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SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE
(Riverside)

THE PEOPLE OF THE STATE OF
CALIFORNIA,

Plaintiff,

v.

DANIEL WILLIAM HEATH
DENIS TIMOTHY O'BRIEN
JOHN WILLIAM HEATH
LARRE JAYE SCHLARMANN,

Defendants.

CASE NO. RIF117775

[REDACTED] COURT ORDER
APPOINTING ROBB EVANS AS
RECEIVER OF REAL PROPERTY
LOCATED AT 1809 E. SACHS PLACE,
COVINA, CALIFORNIA PURSUANT
TO PENAL CODE § 186.11

TO DEFENDANTS DANIEL WILLIAM HEATH, DENIS TIMOTHY O'BRIEN, JOHN
WILLIAM HEATH, and LARRE JAYE SCHLARMANN, and to their attorneys of record herein;
AND EVERY PERSON WHO MAY HAVE AN INTEREST IN, OR CUSTODY OR CONTROL
OVER, ANY PROPERTY OR ASSET MENTIONED HEREIN

Having read and considered the following documents filed herein:

1. EX PARTE APPLICATION FOR ORDER TO SHOW CAUSE AND TEMPORARY
RESTRAINING ORDER PURSUANT TO PENAL CODE §186.11(e) TO PRESERVE
PROPERTY OR ASSETS SUBJECT TO LEVY OR SEIZURE UNDER PENAL CODE
§186.11 ["AGGRAVATED WHITE COLLAR CRIME ENHANCEMENT"];
MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATION OF
GERALD FOX

ORDER APPOINTING RECEIVER, PENAL CODE §186.11

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- 2. PETITION PURSUANT TO PENAL CODE §186.11(e) TO PRESERVE PROPERTY OR ASSETS SUBJECT TO LEVY OR SEIZURE UNDER PENAL CODE §186.11 [“AGGRAVATED WHITE COLLAR CRIME ENHANCEMENT”]
- 3. NOTICE OF PETITION PURSUANT TO PENAL CODE §186.11(e) TO PRESERVE PROPERTY OR ASSETS SUBJECT TO LEVY OR SEIZURE UNDER PENAL CODE §186.11 [“AGGRAVATED WHITE COLLAR CRIME ENHANCEMENT”]
- 4. NOTICE OF MOTION AND MOTION TO APPOINT RECEIVER TO MARSHAL AND PRESERVE DEFENDANTS’ PROPERTY AND POINTS AND AUTHORITIES IN SUPPORT THEREOF: PENAL CODE § 186.11
- 5. STIPULATION APPOINTING ROBB EVANS AS RECEIVER OF REAL PROPERTY LOCATED AT 1809 E. SACHS PLACE, COVINA, CA

And having considered arguments of counsel,

IT IS ORDERED THAT:

- 1. Robb Evans is appointed as Receiver, with full powers of an equity receiver, of the real property located at 1809 E. Sachs Place, Covina, California (Hereafter the “Real Property”) and described as:

REAL PROPERTY IN THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

LOT 150 OF TRACT NO. 19382 IN THE CITY OF COVINA AS PER PLAT RECORDED IN BOOK 614, PAGES 73 TO 75 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

- 2. The Receiver is hereby authorized, empowered and directed, without further leave of court, to liquidate and convert into money the Real Property held in possession and control pursuant to this order, by selling, conveying, and disposing of the same, either at public or private sale, on terms and in the manner he deems most beneficial to the parties involved in this action, with due regard to the realization of the Real Property’s true and proper value, and to hold and use such proceeds in a manner not inconsistent with this Order, pending further order of the court; provided, that no such sale shall be made except on due prior notice to any person holding or claiming an encumbrance or lien against, or affecting, any such property, asset, or interest;

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- 1 3. The Receiver is hereby authorized and empowered to discharge, adjust, or settle all claims
2 against or obligations arising from any prior or concurrent indebtedness of or owing or incurred
3 by the Receiver, including taxes, assessments, and other lawful charges against the Real Property
4 held by the Receiver, on the terms and in such manner as he deems just and beneficial to the
5 Receivership Estate;
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- 7 4. The Receiver shall be empowered to demand, receive and collect all rents, proceeds, issues,
8 profits, income and all other monies derived from the Real Property, to collect debts and
9 compromise same, and to sell the Real Property on reasonable terms. And to take such action
10 respecting the Real Property , which the Court may authorize in the exercise of his duties herein.
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- 12 5. The Receiver shall apply and disburse the rents, issue, profits, income and all other monies
13 arising from the Real Property first to pay all reasonable expenses, necessary or incidental to the
14 continued operation, care, preservation and maintenance of the Real Property, including the
15 advertising or marketing of the Real Property for sale; the Receiver shall deposit and hold any
16 remaining funds in a trust account;
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- 18 6. The Receiver may bring and prosecute all proper actions for the collection of rental payments
19 due on the Real Property and, with prior approval of this Court, bring and prosecute all proper
20 actions for the protection of the Real Property or to recover possession thereof;
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- 22 7. The Receiver shall account for the rents, income, issues, profits, monies and proceeds received
23 under the order of this Court.
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- 25 8. The Receiver shall perform such other acts as maybe ordered by the Court or as otherwise
26 sanctioned by law;
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- 28 9. The Receiver may hire managers, agents, employees, servants, accountants, attorneys,
29 contractors, and real estate brokers, in his discretion, as may in his judgment be advisable or
30 necessary in the management, conduct, control of the Real Property, and pay the same from
31 funds in the Trust Account, which the Court may authorize in the exercise of his duties herein.
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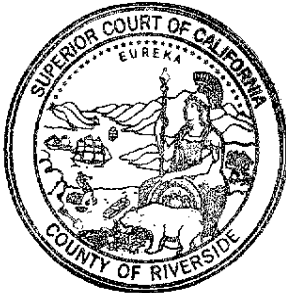
- 1 10. The Receiver may at any time apply to this Court for further or other instructions and for further
2 powers necessary to enable the Receiver to perform his duties including, but not limited to, the
3 Receiver's application to apply funds in the Trust Account to preserve, maintain, improve,
4 market and sell the Real Property.
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- 6 11. IT IS FURTHER ORDERED that defendant John William Heath, and his, agents, servants,
7 employees and attorneys, and any other persons who are in custody, possession or control of the
8 Real Property shall forthwith give access to and control of such property to the Receiver
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- 10 12. IT IS FURTHER ORDERED that defendant John William Heath and his agents, servants,
11 employees and attorneys, shall cooperate with and assist the receiver, his attorneys, accountants,
12 employees and agents and shall take no action, directly or indirectly, to hinder, obstruct, or
13 otherwise interfere with the receiver, his attorneys, accountants, employees or agents or in the
14 conduct of the Receiver's duties or to interfere in any manner, directly or indirectly, with the
15 custody, possession, management, marketing, sale or control by the Receiver of the Real
16 Property. The cooperation and assistance shall include but not be limited to the execution of all
17 documents that may be necessary for the Receiver to accomplish the duties set forth in this or
18 any further order of the court. Nothing in this paragraph shall be construed to prohibit John
19 William Heath from asserting any of his rights under the United States Constitution.
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- 21 13. IT IS FURTHER ORDERED that no bond shall be required in connection with the appointment
22 of the Receiver. Except for an act of gross negligence, the receiver shall not be liable for any
23 loss or damage incurred by any of the defendants, their officers, agents, servants, employees and
24 attorneys or any other person, by reason of any act performed or omitted to be performed by the
25 receiver in connection with the discharge of his duties and responsibilities.
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- 27 14. IT IS FURTHER ORDERED that this Court shall retain jurisdiction over this action for the
28 purpose of implementing and carrying out the terms of all orders.
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- 30 15. IT IS FURTHER ORDERED that during the pendency of the Receivership administration,
31 defendants and defendants' employees, servants, agents, representatives, and each of them, and
32 all persons acting by, through, in concert, in aid of, or in conjunction with any of them, are
33 enjoined and restrained during the pendency of this action from engaging in, doing; or
34 attempting to do, committing, performing or causing to be done, either directly or indirectly, by
35 any means, methods, or devices whatsoever, any of the following acts:
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(a) Selling, assigning, transferring, hypothecating, or otherwise disposing of the Real Property;

(b) Interfering in any way with the Receiver appointed by this Court in carrying out his duties as such Receiver.

Dated: This 7th day of November, 2004.





JUDGE OF THE SUPERIOR COURT OF
CALIFORNIA, COUNTY OF RIVERSIDE

(SEAL)