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FILED

JUN 18 2010

DAVID H. YAMASAKI

Chief Executive Officer/Clerk
Superior Court of CA County of Santa Clara

BY _____ DEPUTY

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SANTA CLARA
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12 **IN RE THE MATTER OF THE CHINESE-**
13 **AMERICAN MUTUAL ASSISTANCE**
14 **ASSOCIATION, INC.,**
15 A Corporation in Process of Winding Up.

Case No. 10CV167333

**ORDER FOR PETITION FOR COURT
SUPERVISION OF VOLUNTARY
WINDING UP OF THE CHINESE-
AMERICAN MUTUAL ASSISTANCE
ASSOCIATION, INC. AND
APPOINTMENT OF RECEIVER**

Date: June 11, 2010

Time: 9:00 am

Dept: 17

Judge: Jamie A. Jacobs-May, Presiding Judge

Trial Date:

Action Filed:

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21 The Court having read and considered the Petition in this action, and its supporting
22 declarations, together with all other pleadings and papers filed by the parties, and finding good
23 cause therefor,

24 **IS HEREBY ORDERED:**

25 **I. THE COURT ASSUMES JURISDICTION PURSUANT TO CORPORATIONS**
26 **CODE SECTION 6614.**
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1 **II. APPOINTMENT OF RECEIVER.**

2 1 **APPOINTMENT OF RECEIVER:** The appointment of Mohamed Poonja of Poonja &
3 Company located at P.O. Box 1510, Los Altos, California 94023 as receiver (the "Receiver") in
4 this action is confirmed.

5 2. **THE RECEIVERSHIP ESTATE.** The "Receivership Estate" or "Property," as those
6 terms are used herein comprises all of the real, personal, tangible and intangible property of the
7 Chinese-American Mutual Assistance Association, Inc. ("CMAA") including, but not limited to
8 its building and property located at 1669 Flanigan Drive, San Jose, California 95121, and any
9 other collateral that secures any and all loans taken out by CMAA. Without limiting the
10 foregoing, the Receivership Estate includes, without limitation:

- 11 a. the real property and all improvements thereto described above and located at 1669
12 Flanigan Drive, San Jose, California 95121;
13 b. all personal property, including, but not limited to, cash and security deposits derived
14 from the Receivership Estate, and all maintenance materials, supplies, equipment and tools; and
15 c. all books and records kept by CMAA in whatever form.

16 3. **POSSESSION BY THE RECEIVER:** The Receiver shall take immediate possession of
17 the Receivership Estate.

18 4. **POWERS AND DUTIES OF RECEIVER:** The Receiver shall have all powers, duties
19 and authorities as are provided by law to use, operate, manage and control the Receivership
20 Estate, to collect and receive any and all rents, sub-rents, lease payments, profits and other
21 income from the Receivership Estate, to protect, preserve, improve and maintain the Receivership
22 Estate, and to incur expenses that are necessary and appropriate to care for, preserve and maintain
23 the Receivership Estate. Without limiting the foregoing, the Receiver's powers and duties shall
24 specifically include:
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- a. Determining the priority of claims to be paid subject to approval by the above-entitled Superior Court (“Court”). Subject to the approval of the Court, distributing a minimum of 85% of CMAA’s liquidated assets, net of costs of the receivership, to the participants of CMAA’s program called the “CMAA Senior Mutual Assistance Program” (“Senior Program”). Additionally, only if approved by the Court, distributing no more than 15% of CMAA’s liquidated assets, net of costs of the receivership, to another California public benefit corporation approved by the Court which has a similar charitable purpose as CMAA;
 - b. The Receiver shall collect any rents, profits and other income from the Property, wherever they may exist;
 - c. Monies coming into the possession of the Receiver and not expended for necessary operating expenses or any other purposes authorized by this Order shall be held by the Receiver in one or more bank accounts at such federally-insured banking institutions as the Receiver shall select, subject to such further orders as this Court may hereafter issue as to the disposition of such monies.
 - d. Subject to further order of this Court and to the extent there are funds in the Receivership Estate, the Receiver may operate and manage the Property, and the Receiver is authorized (i) to pay all ordinary and necessary expenses relating to operating the Property, (ii) to pay property taxes and assessments assessed against the Property, (iii) to purchase materials, supplies and services, (iv) to pay expenses incurred for maintenance, repairs and alterations reasonably necessary and proper to keep the Property in good condition, and (v) to pay for the foregoing items at the ordinary and usual rates and price out of the funds that shall come into his possession as Receiver. Notwithstanding the foregoing, the Receiver is to make no payment for accrued liabilities of the CMAA existing prior to this

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Order other than expenses that in his reasonable judgment are necessary or proper to preserve and protect the Property.

- c. The Receiver shall notify all necessary local, state and federal governmental agencies of his appointment as Receiver, including the California Franchise Tax Board, the Internal Revenue Service and the California Board of Equalization.
- f. The Receiver shall, upon taking possession of the Property, immediately determine whether, in the Receiver's judgment, there is sufficient insurance coverage for the Property and shall notify the parties herein of his determination. If sufficient coverage does exist, the Receiver may have himself named as an additional insured on the policy or policies for the period that he is in possession of the Property. If sufficient insurance coverage does not exist and only if there are funds in the Receivership Estate to cover it, including coverage for any actions taken by the Receiver within the scope of his receivership, the Receiver shall immediately so notify the parties to this lawsuit and shall procure, within ten (10) days, sufficient insurance for the Property, provided there are funds in the Receivership Estate available to do so. The Receiver shall not be personally liable for any uninsured claims arising prior to the time that sufficient insurance is in place and in force.
- g. The Receiver shall take receipt of any mail addressed to CMAA or any employee, volunteer or agent thereof, for the purpose of opening that mail and taking receipt of payments payable with respect to the Receivership Estate.
- h. To the extent deemed appropriate by the Receiver, the Receiver may encumber the Property to borrow additional funds to enable the Receiver to perform his duties and satisfy his costs and expenses hereunder if approved by the Court.
- i. The Receiver shall develop a reasonable standard for evaluating proof of claims and may,

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at the Receiver's discretion, follow or modify the proof of claims standards used by the United States Bankruptcy Courts, which standard shall be subject to approval by the Court.

- j. The Receiver may charge \$375.00 per hour for his receivership services and is authorized to retain legal counsel necessary to effectuate the receivership. The Receiver is authorized to have Duane Morris LLP as his counsel who shall charge customary rates, not to exceed \$550 per hour. The fees awarded to the Receiver or his counsel are subject to approval by this Court.
- k. The Receiver is authorized to retain the services of and enter into contracts, maintenance and repair companies, licensed engineers or other building professionals, property managers, and environmental consultants and contractors as the Receiver may select, and as the Receiver may deem necessary or appropriate to properly investigate, monitor and/or remediate any conditions or issues pertaining to the Property.
- l. The Receiver is authorized to market and sell the Property and to take such actions as are necessary to effectuate a private sale of the Property. In carrying out these duties, the Receiver is authorized to retain properly qualified real estate professionals, including, but not limited to, a real estate appraiser, broker and/or agent to list and market the Property. Any sale of real property requires approval by the Court and shall be done by motion with the Court.
- m. In performing his duties, no risk or obligation shall be the personal risk or obligation of the Receiver, but rather shall be solely the risk or obligation of the Receivership Estate.
- n. Upon liquidation of all Property and distribution of the assets pursuant to the Settlement Agreement, the Receiver shall then be divested of possession, custody and control of the applicable Property and, if consistent with existing law, the Receiver shall have no further

2 liability as to the applicable Property. Discharge of the Receiver shall require an order of
3 this Court after filing of the Receiver's Final Accounting and exoneration of the
4 Receiver's bond.

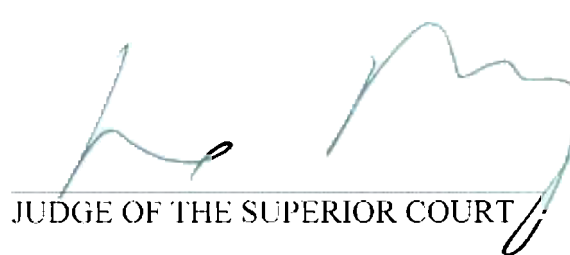
5 o. No less frequently than once per quarter, the Receiver will prepare periodic interim
6 statements reflecting the Receiver's fees and administrative and management costs
7 incurred in the operation and administration of the Receivership Estate. Upon completion
8 of an interim statement, and mailing a copy to the parties' respective attorneys of record
9 or any other designated person or agent, the Receiver may pay from funds in the
10 Receivership Estate, if any, the amount of said statement. Notwithstanding the periodic
11 payment of the Receiver's fees and administrative expenses, said fees and expenses shall
12 be submitted to the Court for its approval and confirmation, in the form of either a noticed
13 interim request for fees, a stipulation among all the parties, or the Receiver's Final
14 Accounting.

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16 p. It is further ordered that the Receiver may at any time, apply to this Court for further
17 instructions and for further powers necessary to enable the Receiver to perform his duties.

18 q. CMAA, its Board of Directors, its representatives, employees, and all other persons in
19 active concert and participation with them, shall fully cooperate with the Receiver and
20 shall fully cooperate in immediately making available and turning over to the Receiver all
21 Property, keys to the Property and the originals (or, with the Receiver's consent, copies)
22 of all books, records, ledgers, bank records, documents, subcontracts, contracts, computer
23 software and other business records wherever located relating to the Property. The
24 Receiver shall retain all documents until final disposition of the documents is determined
25 and approved by the Court. Documents shall be made available for copying and all
26 requests for copies shall be at the requestor's expense.
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- 2 Receiver will not be able to respond to those who submit the information.
- 3 s. It is further ordered that Petitioner shall post on its website copies of all pleadings that are
- 4 filed in this case, including but not limited to motions to sell assets, to establish
- 5 procedures for claims allowance, interim accountings and any court order, as well as any
- 6 other document requested by the Receiver or the Court.
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- 8 t. All requests for court approval shall be served by mail on Deputy Attorney General Scott
- 9 Chan, Mr. George Kasolas, counsel for CMAA, and Mr. Tam Nguyen, counsel for a
- 10 number of the participants.
- 11 u. The instant order shall be posted on the Office of the Attorney General's website within
- 12 10 days of the signing of the order.
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14 Dated: June 18, 2010

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17 JUDGE OF THE SUPERIOR COURT

18 Jamie Jacobs-May

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA CLARA

In Re the Matter of the Chinese-American Mutual Assistance
Association, Inc.,

A Corporation in Process of Winding Up.

FILED

JUN 18 2010

DAVID H. YAMASAKI
Chief Executive Officer/Clerk
Superior Court of CA County of Santa Clara
BY _____ DEPUTY

PROOF OF SERVICE BY MAIL OF:
ORDER FOR PETITION FOR COURT SUPERVISION OF
VOLUNTARY WINDING UP OF THE CHINESE-AMERICAN
MUTUAL ASSISTANCE ASSOCIATION, INC., AND
APPOINTMENT OF RECEIVER

Case Number:
1-10-CV-167333

CLERK'S CERTIFICATE OF SERVICE: I certify that I am not a party to this case and that a true copy of this document was mailed first class, postage fully prepaid, in a sealed envelope addressed as shown below and the document was mailed at SAN JOSE, CALIFORNIA on :

David H. Yamasaki, Chief Executive Officer/Clerk

BY  _____, Deputy
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