

JAMES D. GILSON (5472)
CALLISTER NEBEKER & McCULLOUGH
Zions Bank Building Suite 900
10 East South Temple
Salt Lake City, UT 84133
Telephone: (801) 530-7300

Attorneys for Plaintiff

Facsimile: (801) 364-9127

## IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY

STATE OF UTAH

## A. DAVID BARNES, M.D., P.C.,

Plaintiff,

VS.

FFCF INVESTORS, L.L.C., a Utah limited liability company; ASCENDUS CAPITAL MANAGEMENT, L.L.C., a Utah limited liability company; SMITH HOLDINGS, L.L.C, a Utah limited liability company; RICHARD T. SMITH, An individual; ROGER E. TAYLOR, an individual, and John Does I through X,

Defendants.

ORDER APPOINTING A
RECEIVER FOR FFCF
INVESTORS, L.L.C., ASCENDUS
CAPITAL MANAGEMENT,
L.L.C., AND SMITH HOLDINGS,
L.L.C.

Civil No. 080922273

Judge Lindberg

THIS CAUSE came to be heard before this Court on Plaintiff's Motion for Appointment of Receiver, and the Court having heard argument of counsel and having conducted a hearing, and being otherwise fully advised in the premises,

IT IS HEREBY ORDERED AND ADJUDGED that:

- 1. Plaintiff's Motion for Appointment of Receiver is granted.
- 2. Wayne Klein is appointed Receiver of and shall take immediate possession of all of the assets of the Defendants FFCF Investors, L.L.C. ("FFCF"), Ascendus Capital Management, L.L.C., ("Ascendus"), and Smith Holdings, L.L.C. ("Smith Holdings") (collectively "Company Defendants"), and all of the rents, revenues, income, profits, or other sums due the Company Defendants.
- 3. Company Defendants, their agents or employees, and other persons in possession of any of the foregoing assets shall forthwith deliver them to the Receiver and are restrained from interfering with the Receiver or with any of the property delivered to the Receiver.
  - 4. The Receiver is authorized, empowered, and directed to:
    - a. Marshal and take control of all assets and property belonging to, or in the custody, control, or possession of any of the Company Defendants, with full power to take such steps as he deems necessary to secure such premises, assets and property;
    - b. Have control of, and to close, transfer, or otherwise take possession of all accounts, securities, funds, or other assets of, or in the name of any of the Company Defendants, at any bank, brokerage firm, or financial institution which has possession, custody, or control of any assets of and of the Company Defendants;

- Take such action as is necessary to preserve and take control of, and to
  prevent the dissipation, concealment, or disposition of any assets of
  Company Defendants;
- d. Make or authorize such payments and disbursements from the funds and assets under his/her control pursuant to this Order, and to incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary, and advisable in discharging his/her duties as Receiver;
- e. Take possession, have access to, and to review all mail or any other communication, in any other form, of the Company Defendants or of its agents, officers, and directors;
- f. Execute all necessary corporate resolutions or directions necessary in carrying out the Receiver's responsibilities; and
- g. Make demand, file, or otherwise handle any claim under any insurance policy held by or issued on behalf of the Company Defendant or other persons affiliated with it.
- 5. The Receiver is authorized, empowered, and directed without further leave of the Court, to liquidate and convert into money all of the assets, property, and interests of every nature held in his/her possession and control pursuant to this Order, by selling, conveying, and

disposing of the property, either at public or private sale, on terms and in the manner the Receiver deems most beneficial to the persons or parties entitled to the proceeds and to deposit such proceeds into an account, pending further order of the Court.

- 6. The Receiver is authorized, empowered, and directed to investigate, prosecute, defend, intervene in, or otherwise participate in or compromise actions in any state, federal, or foreign court or proceeding of any kind as may be advisable, in his sole discretion, to recover or conserve assets and property of Company Defendants.
- 7. The Receiver shall have the authority to issue subpoenas for documents and testimony consistent with the Utah Rules of Civil Procedure.
- 8. Defendant and its officers, agents, servants, employees, attorneys-in-fact, consultants, accountants, advisers, and counsel shall cooperate with and assist the Receiver, including, if deemed necessary by the Receiver, by appearing for deposition testimony and producing documents.
- 9. The Receiver is authorized to employ agents, servants, or employees in his/her discretion to assist him/her in taking possession of the property and carrying out the terms of the Receivership and the orders of this Court, including accountants, attorneys, securities and real estate brokers, financial or business advisers, forensic experts, or liquidating agents.
- 10. The costs, fees, and expenses of the Receiver incurred in connection with the performance of his/her duties described herein, including the costs and expenses of those persons

who may be engaged or employed by the Receiver to assist him/her in carrying out his/her duties hereunder, shall be paid out of the proceeds or other assets of Defendant and any other assets under the control of the Receiver pursuant to this Order. All applications for costs, fees, and expenses for services rendered in connection with the Receiver shall be made by application detailing the nature of the services and shall be heard by the Court.

- 11. Within ten (10) days of the date of this Order, the Receiver shall file with this Court an Oath and Acceptance of Receiver accepting the appointment and agreeing to faithfully discharge his/her duties.
  - 12. The Receiver shall serve until further order of this Court.

DATED: 18 March, 2008

CERTIFY THAT THIS IS A TRUE COPY
OF AN ORIGINAL DOCUMENT ON FILE
N THE THIRD DISTRICT COURT, SALT
LAKE COUNT, STATE OF DEAH.

DATE:

DERDITI COURT CLERK

THIRD SALT

THIRD SA

BY THE COURT:

## **CERTIFICATE OF SERVICE**

I hereby certify that on the \_\_ of December, 2008, a true copy of the foregoing [Proposed]

## ORDER APPOINTING A RECEIVER FOR FFCF INVESTORS, L.L.C., ASCENDUS

CAPITAL MANAGEMENT, L.L.C., AND SMITH HOLDINGS, L.L.C. was mailed to

the following:

Sara J. Pfrommer 2663 Little Kate Road P.O. Box 3915 Park City, UT 84060

James J. Warner Frederick M. Reich 3233 Third Ave. San Diego, CA 92103

Richard T. Smith 443 N. 750 E. Orem, UT 84097

Jonathan O. Hafen PARR WADDOUPS 185 South State St. #1300 Salt Lake City, UT 84111

Wayne Klein LEWIS B. FREEMAN & PARTNERS, INC. 299 South Main, Suite 1300 Salt Lake City, UT 84111

Michael & Barbara Bailey 540 North 350 West Richfield, UT 84701 Ned & Marianne Bushnell 170 Westview Cr. Orem, UT 84058

Annette Kay Donnell 121 W. Chestnut St. Apt. #2802 Chicago, IL 60610

John Grobben 286 North 1040 East Springville, UT 84663

Mark T. Haren 55 S. Morrison Ave. San Jose, CA 95126

Brad L. Holmes, DDS 1275 North University Ave., Suite #6 Provo, UT 86663

Rodney Hulse 355 East 110 South Mapleton, UT 84664

Stan Hulse 1027 N. Main Street #200 San Antonio, TX 78212 Mary James 438 N. 750 East Orem, UT 84107

Sherman B. Johnson 1220 E. 225 N. Springville, UT 84663

Lighted Candle Society Attn: John Harmer 109 East South Temple, Suite 6E Salt Lake City, UT 84111

Janalyn & Kelly Memmott 935 North 100 East Pleasant Grove, UT 84062

Millard Living Trust 4542 Cottage Grove Lane Murray, UT 84107

Roy Molina 571 Sinda Cr. Moab, UT 84532-3074

Wayne Mortensen 420 East Maple Street Mapleton, UT 84664

Quenalee Nelson 504 North 4000 East Rigby, ID 83442 Douglas Ray Osburn 1209 Bentwood Way Louisville, Kentucky 40223

Rodney C. Petersen 1350 S. 1000 E. Mapleton, UT 84664

Stanford Petersen 2126 East 3715 South Salt Lake City, UT 84109

T. Courtney Smith 243 North 1100 East Springville, UT 84663

Mike Usher 8709 Oalewood Park Circle Sandy, UT 84094

Jamey West 9040 West Rosada Way Las Vegas, NV 89149

Dave & Sharon Wilcox 11853 North Whispering Ridge Drive Tucson, AZ 85737