

VT SUPERIOR COURT
WASHINGTON UNIT
STATE OF VERMONT

SUPERIOR COURT
WASHINGTON UNIT

2010 JUL 12 P 1:16

CIVIL DIVISION
Docket No. 217-4-16 Wncv

STATE OF VERMONT,)

THROUGH MICHAEL PIECIAK,)
IN HIS OFFICIAL CAPACITY)
AS COMMISSIONER OF THE)
VERMONT DEPARTMENT OF)
FINANCIAL REGULATION,)

and)

ATTORNEY GENERAL)
THOMAS J. DONOVAN, JR.,)

Plaintiffs,)

v.)

ARIEL QUIROS; WILLIAM STENGER;)
Q RESORTS, INC.; JAY PEAK, INC.; JAY)
PEAK HOTEL SUITES L.P.; JAY PEAK)
HOTEL SUITES PHASE II L.P.; JAY PEAK)
MANAGEMENT, INC.; JAY PEAK)
PENTHOUSE SUITES L.P.; JAY PEAK GP)
SERVICES, INC.; JAY PEAK GOLF AND)
MOUNTAIN SUITES L.P.; JAY PEAK GP)
SERVICES GOLF, INC.; JAY PEAK LODGE)
AND TOWNHOUSES L.P.; JAY PEAK GP)
SERVICES LODGE, INC.; JAY PEAK SUITES)
STATESIDE L.P.; JAY PEAK GP SERVICES)
STATESIDE, INC.; JAY PEAK BIOMEDICAL)
RESEARCH PARK L.P.; and ANC BIO)
VERMONT GP SERVICES, LLC,)

Defendants.)

CONSENTED TO MOTION
FOR ENTRY OF CONSENT ORDER

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

NOW COMES Plaintiff, the State of Vermont, through undersigned counsel, and moves for entry of the proposed Consent Order, in order to facilitate the resolution of the State's claims against Ariel Quiros. In support of the Motion, the State of Vermont states as follows:

1. On July 11, 2018, the State and Mr. Quiros executed a Stipulation for the Entry of Consent Order (the "Stipulation") in order to facilitate the resolution of the State's claims against Mr. Quiros. A copy of the Stipulation is attached as Exhibit A.

2. In accordance with the Stipulation, the State hereby moves that the Court enter the proposed Consent Order that is attached hereto as Exhibit B.

3. Mr. Quiros, through counsel, has consented to the entry of the proposed Consent Order.

4. The State of Vermont believes that the resolution of this matter is in the public interest, and respectfully requests that the Court enter the Consent Order to facilitate this resolution.

DATED at Montpelier, Vermont this 12th day of July 2018.

STATE OF VERMONT

THOMAS J. DONOVAN, JR.
ATTORNEY GENERAL

By: 

Kate T. Gallagher, AAG
Office of the Attorney General
109 State Street
Montpelier, VT 05609-1001
kate.gallagher@vermont.gov
(802) 828-3171

Jennifer Rood, SAAG
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101
jennifer.rood@vermont.gov
(802) 828-3301

Attorneys for Plaintiff
State of Vermont

**Office of the
ATTORNEY
GENERAL**
109 State Street
Montpelier, VT
05609

Exhibit A

STATE OF VERMONT

SUPERIOR COURT
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 FINANCIAL REGULATION,)
)
 and)
)
 ATTORNEY GENERAL)
 THOMAS J. DONOVAN, JR.,)
)
 Plaintiffs,)
)
 v.)
)
 ARIEL QUIROS et al.)
)
 Defendants.)

STIPULATION FOR THE ENTRY OF CONSENT ORDER

In order to resolve the allegations of the Complaint as they relate to Defendant Ariel Quiros, Plaintiff State of Vermont and Defendant Ariel Quiros agree as follows:

1. Without admitting or denying liability, Mr. Quiros agrees to the entry of a consent order that dismisses all claims against him with prejudice; releases Mr. Quiros from any and all claims the State has or could have asserted against him; and enjoins Mr. Quiros from, directly or indirectly, participating in the issuance, offer or sale of any securities in Vermont or participating in or managing or otherwise exercising control over any commercial enterprise or project that issues, offers or sells securities in Vermont. Nothing shall prevent Mr. Quiros from purchasing or selling securities for his own accounts.

2. Mr. Quiros will pay the State of Vermont the amount of \$2,000,000 in satisfaction of all claims that the State has asserted or could have asserted against Mr. Quiros in this action, including claims for damages.
3. Payment of the \$2,000,000 will be deemed fully satisfied when Mr. Quiros turns over all rights to the following parcels of real property to the State of Vermont or its designee.

Jay Peak Villages Townhouse V132, 236 South Village Rd., Jay, Vermont

Parcel No. 17-0400027, Shallow Brook Rd. TH 40, Jay, Vermont

Parcel No. 06-0040006, known as Okcha Land, 79.3 Acres, Jay, Vermont

Aquiros Farms, 1294 Loop Road, Troy, Vermont

Parcel No. 7020043.000, 4452 Darling Hill Road, Burke, Vermont

All proceeds from the sale of these properties shall be used to promote economic development in the Northeast Kingdom.

4. Within 10 days of the entry of the consent order, the State will inform Mr. Quiros to whom the property shall be transferred.
5. Within 30 days of being informed of the State's election pursuant to paragraph 4, Mr. Quiros will take all actions necessary to transfer the title of the five properties to the State of Vermont or its designee. This obligation on the part of Mr. Quiros remains subject to the lifting of the Federal Asset Freeze Order.
6. Within 10 days of receipt of all documents and signatures necessary for the transfer of title of the five properties to the State of Vermont or its designee, the State will file all documents necessary to lift and extinguish the asset freeze order of the Washington Superior Court on Mr. Quiros's assets and to seek a final judgment: (a) making permanent the injunction provided for in paragraph 1; (b) dismissing with prejudice all claims against Defendant Ariel Quiros; and (c) releasing Mr. Quiros from all claims the State has made or could have made against Mr. Quiros in this action.

STATE OF VERMONT

THOMAS J. DONOVAN, JR.
ATTORNEY GENERAL

Dated: 7/11/18

By: 

Kate Gallagher
Office of the Attorney General
109 State Street
Montpelier, VT 05609-1001
kate.gallagher@vermont.gov
(802) 828-5503

Dated: July 11, 2018

By: 

ARIEL QUIROS

Ritchie E. Berger, Esq.
Dinse, Knapp & McAndrew, P.C.
209 Battery Street
P.O. Box 988
Burlington, Vermont 05402-0988
RBerger@DINSE.com



Exhibit B

STATE OF VERMONT

SUPERIOR COURT
WASHINGTON UNIT

CIVIL DIVISION
DOCKET NO. 217-4-16 Wncv

STATE OF VERMONT,)
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and)
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ATTORNEY GENERAL)
THOMAS J. DONOVAN, JR.,)
)
Plaintiffs,)
)
V.)
)
ARIEL QUIROS et al.)
)
Defendants.)

CONSENT ORDER

Based upon the Stipulation for the Entry of Consent Order filed by Plaintiff State of Vermont and Defendant Ariel Quiros, and in order to facilitate resolution of the allegations of the State's Complaint as they relate to Defendant Ariel Quiros, it is hereby ORDERED as follows:

1. Mr. Quiros, who has neither admitted nor denied liability in connection with the allegations in the State's Complaint, is enjoined from directly or indirectly participating in the issuance, offer or sale of any securities in Vermont or participating in or managing or otherwise exercising control over any commercial enterprise or project that issues, offers, or sells securities in Vermont. Nothing in this Order shall prevent Mr. Quiros from purchasing or selling securities for his own accounts.

2. Mr. Quiros will pay to the State of Vermont the amount of \$2,000,000 in satisfaction of all claims that the State has asserted or could have asserted against Mr. Quiros in this action, including claims for damages.
3. Payment of the \$2,000,000 will be deemed fully satisfied when Mr. Quiros turns over all rights to the following parcels of real property to the State of Vermont or its designee.

Jay Peak Villages Townhouse V132, 236 South Village Rd., Jay, Vermont

Parcel No. 17-0400027, Shallow Brook Rd. TH 40, Jay, Vermont

Parcel No. 06-0040006, known as Okcha Land, 79.3 Acres, Jay,

Vermont AQUIROS Farms, 1294 Loop Road, Troy, Vermont

Parcel No. 7020043.000, 4452 Darling Hill Road, Burke, Vermont.

All proceeds from the sale of these properties shall be used to promote economic development in the Northeast Kingdom.

4. Within 10 days of entry of this Consent Order, the State will inform Mr. Quiros to whom the properties shall be transferred.
5. This Court's asset-freeze order dated April 9, 2018 is hereby modified only in that it will not be deemed to prohibit Mr. Quiros from making the five transfers required by this Order.
6. Within 30 days of being informed of the State's election pursuant to paragraph 4, Mr. Quiros will take all actions necessary to transfer the title of the five properties to the State of Vermont or its designee. This obligation on the part of Mr. Quiros remains subject to the lifting of the Federal Asset Freeze Order.
7. Within 10 days of receipt of all documents and signatures necessary for the transfer of title of the five properties to the State of Vermont or its designee, the State will file all documents necessary to lift and extinguish this Court's asset freeze order on Mr. Quiros's assets.
8. The State of Vermont and Mr. Quiros will promptly notify the Court when they have complied

with the terms of paragraphs 6 and 7 of this Consent Order and will submit a Final Judgment and Stipulation of Dismissal for approval by the Court. The Final Judgment shall: (1) make permanent the injunction provided for in paragraph 1; (2) dismiss with prejudice all claims against Defendant Ariel Quiros; and (3) release Mr. Quiros from any and all claims that the State has or could have asserted against Mr. Quiros in this action.

SO ORDERED

Dated: _____

The Honorable Mary Miles Teachout
Superior Court Judge