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JUL 01 2008
**LOS ANGELES
SUPERIOR COURT**

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8 **SUPERIOR COURT OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**
10 **EAST DISTRICT**

11
12 CATHAY BANK, a California banking
13 corporation,
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15 Plaintiff,
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17 v.
18 K2DC HOLDINGS, LLC, a Maryland limited
19 liability company; and DOES 1 through 100,
20 Inclusive,
21
22 Defendants.

CASE NO. KC 053283
[Assigned to The Honorable Bruce R. Minto]
**STIPULATED ORDER FOR THE
APPOINTMENT OF RECEIVER AND
PRELIMINARY INJUNCTION IN AID OF
RECEIVER**
Complaint File: June 30, 2008

21 **STIPULATION**

22 IT IS HEREBY STIPULATED and agreed by Plaintiff Cathay Bank ("Plaintiff" and/or
23 "Bank") by and through their attorneys of record Frandzel Robins Bloom & Csato, L.C. and
24 Defendant K2DC Holdings, LLC ("Defendant"), by and through its attorney of record, Stutman,
25 Treister & Glatt, that the Court may issue the following Stipulated Order:

26 IT IS ORDERED that Robb Evans & Associates LLC ("Receiver"), he and is hereby
27 appointed Receiver in this action, subject to the conditions that before entering upon his duties as a
28 Receiver, he shall take the oath and file a bond with a surety thereon approved by this Court in the

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1 sum of \$10,000 to secure the faithful performance of his duties as the receiver;

2 IT IS ORDERED that Plaintiff post a bond in the amount of \$1,500.00 pursuant to Code of
3 Civil Procedure section 566(b), and a bond in the amount of \$1,500.00 pursuant to Code of Civil
4 Procedure section 529.

5 The parties waive the hearing on the confirmation of the Receiver's appointment.

6 IT IS FURTHER ORDERED that the Receiver shall have the following powers and
7 responsibilities, and shall be authorized to:

8 1. Enter onto and take possession of the business premises of Defendant
9 K2DC Holdings, LLC ("Defendant") located at 918 Canada Street, City of Industry, California
10 91748, and any other location from which the Defendant conducts business ("Business
11 Premises"). The Receiver shall seize and take possession of and control all of the Bank's
12 collateral securing Defendant's obligations to Bank, wherever located, including, but not limited
13 to, the Defendant's accounts, accounts receivable, chattel paper, documents, instruments, money,
14 deposit accounts, inventory, equipment and general intangibles (collectively, "Collateral"), and all
15 of the Defendant's books and records relating thereto and all equipment containing said books and
16 records, wherever located, as the Receiver deems necessary for the proper administration and
17 operation of the receivership estate, but the books and records shall be made available to the
18 Defendant as reasonably necessary.

19 2. Take any and all steps necessary to receive, collect and review all mail
20 addressed to Defendant, including, but not limited to, mail addressed to each and every one of
21 their Business Premises, and any post office boxes held in the name of Defendant, and at the
22 Receiver's discretion, he is authorized to instruct the United States Postmaster to reroute, hold,
23 and/or release said mail to said Receiver. Mail reviewed by the Receiver in the performance of his
24 duties will promptly be made available for inspection to the Defendant after review by the
25 Receiver.

26 3. Demand, collect and receive all monies, funds and payments arising from
27 the business operations of Defendant and/or the Bank's Collateral.

28 4. Take possession of all bank accounts of the Defendant wherever located and

1 of the Receivership estate.

2 11. The Receiver is not required to comply with section 568.5 of the California
3 Code of Civil Procedure regarding the Receiver's sale of personal property in the ordinary course
4 of Defendant's business, and may conclude a sale of all or any portion of the Collateral out of the
5 ordinary course of business if, unless the parties hereto all agree otherwise, the Receiver has given
6 five (5) days prior written notice of such sale to the parties hereto and no party has objected in
7 writing and demanded a hearing with respect to any such sale.

8 12. If there is insufficient insurance coverage on the Collateral, it is hereby
9 ordered that the Receiver shall have thirty (30) business days to procure said insurance on the
10 Collateral, provided the Receiver has funds available to do so, and during said period, said
11 Receiver shall not be personally responsible for claims arising or for the procurement of insurance.

12 13. The Receiver shall institute ancillary proceedings in this State or other
13 States as is necessary to obtain possession and control of the Collateral, and the Receiver may
14 engage the services of counsel if necessary. The Receiver may pay for such services from the
15 funds of the Receivership estate.

16 14. To the extent feasible, the Receiver shall, within thirty (30) days of his
17 qualification hereunder, file an inventory of all property of which he shall have taken possession
18 pursuant to this Order and shall file periodic accounting(s) thereafter.

19 15. Prepare periodic interim statements reflecting the Receiver's fees and
20 administrative costs and expenses incurred for said period in the operation and administration of
21 the receivership estate. Upon completion of an interim statement, and the mailing of said
22 statement to the parties' respective attorneys of record or any other designated personal agent, the
23 Receiver shall pay from the estate funds, if any, the amount of the Receiver's fees in said
24 statement. Despite the periodic statement of Receiver's fees and administrative expenses, such
25 fees and expenses shall be submitted to the Court for its approval and confirmation, in the form of
26 either a noticed interim request for fees or Receiver's final account and report.

27 16. The Receiver, or any party to this action, may from time to time, and on due
28 notice to all parties, make application to this Court for further orders instructing said Receiver.

1 h. Failing or refusing to immediately turn over to Receiver all monies, checks, funds
2 or proceeds relating to the Bank's Collateral, and failing to make available to the Receiver all
3 books and records relating to the Collateral.

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5 Dated: June 30, 2008

FRANDZEL ROBINS BLOOM & CSATO, L.C.
MICHAEL GERARD FLETCHER
BRUCE D. POLTROCK

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8 By: 
MICHAEL GERARD FLETCHER
Attorneys for Plaintiff, CATHAY BANK

9
10 Dated: June 19, 2008

STUTMAN, TREISTER & GLATT

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12 By: 
13 Attorneys for Defendant K2DC HOLDINGS, LLC

14 ORDER

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16 IT IS SO ORDERED.

17 Dated: 7-1-08

18 **K. BRUCE MINTO**
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JUDGE OF THE SUPERIOR COURT

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