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Receiver of
Assets of James P. Lewis, Jr.,
Financial Advisory Consultants,
Income Fund Ltd. &
Growth Fund Ltd.

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Securities and Exchange Commission v. James P. Lewis, Jr., et al.
CASE No. CV 03-9354 ABC (VBKx)

Order Granting Motion by Receiver for Second Omnibus Order:

- (1) Approving Sale of Coin Collection by Private Sale and Modifying Sale Procedures of 28 U.S.C Sections 2001 and 2004 in Connection Therewith;**
- (2) Approving Sale of All Ownership Claims and Interests in Pyro Shield, Inc., and Related Compromises and Modifying Sale Procedures of 28 U.S.C Sections 2001 and 2004 in Connection Therewith;**
- (3) Approving and Authorizing Payment of Receivership Expenses [January 6, 2004 Through April 30, 2004]; and**
- (4) Limiting Notice**

Filed July 14, 2004

LODGED

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JUL 13 PM 3:06
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

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JUL 14 2004
CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

9 Attorneys for Receiver, ROBB
10 EVANS

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 JAMES P. LEWIS, JR.,
18 individually and doing business
19 as FINANCIAL ADVISORY
20 CONSULTANTS, INCOME FUND, LTD.
21 AND GROWTH FUND, LTD.,

22 Defendants.

CASE NO. CV 03-9354 ABC (VBKx)

ORDER GRANTING MOTION BY
RECEIVER FOR SECOND OMNIBUS
ORDER: (1) APPROVING SALE OF
COIN COLLECTION BY PRIVATE SALE
AND MODIFYING SALE PROCEDURES
OF 28 U.S.C. SECTIONS 2001 AND
2004 IN CONNECTION THEREWITH;
(2) APPROVING SALE OF ALL
OWNERSHIP AND OTHER CLAIMS AND
INTERESTS IN PYRO SHIELD, INC.,
AND RELATED COMPROMISES AND
MODIFYING SALE PROCEDURES OF 28
U.S.C. SECTIONS 2001 AND 2004
IN CONNECTION THEREWITH; (3)
APPROVING AND AUTHORIZING
PAYMENT OF RECEIVERSHIP
EXPENSES [JANUARY 6, 2004
THROUGH APRIL 30, 2004]; AND
(4) LIMITING NOTICE

DATE: July 12, 2004
TIME: 10:00 a.m.
PLACE: Courtroom 680

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24
25 The matter of the Receiver's Motion for a second omnibus
26 order: (1) approving the sale of a coin collection of defendant
27 James P. Lewis, Jr. ("Lewis") by private sale for cash in the
28 amount of \$25,266.00 and modifying the sale procedures of 28

1 U.S.C. sections 2001 and 2004 in connection therewith; (2)
2 approving the sale of Lewis' stock ownership and any other
3 related interests in and/or claims against Pyro Shield, Inc. (the
4 "Pyro Shield Interests") to Pyro Shield, Inc. ("Pyro Shield") for
5 the sum of \$100,000.00, in the form of a cash down payment of
6 \$25,000.00 and monthly payments of \$6,250.00 per month for twelve
7 (12) months, and related compromises and modifying the sale
8 procedures of 28 U.S.C. sections 2001 and 2004 in connection
9 therewith; (3) approving and authorizing payment of receivership
10 expenses incurred for the period from January 6, 2004 through
11 April 30, 2004 ("Initial Expense Period"), including payment of
12 the fees of the Receiver, the Receiver's agents and employees and
13 professionals, and reimbursement of costs incurred during the
14 Initial Expense Period; and (4) limiting service of written
15 notice of motions, applications and other requests for relief by
16 the Receiver under Local Rule 66-7 (the "Second Omnibus Motion")
17 came on regularly for hearing at the date, time and place set
18 forth above before the Honorable Audrey B. Collins, United States
19 District Judge presiding. Gary Owen Caris of Frandzel Robins
20 Bloom & Csato, L.C. appeared on behalf of the Receiver and moving
21 party, and James S. Brasher of the Law Offices of James J. Warner
22 appeared on behalf of defendant James P. Lewis, Jr. The Court
23 having reviewed and considered all moving papers, no written
24 opposition to the Second Omnibus Motion having been filed, the
25 Court having heard and considered the arguments of counsel,
26 counsel for the Receiver having advised the Court that Leonard
27 and Charmayne Mackenzie ("Mackenzies") have expressed an interest
28 in making an overbid to acquire the Pyro Shield Interests under

1 the terms and conditions of the Pyro Shield Overbid Terms and
2 Procedures set forth in paragraph 2 of this Order, and good cause
3 appearing therefor,

4 IT IS ORDERED as follows:

5 1. The Receiver's Second Omnibus Motion is granted in its
6 entirety in accordance with the terms of this Order.

7 2. The proposed sale of the Lewis coin collection by
8 private sale for cash in the amount of \$25,266.00 to Superior
9 Galleries "as is, where is," with all faults, and without
10 warranties or representations is hereby granted, and the sale
11 procedures of 28 U.S.C. sections 2001 and 2004 are hereby
12 modified in connection therewith. The Receiver is hereby
13 authorized to complete the sale of the Lewis coin collection to
14 Superior Galleries without further overbids or appraisals as
15 requested in the Second Omnibus Motion.

16 3. The sale of Lewis' stock ownership and any other
17 related interests in and/or claims against Pyro Shield, Inc. (the
18 "Pyro Shield Interests") to Pyro Shield for the sum of
19 \$100,000.00, in the form of a cash down payment of \$25,000.00 and
20 monthly payments of \$6,250.00 per month for twelve (12) months,
21 and related compromises as set forth in the Stock Repurchase and
22 Settlement Agreement attached to the Second Omnibus Motion (the
23 "Pyro Shield Offer") is hereby approved, subject to potential
24 overbid by the Mackenzies in accordance with and subject to the
25 Pyro Shield Overbid Terms and Procedures as hereinafter set
26 forth. In connection therewith, the sale procedures of 28 U.S.C.
27 sections 2001 and 2004 shall be modified and the following
28 overbid terms and procedures (the "Pyro Shield Overbid Terms and

1 Procedures") shall apply and be followed by the Receiver:

2 A. The Mackenzies shall have until July 26, 2004 to
3 notify the Receiver of their intent to submit an overbid for the
4 Pyro Shield Interests and shall concurrently deliver to the
5 Receiver a \$25,000.00 refundable cash deposit.

6 B. If the Mackenzies timely notify the Receiver of
7 their intent to overbid and timely tender their \$25,000.00 cash
8 refundable deposit, then the Receiver shall conduct an auction of
9 the Pyro Shield Interests commencing at 10:00 a.m. on July 28,
10 2004 at the Receiver's offices located at 11450 Sheldon Street,
11 Sun Valley, CA 91352.

12 C. The initial overbid by the Mackenzies must be in
13 cash or on terms no less favorable than those of the Pyro Shield
14 Offer as set forth in the Second Omnibus Motion and must exceed
15 the Pyro Shield Offer by not less than \$20,000.00.

16 D. Any subsequent overbidding by Pyro Shield and the
17 Mackenzies must be in cash or terms no less favorable than the
18 Pyro Shield Offer as set forth in the Second Omnibus Motion and
19 shall be in increments of not less than \$10,000.00.

20 E. At the conclusion of the auction, the Receiver
21 shall accept the highest bid from Pyro Shield or the Mackenzies
22 that most exceeds and improves the sale price and terms of the
23 Pyro Shield Offer. Whether the highest bid is from Pyro Shield
24 or the Mackenzies, the sale to Pyro Shield or the Mackenzies
25 under the Pyro Shield Overbid Terms and Procedures shall hereby
26 be deemed approved.

27 F. If the Mackenzies fail to timely notify the
28 Receiver of their intent to overbid and/or fail to timely deliver

1 their refundable cash deposit as required by the Pyro Shield
2 Overbid Terms and Procedures, then the Receiver shall complete
3 the sale of the Pyro Shield Interests to Pyro Shield pursuant to
4 the Pyro Shield Offer.

5 4. The receivership expenses incurred for the period from
6 January 6, 2004 through April 30, 2004 ("Initial Expense Period")
7 are hereby approved. The Receiver is hereby authorized to pay
8 all receivership expenses incurred during the Initial Expense
9 Period, including the fees of the Receiver, the Receiver's
10 agents, employees and professionals, and reimbursement of costs.

11 5. The Receiver's request for an order limiting notice is
12 hereby granted. Service of written notice of motions,
13 applications and other requests for relief by the Receiver under
14 Local Rule 66-7 of the Local Rules of the United States District
15 Court for the Central District of California, including without
16 limitation the following: (a) petitions for payment of dividends
17 to creditors; (b) petitions for confirmation of sales of real
18 property and personal property; (c) reports of the Receiver; (d)
19 applications for instructions concerning administration of the
20 estate; (e) applications for discharge of the Receiver; and (f)
21 applications for fees and expenses of the Receiver, the attorney
22 for the Receiver and any other person appointed to aid the
23 Receiver ("Rule 66-7 Motions") shall be deemed satisfied for the
24 purposes of this case if the Receiver serves notice on (a) the
25 plaintiff Securities and Exchange Commission, (b) the defendant
26 Lewis; (c) all parties who have served the Receiver with a
27 written request for notice in this matter by service of a request
28 for notice on the Receiver ("Specified Parties"), and if the

1 Receiver posts on the website for this receivership at
2 www.facreceiver.com a copy of the Rule 66-7 Motion concurrently
3 with the filing and service thereof. Written requests to be
4 added to or remain on the Receiver's mailing list by interested
5 parties in the case shall be directed to the Receiver's deputy
6 Lillian Lee at the Receiver's offices located at Robb Evans &
7 Associates, 11450 Sheldon Street, Sun Valley, California 91352-
8 1121. The Receiver is also directed to provide copies of such
9 Rule 66-7 Motion to any interested party who submits a written
10 request for a copy of a specific pleading to the Receiver at the
11 address set forth above. The Receiver is further authorized to
12 serve copies of such Rule 66-7 Motion by electronic mail only if
13 requested and agreed to by an interested party.

14
15 Dated: *July 14, 2004*

AUDREY COLLINS

AUDREY B. COLLINS
United States District Judge

PROOF OF SERVICE

I, the undersigned, declare and certify as follows:

I am over the age of eighteen years, not a party to the within action and employed in the County of Los Angeles, State of California. I am employed in the office of FRANZEL ROBINS BLOOM & CSATO, L.C., members of the Bar of the above-entitled Court, and I made the service referred to below at their direction. My business address is 6500 Wilshire Boulevard, Seventeenth Floor, Los Angeles, California 90048-4920.

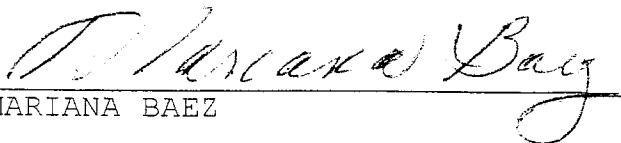
On July 13, 2004, I served true copy(ies) of the ORDER GRANTING MOTION BY RECEIVER FOR SECOND ONMIBUS ORDER: (1) APPROVING SALE OF COIN COLLECTION BY PRIVATE SALE AND MODIFYING SALE PROCEDURES OF 28 U.S.C. SECTIONS 2001 AND 2004 IN CONNECTION THEREWITH (2) APPROVING SALE OF ALL OWNERSHIP AND OTHER CLAIMS AND INTERESTS IN PYRO SHIELD, INC., AND RELATED COMPROMISES AND MODIFYING SALE PROCEDURES OF 28 U.S.C. SECTIONS 2001 AND 2004 IN CONNECTION THEREWITH; (3) APPROVING AND AUTHORIZING PAYMENT OF RECEIVERSHIP EXPENSES [JANUARY 6, 2004 THROUGH APRIL 30, 2004]; AND (4) LIMITING NOTICE, the original(s) of which is(are) affixed hereto, to the party(ies) listed on the attached service list.

BY MAIL: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing with the United States Postal Service. Under that practice, it would be deposited with the United States Postal Service that same day in the ordinary course of business. Such document(s) were placed in envelopes addressed to the person(s) served hereunder for collection and mailing with postage thereon fully prepaid at Los Angeles, California, on that same day following ordinary business practices.

BY FACSIMILE: At approximately _____, I caused said document(s) to be transmitted by facsimile. The telephone number of the sending facsimile machine was (323) 651-2577. The name(s) and facsimile machine telephone number(s) of the person(s) served are set forth in the service list. The document was transmitted by facsimile transmission, and the sending facsimile machine properly issued a transmission report confirming that the transmission was complete and without error.

I certify under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

Executed on July 13, 2004, at Los Angeles, California.


MARIANA BAEZ

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