

**Subject:** My Settlement Offer  
**From:** Elpis <Elpis@wegrid.org>  
**Date:** 4/09/2020, 2:17 pm  
**To:** Wendy Heald <wpheald@gmail.com>

**Dear Wendy,**

Sadly, I am informing you that I have filed a civil lawsuit against you. Although you should already have been served, I have attached to this email the summons document signed by the Yavapai County - Superior Court - Verde Valley.

During the last year, I have had times where I felt like giving up on the pursuit of righting the wrongs that have been dealt against our sons over the last 20 years, wrongs in which you have played a significant part in producing. But after lamenting at their current disempowered life trajectories and realizing that they face a future with limited opportunities, I became even more determined that I should not give up on securing their rightful inheritance that has been so cruelly stolen from them. And you have played a pivotal role in the theft of that inheritance by hiding your dealings with Ted Foley and as a result denying me the critical information that I needed to expose all of the malfeasances.

## **LAWSUIT**

- **ASSERTION OF CLAIMS**

I will asserting the following claims:

- **MISUSE OF CHILD-SUPPORT COLLATERAL SHARES**

THAT you misused the 50,000 K2000 collateral shares that I had provided to you to cover my past and future child-support obligations.

- **FRAUD**

THAT your actions meet the required legal elements of a fraud that was designed to realize a double financial benefit to you from 1) the accrual of my child-support debt for over a decade **in addition to** 2) the value appreciation of your acquired Efficient Learning System's shares.

The fraud enabled you to achieve both of these benefits.

- **MY OWNERSHIP OF THE EFFICIENT LEARNING SYSTEM'S SHARES**

With respect to the Efficient Learning System's shares that you received in August 2006, I will make the claim of legal right to the title those shares.

I will make this claim on the following basis:

- In an email to Ted Foley on 9/23/2012, you explicitly acknowledged that the "conversion" of the collateral shares was the central premise upon which your deal with Ted Foley was based. This contradicts your later claim in 2017 that the Efficient Learning System's shares you received in that transaction were a gift from Ted Foley, and that therefore had nothing to do with the collateral shares.  
AND
- I will make the claim that at the time of your Conversion Deal transaction with Ted Foley, it was me, and not you, who was the owner of the 50,000 K2000 child support collateral shares;  
AND
- Your acquisition of the 23,500 Efficient Learning Systems shares involved the fraudulent use of those 50,000 K2000 Child-Support collateral shares, which were actually owned by me at the time of the transaction;  
THEN
- Because you received the 23,500 Efficient Learning Systems shares based on your assumed title to the 50,000 K2000 Child-Support collateral shares (*that were actually owned by me at the time*), then it was not you, but me who can claim legal title to those shares; a claim which aligns with the fact that all other K2000 shareholders were the owners of the K2000 shares that they had "converted" to Efficient Learning Systems shares in the original Share Exchange Deal.

- **SUBVERSION OF THE CORNERSTONE PREMISE OF THE PROPERTY DIVISION AGREEMENT**

I will further claim that your deceptive actions in carrying out the above fraud subverted the cornerstone good-faith negotiation premise of the 'property division' section of our Child-Support agreement. Accordingly, I will pursue a complete reassessment of our property division formula.

- **DAMAGES SOUGHT**

I will be seeking the following damages

- **PROCEEDS FROM YOUR SALE OF THE 23,500 EFFICIENT LEARNING SYSTEMS SHARES**

I will claim rights to the proceeds from the sale of these shares

**\$103,127** (\$89,676+\$13,451)

- **INTEREST ON YOUR PAYOUT**

In addition to the proceeds from your sale of the 23,500 Efficient Learning System's shares, I will seek damages for the accumulated interest on those proceeds.

Because the acquisition of those Efficient Learning Systems shares was the booty of a fraud committed by you which denied me the use of those funds from 2012/2014 to the present, I will seek damages equal to the accumulated interest over that time period.

**\$93,289**

... **Total Interest from Dec 2012 to Dec 2019** (\$174,753+\$21,663-\$103,127)

**MONTHLY INTEREST IN 2020**

... **APPROXIMATELY \$1700 PER MONTH**

- **COMPLETE REASSESSMENT OF OUR PROPERTY DIVISION FORMULA**

I will pursue a complete reassessment of our property division formula. In particular, I will seek:

**TITLE TO THE HOUSE AT 285 EL CAMINO GRANDE**

- **LEGAL FEES**

I will seek my legal fees.

## **K2000-ELSCO LAWSUIT**

**I WISH TO INFORM YOU THAT, IN ADDITION TO PROSECUTING THE ABOVE LITIGATION AGAINST YOU, I AM RESOLVED TO INCLUDE YOU AS AN ADDITIONAL DEFENDANT IN THE K2000-ELSCO LAWSUIT.**

In that lawsuit, I will make the claim that you played a critical part in assisting Ted Foley to fraudulently eliminate my (and our sons') financial interest in K2000's Business Assets.

I will further claim that this conspiracy was based on the following deceptive actions by you that meet the legally required elements of fraud.

- **HIDING OF THE CONVERSION DEAL FROM ME TO PREVENT DISCOVERY**

*I will claim* that, in accepting the collateral shares, you were bound by their terms of use explicitly indicated on their share certificate provided to you and that you subsequently personally filed.

*I will further claim* that you had an obligation to report to me (and the Arizona Division of Child-Support) any action or decision that would materially deviate from those terms.

*I will further claim* that you chose to ignore those terms, then enter into a deal with Ted Foley to use those shares as the basis to negotiate the acquisition of 23,500 Efficient Learning Systems shares, and to collude with him to hide that deal from me (and the Arizona Division of Child-Support).

- **EFFECTIVE BLOCKING STRATEGY**

*I will further claim* that you and Ted Foley both knew that you would be using the shares contrary to the "terms of use" stipulated on both the Child-Support Share Certificate and the Reservation Order filed with the company through Ted Foley.

*I will further claim* that you both knew that you would be committing a fraud against me and therefore you would need to hide your actions from me.

*I will further claim* that you knew that it was imperative that you not engage me on any matters related to the conversion of the K2000 shares, knowing that it would lead to your perfidy being discovered.

*I will further claim* that your actions resulted in the effective blocking of the only "Communication Avenue" available to me to discover both the Child-Support Fraud and the Share Elimination Fraud, (which you were well aware of because I had previously informed you of the transfer of my K2000 shares to our sons) .

- **HIDING THE ELIMINATION OF MY (OUR SONS') INTEREST IN K2000'S BUSINESS ASSETS**

*I will further claim* that you knew that I had transferred my K2000 shares to our sons in 2002.

*I will further claim* that at the very latest by 2012 when you received the ELSco-JohnWiley Stock Purchase Agreement governing the sale of Efficient Learning Systems to John Wiley & Sons, you would have realized from reading the included Capitalization Table that my (our sons') K2000 shares had neverbeen "converted" to Efficient Learning Systems shares, and therefore their financial interest in K2000's business assets had been eliminated.

*I will further claim* that you also knew that the decade-long sales growth of K2000's primary products had been triggered by my internet marketing project in 2002, well before the expropriation into Efficient Learning Systems of K2000's business assets in 2003, and that therefore the fact that our own sons had no Efficient Learning Systems shares would have been highly suspicious, at least enough so as to warrant a thorough enquiry with you as well as with Ted Foley.

*I will further claim* that, nevertheless, you decided not to contact me to seek answers to how our sons had been cut out of Efficient Learning Systems entirely.

*I will further claim* that your motivation was to protect against the discovery by me of the Share Elimination Fraud.

- **NONFEASANCE WITH RESPECT TO THE INITIATION OF A CLAIM**

**INDEMNITY CLAIMS**

*I will further claim* that you received the ELSco-JohnWiley Stock Purchase Agreement governing the sale of Efficient Learning Systems to John Wiley & Sons, and was therefore aware of its Indemnity clauseexpressing potentially valid claims by those K2000 shareholders who had not participated in the 2003Share Exchange Deal. *[The only K2000 shares that had not been "converted" were my original K2000 shares (51%) that I had transferred to our sons].* \$3.5M was set aside to cover such claims with payout delayed by two years until 2014, presumably to allow some time for such claims to emerge.

**COGNIZANT OF UNCONVERTED SHARES**

*I will further claim* that from the ELSco Capitalization Table contained in that agreement, you knew that none of my (our sons') K2000 shares had been converted to Efficient Learning Systems shares. And therefore you knew that owners of those shares were eligible to make a claim against that \$3.5M held in escrow until 2014.

**FAILURE TO INVESTIGATE OR TAKE ACTION**

*I will further claim* that you failed to take any action to investigate why my (our sons') K2000 shares had not been converted to Efficient Learning Systems shares, nor did you precipitate any claim for our sons against that escrowed \$3.5M. Initiating such a claim successfully would have necessarily required contacting me to gather the exact details of the transfer of my K2000 shares to our sons.

**RELUCTANCE TO RISK EXPOSURE**

*I will further claim* that your contacting me with such a request would have immediately exposed theShare Elimination Fraud when I discovered that our sons owned no Efficient Learning Systems shares(when they should have been the majority shareholders of Efficient Learning Systems).

*I will further claim* that your contacting me would also have exposed your perpetration of the Child-Support Fraud.

*I will further claim* that in order to protect yourself against being exposed, you chose to maintain your allegiance to Ted Foley's goals of protecting against discovery 1) of his perfidy with respect to the expropriation of K2000's business assets, and 2) of the elimination of my (our son's) financial interest in those assets.

*I will further claim* that this deliberate nonfeasance provides compelling evidence of your complicity in a conspiracy with Ted Foley. It resulted in me being unaware of the availability of making a claim. Thus, our sons and I were significantly injured by being denied a multi-million dollar inheritance while you were guaranteed of a second payout of ~\$13K paid from that escrowed \$3.5M in 2014.

*I will further claim* that this shocking act of betrayal provides further evidence of your deliberate decision to block any information that could result in my discovery of the Share Elimination wrongdoings.

*I will further claim* that you believed that it was more important to you to protect your perfidy against potential discovery rather than enable our sons' to receive a multi-million dollar payout.

**SETTLEMENT OFFER**

My governing motivation for both this lawsuit and the K2000-ELSco lawsuit is to win our sons' rightful inheritance

from the sale of Efficient Learning Systems.  
Accordingly, I extend to you an offer with the following settlement terms.

- **YOU ARE TO MAKE THE FOLLOWING SETTLEMENTS:**

- **THE PROCEEDS FROM SALE OF THE 23,500 EFFICIENT LEARNING SYSTEMS SHARES ...\$103,127**  
Make this payment to Mathew and Anthony Walker, split equally between them ...2 x \$51,563<sup>50</sup>
- **THE INTEREST ON THE SALE ... \$93,289**  
Make this payment to an escrow account purposed to supplement the legal fund for prosecuting K2000-ELSco lawsuit.

- **YOU ARE TO TAKE THE FOLLOWING ACTION:**

- **TRANSFER THE TITLE OF 285 EL CAMINO GRANDE IN THE FOLLOWING PROPORTIONS**
  - Mat Walker ... **49%**
  - Anthony Walker ... **49%**
  - Jonathan Walker ... **2%**

- **YOU ARE TO MAKE A GOOD-FAITH COMMITMENT**

TO COOPERATE WITH ME AND OUR TWO SONS TO PROSECUTE THE K2000-ELSco lawsuit .

### SO, WHERE ARE WE?

Last year, our sons pressured me (*actually demanded of me*) to make a soft approach to you to get your cooperation in the K2000-ELSco lawsuit, an approach in which you were completely absolved of all of your perfidy. You brazenly rejected us and blocked any further communications from me. That rejection spoke volumes about your guilt, which consequently moved me to restructure the K2000-ELSco lawsuit and to include you as a Defendant in that lawsuit. Since you rejected that deal, which would have been far kinder to you than the current offer above, I fully suspect that you will reject this offer as well. But for our boys' sake, I have to make the offer.

### Silver-Lining

Ironically, there is a silver lining to accepting the current deal. It is that everything goes to our boys, and **I get nothing** whereas if you reject it as I believe you most certainly will, then, if I win this lawsuit against you, all judgements go to me (*which, I imagine, given your past expressed hatred for me would be the most unpalatable outcome for you*) . So, you are once again in the unenviable position that fighting against me reduces to fighting to injure your own sons, or put another way, choosing to entrust your future to the generosity of your sons or to me.

I am not going to waste time in negotiating with you. We are way beyond that point. If I don't hear from you in the next week, I will include you as one of the Defendants in the K2000-ELSco lawsuit, which will be facilitated significantly with you as one of the defendants. I plan to file that lawsuit in the next month.

### Johnnie

— Attachments: —

WalkerHealdSummons-CC.pdf

590 KB