

July 18, 2016

Corral Owner,

We are pleased to announce that The Corral at Breckenridge has resolved the last remaining piece of litigation pertaining to claims we made against terminated General Manager Larry Nelson and his family under various legal theories including Breach of Contract, Breach of the Duty of Loyalty, Misappropriation, and Civil Conspiracy. We have reached a final settlement agreement with Farmers Insurance regarding our Employee Theft & Embezzlement insurance policy coverage.

As you may be aware the litigation directly involving the Nelson family (Larry Nelson, Cindy Nelson, Sara Gambino, Carlo Gambino) was settled in the summer of 2014. A key element in ending that litigation phase was Farmers Insurance agreeing to waive subrogation against the Nelson family which allowed The Corral to reach a confidential settlement agreement with the Nelson family. Another key element of those negotiations was Farmers agreed with The Corral that any additional monetary amount Farmers would pay us under the Employee Theft & Embezzlement provision of our policy would still be open to negotiation between Farmers and The Corral at Breckenridge HOA.

Subsequent to the Nelson family litigation settlement in 2014 The Corral was unable to reach agreement with Farmers Insurance for additional monies to be paid to The Corral under the Employee Theft & Embezzlement policy, resulting in suit being filed. This effort has proven successful with Farmers Insurance agreeing to pay The Corral additional sums in addition to the amount already paid to us under our Employee Theft & Embezzlement policy during the Nelson Family litigation period.

We have agreed with Farmers to keep the nature and dollar amount of this final settlement confidential. However, we are permitted to post this announcement on our web site and send the appropriate announcement by mail and/or email to The Corral owners so we can inform our owners as required under Colorado Law.

We are pleased to say that the efforts of the last nearly four years, beginning with the Nelson Family Litigation and ending with the Farmers litigation, which took immense amounts of time and effort, have been brought to a successful and final conclusion for our owners.

The Corral is now completely free of litigation and can continue to grow to be the great place it was meant to be.

Regards,

Geoffrey Forman, President
The Corral HOA Board