



GRANTED

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

KATHLEEN JENNINGS, Attorney)
 General of the State of Delaware,)
)
 Plaintiff,)
)
 v.)
)
 BACKPAGE.COM, LLC, WEBSITE)
 TECHNOLOGIES, LLC, POSTING)
 SOLUTIONS, LLC, and AMSTEL)
 RIVER HOLDINGS, LLC,)
)
 Defendants.)

C.A. No. 2018-0838-SG

[PROPOSED] CONSENT JUDGMENT

WHEREAS, the Attorney General of the State of Delaware (“Attorney General”) commenced this action, which seeks orders cancelling the certificates of formation of the Defendants under 6 *Del. C.* § 18-112 (the “Cancellation Action”);

WHEREAS, the Defendants in this action, Backpage.com, LLC, Website Technologies, LLC, Posting Solutions, LLC and Amstel River Holdings, LLC (collectively, “Defendants” and together with the Attorney General, the “Parties”) are defendants in federal criminal proceedings pending in the United States District Court of the District of Arizona (“Arizona District Court”). *See United States v. Backpage.com, LLC*, et al., Case 2:18-cr-00465-SMB (D. Ariz.);

WHEREAS, the Defendants have ceased to operate;

WHEREAS, other various individuals and entities associated with the Defendants also are defendants in federal criminal proceedings pending in the Arizona District Court;

WHEREAS, each of Defendants and Carl Ferrer (“Ferrer”) are parties to plea agreements in the referenced criminal cases;

WHEREAS, cancellation of the certificates of formation of the Defendants effective as of this Date potentially could jeopardize Defendants’ ability to fulfill obligations under their federal plea agreements with the United States (the “Plea Obligations”), including but not limited to the facilitation of the recovery of property of Defendants under certain forfeiture orders entered in the criminal proceedings;

WHEREAS, Ferrer and the Defendants currently are scheduled to be sentenced in their criminal cases on July 18, 2019, and this sentencing date is likely to be further postponed until after the resolution of *United States v. Lacey, et al.*, Case No. 2:18-cr-422-SMB (together with *United States v. Backpage.com, LLC, et al.*, the “Criminal Cases”), which is currently set for trial on Jan. 20, 2020 (the “Criminal Trial Date”);

WHEREAS, the United States Attorney’s Office for the District of Arizona, which is prosecuting the Criminal Cases and the forfeiture proceedings involving the Defendants, has stated to the Attorney General that there is a risk that cancellation of the Defendants’ certificates of formation prior to the conclusion of

the forfeiture proceedings “could call into question the validity of any order directing the corporate defendants to forfeit their assets, and could complicate the [Arizona District Court’s] determination of the pending third-party claims” to Defendants’ assets.”;

WHEREAS, the United States Attorney’s Office for the District of Arizona has requested that this action “be stayed until the criminal cases and related third-party claims now pending in the District of Arizona are resolved, or, at a minimum, that the effectiveness of any order or stipulation determining the cancellation of the certificates of formation of the defendants be stayed until that time”; and

WHEREAS, other than fulfilling the Plea Obligations they may owe to the United States, Ferrer and the Defendants have no interest in the maintenance of the corporate existence of the Defendants.

NOW, THEREFORE, IT IS ADJUDGED, ORDERED AND DECREED:

1. The relief requested by the Attorney General in the Cancellation Action is hereby granted as expressly set forth herein.

2. Effective upon the 31st day following the conclusion of all proceedings in the Criminal Cases (including related forfeiture proceedings), upon timely receipt of notice and a certified copy of this Consent Judgment to be provided by the Attorney General, the Delaware Division of Corporations is directed to cancel the

certificates of formation of Backpage.com, LLC, Website Technologies, LLC, Posting Solutions, LLC, and Amstel River Holdings, LLC.

3. The provisions of this Consent Judgment shall be construed in accordance with the laws of the State of Delaware.

4. This Consent Judgment is made without trial or adjudication of any issue of fact or law.

5. All other relief not expressly granted by this Consent Judgment is denied, with all Parties responsible for their respective costs.

6. The Parties agree not to challenge the entry of this Consent Judgment and waive all rights of appeal.

7. If any portion of this Consent Judgment is held illegal, invalid, or unenforceable, the remaining terms of this Consent Judgment shall not be affected and shall remain in full force and effect.

8. Each of the persons who signs his/her name below affirms that he/she has the authority to execute this Consent Judgment on behalf of the Party whose name appears next to his/her signature and this this Consent Judgment is a binding obligation enforceable against such Party under Delaware law.

* * *

**STATE OF DELAWARE
DEPARTMENT OF JUSTICE**

/s/ Christian Douglas Wright
Christian Douglas Wright (No. 3554)
Deputy Attorney General
Carvel State Office Building
820 N. French Street, 5th Floor
Wilmington, DE 19801
(302) 577-8600

and

**STATE OF DELAWARE
DEPARTMENT OF JUSTICE**
Aaron R. Goldstein (No. 3735)
State Solicitor
Carvel State Office Building
820 N. French Street, 5th Floor
Wilmington, DE 19801
(302) 577-8400

Attorneys for Plaintiff

**CHIPMAN BROWN CICERO & COLE,
LLP**

/s/ Paul D. Brown
Paul D. Brown (No. 3903)
Joseph B. Cicero (No. 4388)
Gregory E. Stuhlman (No. 4765)
Hercules Plaza
1313 North Market Street, Suite 5400
Wilmington, DE 19801
(302) 295-0191

and

OF COUNSEL
Mark A. Castillo
Curtis | Castillo PC
901 Main St., Ste. 6515
Dallas, TX 75202
Telephone: (214) 752-2222
Fax: (214) 752-0709

Attorneys for Defendants

SO ORDERED this _____ day of _____, 2019

Vice Chancellor Sam Glasscock III

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: Sam Glasscock

File & Serve

Transaction ID: 63346755

Current Date: Jun 11, 2019

Case Number: 2018-0838-SG

/s/ Judge Glasscock, Sam