which the Receiver or any of the Receivership Entities may have had, or now has, or may hereafter have against Alexandria, directly or indirectly, for all losses, damages, injuries, expenses, costs, charges, defense costs, defense expenses, consulting fees, indemnities, consequential damages, penalties, interest, punitive damages, bad faith claims, attorneys' fees, and all other liabilities, losses, or damages of any kind or nature whatsoever, whether known or unknown at the present time, arising out of, resulting or to result from, or otherwise relating in any way to the Lawsuits and Underlying Claims. The release of Alexandria pursuant to this Agreement is not intended as a release of the claims or potential claims of the Receiver against any Third Party and shall not act as such.
- 1.10. "Third Parties" shall include all individuals and entities other than the Receivership Entities and Alexandria, who have had any connection with Alexandria and/or any of the Receivership Entities, and each of their respective heirs, beneficiaries, assigns, representatives, agents, officers, directors, shareholders, members, predecessors, successors, employees, affiliates, assigns, attorneys, trustees, relations by blood or marriage, and other related and/or affiliated entities.
- 1.11. "Underlying Claims" shall refer to and include the Potential Receiver Claims, and all other claims, demands, rights, actions, and causes of action of any kind and nature whatsoever, whether known or unknown at the present time, brought by or on behalf of, or by right of, any Third Party that

may have any claim or potential claim to assert any damages against Alexandria arising out of the claims related to or asserted in the Lawsuits.

## **2. RECITALS**

- 2.1. Based on representations made to it at the time by Summit and its Chief Executive Officer, Angelo Alleca (“Alleca”), Alexandria entered into an asset purchase agreement with Summit on August 1, 2011, that provided for the transfer of assets to Alexandria in exchange for an initial down payment and four subsequent annual payments.
- 2.2. On September 18, 2012, the Securities and Exchange Commission instituted the enforcement action *Securities and Exchange Commission v. Angelo A. Alleca et al*, Civil Action No. 1:12-CV-3261-WSD, alleging that Summit and Alleca had instituted and implemented a Ponzi scheme to defraud investors, beginning as early as 2006 (the “Enforcement Action”).
- 2.3. An Order entered on September 21, 2012 (the “Order”) in the Enforcement Action as Modified by Order entered on November 21, 2012 (the “Modified Order”) appointed the Receiver to serve as receiver for the Receivership Entities and gave him the authority to initiate legal actions to recover assets on behalf of the Receivership Entities.
- 2.4. On June 7, 2013 a former officer of Summit, Carrie Mistina, filed the Mistina Lawsuit seeking to enforce what she claims to be a right to payments pursuant to an alleged assignment of a contracted right of payments due to Summit from Alexandria in connection with the asset purchase agreement referenced in Paragraph 2.1. Alexandria asked the Virginia District Court to stay, and the Court agreed to stay, further proceedings in the Mistina Lawsuit based on the terms of the Modified Receivership and the Receiver’s published preliminary conclusion that the assignment is void as a fraudulent transfer. Mistina then filed a Motion to Intervene in the Enforcement Action and sought unsuccessfully to have the Court lift the stay related to the Mistina Lawsuit.
- 2.5. On September 21, 2017 the Receiver filed the Alexandria Lawsuit asserting various claims against Alexandria, including breach of contract, and sought damages in the amount of \$138,375.55.

- 2.6. On November 3, 2017 Alexandria filed its Affirmative Defenses and Answer, wherein it denied liability for the claims asserted by the Receiver.
- 2.7. The Parties acknowledge the complexity of the claims and defenses as well as the expenses of litigation and potential un-collectability of any judgment obtained by the Receiver.
- 2.8. Alexandria and the Receiver have engaged in settlement discussions in an attempt to settle the claims in the Alexandria Lawsuit.
- 2.9. After participating in negotiations, the Receiver and Alexandria, to avoid the potential costs and uncertainties attendant to litigation, and without Alexandria admitting any fault or liability, reached an agreement-in-principle to settle all claims amicably, subject to the execution and Court approval of this Agreement.
- 2.10. Given Alexandria's intent to defend vigorously against any Claims asserted against it by the Receiver and the risks inherent in litigation and the expenses that would likely result from protracted litigation, the Receiver has concluded that it is in the best interest of the Receivership Estate to avoid further litigation that will further deplete the assets of the Receivership Estate and has determined that the terms of this Agreement will provide a greater net benefit to the Receivership Estate than would any recovery that might be achieved through further litigation and its attendant costs.
- 2.11. Recognizing the issues in the Alexandria Lawsuit, the Receiver desires and intends by this Agreement to enter into final compromise and settlement of all actual or potential claims against Alexandria relating to the Lawsuits and Underlying Claims.
- 2.12. Each Party agrees and acknowledges that he or it will receive reasonable consideration in exchange for agreeing to the obligations of this Agreement.

### **3. AGREEMENT AND RELEASE**

NOW, THEREFORE, the Parties, for and in consideration of the mutual promises, covenants, warranties, and payment contained herein, the receipt, adequacy and sufficiency of which is hereby acknowledged, by and through their authorized representatives with express authority to enter into this Agreement, do hereby covenant and agree as follows:



- 3.1. Recitals.** For purposes of this Agreement, the Parties acknowledge the accuracy of the foregoing recitals incorporated into this Agreement.
- 3.2. Court Approval.** The Parties agree and acknowledge that this Agreement is contingent upon and shall be effective and binding on the Parties only after the occurrence of each of the following (the “Settlement Contingencies”):
- a. the approval by the Court of the settlement and terms of this Agreement; and
  - b. the entry by the Court of an Order<sup>1</sup> approving and entering the Bar Order in the form attached as Exhibit 1 (or an alternative form approved by the Court), containing an injunction and a permanent bar of the prosecution against Alexandria, in any forum, of any and all claims of any kind and nature, including all direct, indirect, or derivative claims in regard to any and all matters arising out of or in any way related to the Lawsuits or Underlying Claims or pursuant to applicable law (collectively, the “Barred Claims”).
- 3.3. Effective Date.** The Effective Date shall be the date that the Order described in Paragraph 3.2 above is entered.
- 3.4. Payment.** Alexandria shall make two payments to the Receiver, totaling SEVENTY-SEVEN THOUSAND (\$77,000). The first payment of THIRTY-NINE THOUSAND (\$39,000) will be made to the Receiver on or before the later of: (a) ten (10) days after the Effective Date, or (b) January 15, 2018. The second payment of THIRTY-EIGHT THOUSAND (\$38,000) shall be made to the Receiver no later than April 15, 2018. The payments shall be delivered in a manner designated by the Receiver.
- 3.5. Release of Alexandria.** Effective upon delivery of all Payments described in Paragraph 3.4, the Receiver, in compromise of all damages, expenses, liabilities, and losses that are claimed or could be claimed against Alexandria as a result of or relating in any way to the Lawsuits or Underlying Claims and on behalf of himself, his successors and assigns, the Receivership Entities and all Third Parties for which the Receiver has

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<sup>1</sup> An Order is intended to be, a final, appealable decision of the Court within the meaning of Rule 54(b) of the Federal Rules of Civil Procedure.

authority, releases, acquits, and forever discharges Alexandria from the Released Claims.

With respect to the Released Claims, the Receiver, individually and on behalf of the Receivership Entities and Third Parties for which he has authority, acknowledges that he and they may have sustained damages, expenses, and losses which are presently unknown to them, and that additional damages, expenses, and losses presently unknown or unsuspected by some or all of them may arise in the future, and that this Release has been negotiated and agreed upon despite this realization. Being fully advised, Receiver expressly waives any rights any person or entity for which he has authority may have under any statute or common law principle which would limit the effect of the foregoing release to those claims actually known or suspected to exist at the time of the execution of this Release. It is the express purpose and intention of this Release that Alexandria Capital be fully released and finally discharged from any and all obligations, contractual or otherwise, associated in any way with the Lawsuits or Underlying Claims, both now and in the future.

- 3.6. Retained Jurisdiction.** The Parties agree that the Court shall retain jurisdiction to enforce the terms of this Agreement and the Order described in Paragraph 3.2 above. For the avoidance of doubt, the Parties agree that in the event that the Settlement Contingencies are not satisfied or specifically waived in writing by Alexandria, then Alexandria shall have no obligation to make the payments described in Paragraph 3.4, above, and this Agreement will be null and void and wholly unenforceable, and the Parties will be restored to their respective rights and positions as they existed prior to the signing of this Agreement.
- 3.7. Approval Process.** After the execution of this Agreement and on or before November 20, 2017, the Receiver shall file a motion in the Enforcement Action seeking the Court's approval of this Agreement and entry of a Bar Order, as described in Paragraph 3.2. The Receiver shall serve by regular, first-class United States mail, a copy of a court approved Claim Bar Notice (proposed version attached hereto as Exhibit "2") or other form approved by the Court, the proposed Bar Order, and the motion seeking approval of the settlement (without exhibits) on the persons and entities as required by Paragraph 1.2 or as otherwise directed by the Court. The Receiver shall also post this Agreement, the motion seeking its approval (and all exhibits thereto), the proposed Bar Order, and the approved Claim Bar Notice on the

website established by the Receiver in connection with this action and shall notify all claimants to the Receivership by electronic mail or by other means reasonably calculated to provide actual notice.

- a. Court approval of this Agreement and the entry of a Bar Order in the form attached as Exhibit 1 (or a form approved by the Court) are conditions precedent to Alexandria's obligations under this Agreement. This Agreement shall not become effective unless and until the Court approves this Agreement and a Bar Order has been entered by the Court as provided in Paragraph 3.2.
- b. Nothing in this Agreement or the Bar Order is intended to or shall impair in any way the rights of the Investors to participate in the claims process for the Receiver's ultimate plan of distribution for the Receivership Estate or to receive distributions of Receivership assets pursuant to the ultimate plan of distribution.
- c. Except as provided herein, Alexandria will not be liable for any attorneys' fees or costs incurred by the Receiver or other claimants in finalizing and implementing the terms of this Agreement, or in making claims against the Receiver or the settlement funds, including without limitation those attorneys' fees and costs related to any motions filed with the Court in the Enforcement Action or with respect to the Bar Order.

If the Court approves this Settlement Agreement and enters a Bar Order in accordance with Paragraph 3.2, then the terms of this Agreement shall become binding on the Parties, and Alexandria and the Receiver shall file a STIPULATION OF DISMISSAL WITHOUT PREJUDICE of the Alexandria Lawsuit. Alexandria shall make the payments to the Receiver in accordance with the terms of this Agreement. If the Court rejects the Receiver's motion for approval, or if no Bar Order is entered, then the Agreement shall terminate immediately upon the entry of an order denying the Receiver's motion seeking approval, and Alexandria shall have no obligation to make the payments described in Paragraph 3.4 above, nor shall Alexandria have any obligations under this Agreement. If Alexandria does not make either of the payments as specified in this agreement, the Bar Order shall not be effective as to the Receiver.



Alexandria agrees that if one or both payments is not made as required hereunder the Receiver shall be entitled to a judgment in an amount equal to (a) \$138,000, plus (b) prejudgment interest from November 1, 2017 at seven percent (7%) minus (c) the amount of any payments made hereunder, plus; (d) attorneys' fees in the amount of fifteen percent (15%) of the sum of (a), (b) and (c), and that said judgment shall be entered in the Enforcement Action and shall immediately be and become binding on Alexandria.

- 3.8. No Admissions.** The Receiver and Alexandria agree that this Agreement is entered into for the purpose of compromising disputed claims and that the giving and receiving of the consideration and covenants provided for herein shall not be construed as an admission of any liability or wrongdoing of any kind by the Receiver or Alexandria.
- 3.9. Governing Law and Forum Selection.** This Agreement in all respects shall be interpreted, enforced and governed by and under the laws of the State of Georgia, without regard to the choice of law or conflict laws of any jurisdiction. The Receiver and Alexandria agree that the United States District Court for the Northern District of Georgia, Atlanta Division, shall have exclusive jurisdiction over all issues related to this Agreement.
- 3.10. Independent Legal Representation and Advice.** The Receiver and Alexandria warrant and represent that, in executing this Agreement, they have relied upon legal advice from their attorneys of choice, that the terms of this Agreement and its consequences, have been completely read and explained by their attorneys, and that they fully understand the terms of this Agreement. Further, this Agreement has been circulated for editing by counsel for all parties and therefore shall be deemed to have been drafted jointly by the parties; accordingly, any rule pertaining to the construction of contracts to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement. The undersigned individuals signing this Agreement warrant and represent that they have full authority to execute this Agreement.
- 3.11. Entire Agreement.** This Agreement constitutes the entire agreement between the Parties hereto and may not be amended or modified except by a written agreement signed by all Parties.

- 3.12. Costs, Fees, and Expenses.** Except as provided herein, each Party shall bear its own costs, fees, and expenses (including all attorneys' fees and any other legal or accounting fee or expense) incurred in connection with this Agreement and the transactions contemplated thereby.
- 3.13. Counterparts.** Each of the undersigned Parties agrees that multiple copies of the signature pages of this Agreement may be distributed to the undersigned parties for signature, such signature pages to be returned to counsel for the Receiver, to be assembled into multiple copies of this Agreement, each of which shall be deemed to be one and the same instrument.

**[SIGNATURE PAGES FOLLOW]**

IN WITNESS WHEREOF, the Parties have signed and acknowledged this Agreement below.

**RECEIVER, ROBERT D. TERRY**

As Receiver for Summit Wealth Management, Inc., Summit Investment Fund, LP, Asset Class Diversification Fund, LP and Private Credit Opportunities Fund, LLC

By: 

Date: 11-20-17

Dates and Docket Number of Orders Establishing Authority: September 24, 2012  
(Docket # 9); November 23, 2012 (Docket # 27)

**ALEXANDRIA CAPITAL, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

(Docket # 9); November 23, 2012 (Docket # 27).

**ALEXANDRIA CAPITAL, LLC**

By: 

Name:

*Parker MacIntyre*

Title:

*CEO*

Date:

*11/17/2017*

APPROVED AS TO FORM:

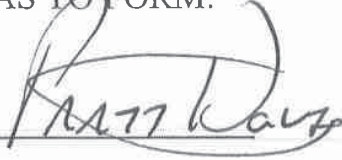
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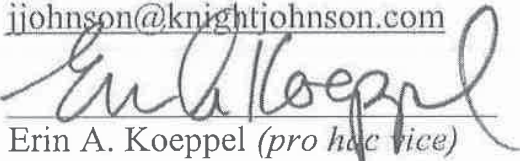


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