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# ORIGINAL

1 PRESTON DuFAUCHARD California Corporations Commissioner WAYNE STRUMPFER 2 Deputy Commissioner SHARON A. LUERAS 3 Lead Corporations Counsel (SBN 139801) ERIK R. BRUNKAL (SBN 166086) 4 Senior Corporations Counsel 5 MARY ANN CLARK (SBN 230943) Senior Corporations Counsel 1515 K Street, Suite 200 6 Sacramento, California 95814 7 Telephone: (916) 322-6067 8

FILED

2007 MAY 14 PM 2: 15

SACRAMENTO COURTS DEPT. #54

Attorneys for the People of the State of California

#### SUPERIOR COURT OF THE STATE OF CALIFORNIA

#### FOR THE COUNTY OF SACRAMENTO

Case No. 07AS02200 THE PEOPLE OF THE STATE OF CALIFORNIA, by and through the CALIFORNIA CORPORATIONS ORDER GRANTING APPLICATION FOR COMMISSIONER, TEMPORARY RESTRAINING ORDER: Plaintiff. ASSET FREEZE; and APPOINTMENT OF RECEIVER (Corporations Code §§ 25110, 25401, 25530 Eurobrand, Inc., Samuel & Cohen Media, LLC., and 25535) Mintech International, Inc., and Daniel Cohen, individually, and DOES 1 through 20, inclusive. DATE: TIME: DEPT: Defendants.

The Order to Show Cause hearing re: Application for Temporary Restraining Order, Asset Freeze and Appointment of a Receiver came on regularly at the above date and time and in the Department indicated, before the Honorable Sully Presiding. Mary Ann Clark, Senior Corporations Counsel, and Erik Brunkal, Senior Corporations Counsel, appeared for Plaintiff, the People of the State of California by and through the California Corporations Commissioner. No appearances were made on behalf of any defendant for good cause demonstrated by plaintiff.

TRIAL DATE: None set

After consideration of Plaintiff's Ex Parte Application, Complaint, Memorandum of Points and Authorities in support thereof, Declarations in support thereof; and other supporting declarations

-1

and exhibits filed by Plaintiff in this action, and FOR GOOD CAUSE APPEARING

IT IS HEREBY ORDERED THAT:

A Temporary Restraining Order, as more fully set forth below, is hereby in

A Temporary Restraining Order, as more fully set forth below, is hereby issued. An asset freeze and appointment of a receiver as requested in the Application are hereby ordered on the terms and conditions as set forth in the Application of Plaintiff, as more fully set forth below.

Pursuant to Code of Civil Procedure section 527(d)(1), an Order to Show Cause hearing shall be held on Hay 1, 2007, at 1.00 m, in Department 54 of this court, at which time defendants shall show why a preliminary injunction should not be granted. The hearing shall be held in accordance with section 527(e).

#### IT IS FURTHER ORDERED THAT:

- 1. A freeze be placed on all funds, negotiable instruments and/or assets held in any bank savings or checking or other accounts, certificates of deposit, safe deposit box, or otherwise, without limitation, in the name of or for the benefit of defendants, Eurobrand, Inc., Samuel & Cohen Media, LLC., Mintech International, Inc., and Daniel Cohen, individually, directly or indirectly, and each of them, including, but not limited to Wells Fargo Bank, Washington Mutual Bank, Countrywide Financial and any depository or investment account in any financial institution that the Receiver may discover at a later date containing investor funds, upon presentation of this Order.
- 2. The banks and financial institutions listed above shall not notify the account holders subject to this Order, unless further ordered to do so by this Court.

#### IT IS FURTHER ORDERED THAT:

- 1. A Temporary Restraining Order issue restraining and enjoining all Defendants, their officers, directors, successors in interest, agents, employees, attorneys in fact, and all persons acting in concert or participating with them, or any of them, except the Receiver in the lawful exercise of his duties under the receivership, from directly or indirectly:
- a. Selling or purchasing or offering to sell or purchase any security as defined by California law, without first qualifying that security as required by law.

- b. Violating Corporations Code Section 25110 of the Corporate Securities Law of 1968
   ("CSL") by offering or selling unqualified non-exempt stock, or any other securities.
- c. Violating Corporations Code Section 25401 by offering or selling or buying or offering to buy stock or any other securities by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.
- d. Violating the California Department of Corporations Desist and Refrain Order issued
   February 6, 2006.
- e. Removing, destroying, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, any books, records, documents, correspondence, brochures, manuals, or other documentation of any kind in the possession, custody or control of any of the Defendants that relate in any way to the offer and sale of securities, specifically, but not including, investment contracts and stocks.
- f. Transferring, changing, disbursing, selling, dissipating, converting, pledging, assigning, foreclosing or otherwise disposing of any real or personal property or other assets, in their possession or under their control, or in the possession of, or under the control of any of them, without further Order from this Court.
- g. Withdrawing from any bank account, transferring, changing, disbursing, selling, dissipating, converting, pledging, assigning, foreclosing, or otherwise disposing of any real property or personal property in their possession or under their control, or in the possession of, or under the control of, any of the Defendants, without further Order from this Court.

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## THE COURT FURTHER FINDS THAT:

Good cause exists for the appointment of a receiver and that Robb Evans and Associates, LLC, <a href="https://www.RobbEvans.com">www.RobbEvans.com</a>, is qualified to act as such receiver.

### IT IS THEREFORE ORDERED THAT:

- 1. Robb Evans and Associates, LLC, be authorized and directed to take possession of all real and personal property and assets of defendants, Eurobrand, Inc. DBA Euromint, Samuel & Cohen Media, LLC., Mintech International, Inc., and Daniel Cohen, individually, whether directly or indirectly owned, beneficially or otherwise by, or in the possession, custody or control of defendants, and each of them, and such Does as may be subsequently named (hereinafter "receivership defendants"), and their respective subsidiaries and affiliates, and their successors and assigns wherever situated, or to which receivership defendants have any right of possession, custody or control, beneficially or otherwise, irrespective of whosoever holds such assets, including all such assets which receivership defendants carry or maintain, or which may be received during the pendency of this receivership, in order to obtain an adequate accounting of receivership defendants' assets and liabilities and to secure a marshalling of said assets; and
  - 2. For good cause appearing, the Receiver's bond is hereby waived.
- 3. Upon his appointment and entering upon his duties, the receiver is authorized, empowered and directed: to marshal, collect, review, observe, discover and take charge of all the real and personal property, premises and other assets of, or in the possession of or under the control of receivership defendants, beneficially or otherwise, or wherever else situated, including, but not limited to the following premises:
  - 1. Daniel Cohen
    - 4119 Prado De La Pluma
    - Calabasas, California
  - 2. Eurobrand, Inc. DBA Euromint
    - 26565 Agoura Road, Calabasas, California
  - 3. Samuel & Cohen Media, LLC
    - 26565 Agoura Road, Calabasas, California
- 4. Mintech International, Inc.
  - 26565 Agoura Road, Calabasas, California

and all accounts or safe deposit boxes of receivership defendants in financial depository or other institutions, including, but not limited to Wells Fargo Bank, Washington Mutual, Countrywide Financial, and of any other property in which receivership defendants have an interest, regardless by whom it may be held, beneficially or otherwise, on an ongoing and continual basis pursuant to this court's order.

No other signatory, including spouses or relatives of receivership defendants, on any bank account, investment account or safe deposit box may withdraw or cause to be withdrawn any amount from the accounts frozen by this or any related order, except by Order from the Court. Periodically, as set forth in subparagraphs (6) and (7), below the receiver shall report to this Court the results of the review, observation, discovery and abstracts resulting from the activities of the receiver as ordered by this Court, and specifically on any commingling of funds, unauthorized loans or other disposition of property of whatever description between any and each of the receivership defendants herein and/or any person, corporation, entity, sole proprietorship, affiliate, association of whatever type or structure, whether or not said entities are or are not defendants in this action;

- 4. To employ attorneys upon further order of this Court to assist the receiver in the performance of his duties and responsibilities, such employment to be approved by the Court upon ex parte application of the receiver;
- 5. To employ other such persons, including accountants, investigators, clerical and professional personnel, and the receiver's in-house staff and counsel, to perform such tasks as may be necessary to aid the receiver in the performance of his duties and responsibilities, without further order of the court;
- 6. To file, within thirty (30) days of his qualification and appointment hereunder, an initial inventory of all property, which he shall then have reviewed, observed and/or discovered pursuant to this Court's order. Additionally, the receiver is to file one or more supplemental inventories when and if he shall subsequently come into knowledge of additional items appropriate to the inventory;

- 7. To undertake an independent review into the affairs and transactions of receivership defendants and to file with this Court, within 120 days, and every six months thereafter, a report detailing the receiver's findings of his review of the condition of receivership defendants, other affairs and transactions of receivership defendants, reflecting the existence of any liabilities, both those claimed by others to exist and those to which the receiver believes to be the legal obligations of each of said receivership defendants, including a review of any possible conflicts of interest and any further information the receiver believes may assist in an equitable disposition of this matter, and to include in the report the receiver's opinion regarding the ability of said receivership defendants to meet their obligations as they come due, and the receiver's recommendation regarding the necessity for, and the best method of handling, preserving, or disposing of said assets;
- 8. To invest funds of the receivership estate in any interest-bearing obligations of the United States or in any interest-bearing accounts in financial institutions approved by the United States Trustee as an authorized depository for funds of bankruptcy estate, without further order of the Court; and to be the signatory on all bank accounts of receivership defendants, and each of them, including, but not limited to Wells Fargo Bank, and any depository or investment account in any financial institution that the Receiver may discover at a later date containing investor funds, upon presentation of this Order.
- 9. To bring such proceedings as are necessary to enforce the provisions hereof, including issuance of subpoenas to compel testimony or production of documents as to the existence or location of assets or any other information pertinent to the business, financial affairs, and other transactions of receivership defendants;
- 10. To bring such proceedings as are necessary to modify the provisions hereof, as the receiver deems appropriate;
- 11. To make such payments and disbursements from the funds so taken into custody, control and possession of the receiver or otherwise received by him, as may be necessary and advisable in discharging his duties as receiver, without further order of the court, including, without

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limitation, the payment of interim compensation to the receiver and persons or entities under (4) and (5) above, subject to the provisions of paragraph 12;

- 12. To carry on any lawful business activity of the entities and persons or entities in receivership, to preserve investors' assets and to foreclose and/or actively seek and negotiate with potential buyers, assignees or other parties who may be interested in acquiring, purchasing, leasing, subleasing or renting real or personal property of defendants and to sell, lease, sublease or rent such real or personal property of defendants, subject to Court approval;
- 13. To institute, prosecute, defend, compromise, intervene in and become a party, either in his own name or in the name of defendants, to such suits, actions or proceedings as may be necessary for the protection, maintenance, recoupment or preservation of the assets or property of receivership defendants, or in his custody, in his discretion, without further order of the Court; and
- 14. To divert, take possession of and secure all mail of receivership defendants, in order to screen such mail, retaining so much as relates to the business of receivership defendants, and forwarding to the individual or other appropriate addresses so much as is not, in the receiver's opinion, appropriate for retention by him, and to effect a change in the rights to use any and all post office boxes and other mail collection facilities used by receivership defendants.
- 15. Upon the receiver's appointment, the receiver shall undertake an immediate review of all readily available assets of the receivership defendants in order to determine the economic viability of a receivership. Upon such review, if the receiver determines that sufficient assets are readily available to fund the receivership, then the receiver shall file such finding with the Court, and the receivership shall continue until further order of the Court. If upon initial review the receiver determines that readily available assets are insufficient to maintain the receivership, then the receiver shall so notify the Court, and may request that the Court dissolve the receivership, or modify the duties and responsibilities of the receiver, and Plaintiff shall not unreasonably oppose such request, it being understood that the receiver and professionals employed by the receiver shall not be expected to perform services unless readily available assets exist to pay the expenses of the receivership.

- 16. The receiver shall cooperate fully with the California Department of Corporations, and any other state and federal law enforcement or other regulatory agencies having jurisdiction over matters relating to the conduct or business of defendants so as not to impair the ability of said state and federal law enforcement regulatory agencies to perform their duly authorized investigative and enforcement duties.
- 17. Any state or federal law enforcement or regulatory agency having jurisdiction over matters relating to defendants' business shall be permitted to review, without exception, all reports of the receiver and all books, records, and files of defendants at any time during normal business hours, with reasonable notice, and to make any abstracts or copies of said documents as it desires, provided that nothing herein shall waive or abrogate any applicable attorney-client or other legally recognized privilege.
- 18. The receiver's powers shall be in addition to, and not by way of limitation of, the powers described in Corporations Code Sections 25530(a), and Government Code Section 13975.1 and Code of Civil Procedure Sections 564, et seq.
- 19. The receiver shall be vested with, and is authorized, directed and empowered to exercise, all of the power of receivership defendants, their officers, directors, shareholders, general partners or persons who exercise similar powers and perform similar duties; and that receivership defendants, their officers, agents, employees, representatives, directors, successors in interest, attorneys in fact and all persons acting in concert or participating with them, are hereby divested of, restrained and barred from exercising any of the powers vested herein in the receiver. The receiver has the authority to file bankruptcy.
- 20. Defendants, including, but not limited to the receivership defendants, their officers, directors, shareholders, agents, servants, employees, attorneys, salespersons, successors, assigns, subsidiaries, affiliates, and other persons or entities under their control and all persons or entities in active concert or participation with defendants, and all persons owing a duty of disclosure to defendants, and each of them, shall cooperate with the receiver in his investigation and shall immediately turn over to the receiver records, documentation, charts and/or descriptive material of all

funds, assets, property owned beneficially or otherwise, and all other assets of receivership defendants wherever situated, and all books and records of accounts, title documents and other documents in the possession or under their control, which relate, directly or indirectly, to assets of receivership defendants.

- 21. Except by leave of this Court and during the pendency of this receivership, all claimants, creditors, lessors and other persons seeking relief of any kind, in law or in equity, from receivership defendants, and all others acting on behalf of any such persons, including sheriffs, marshals, servants, agents and employees, are restrained and enjoined, directly or indirectly, from:
- a. Commencing, prosecuting, continuing or enforcing any suit or proceeding, except by motion before this court;
- b. Executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any property owned or in the possession of receivership defendants, its subsidiaries or affiliates, or the receiver appointed therein, wherever situated;
- c. Commencing or continuing judicial or non-judicial foreclosure proceedings or proceedings for the appointment of a receiver for any property owned or claimed by receivership defendants in this action;
- d. Creating, perfecting, or enforcing any lien or encumbrance against any real or personal property;
  - e. Accelerating the due date of any obligation or claimed obligation;
  - f. Exercising any right of set-off;
- g. Taking, retaining, retaking or attempting to retake possession of any real or personal property;
  - h. Withholding or diverting any rent or other obligation; and
- i. Doing any act or thing whatsoever to interfere with the possession of or management by the receiver herein and of the property and assets owned, controlled or in the

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possession of receivership defendants or to, in any way, interfere with the receiver or to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over defendants.

- Any and all provisions of any agreement entered into by and between any third party 22. and receivership defendants, including, by way of illustration, but not limited to, the following types of agreements (as/well as any amendments or modifications thereto), mortgages, partnership agreements, financial\guarantee bonds, joint venture agreements, promissory notes, remarketing agreements, loan agreements, security agreements, indemnification agreements, subrogation agreements, subordination agreements, deeds of trust, pledge agreements, assignments of rents and other collateral, financing statements, letters of credit, leases, insurance policies, guarantees, escrow agreements, management agreements, real estate brokerage and rental agreements, servicing agreements, consulting agreements, easement agreements, license agreements, franchise agreements, construction contracts, or employment contracts that provide in any manner that the selection, appointment, or retention of a receiver or trustee by any court, or the entry of an order such as hereby made, shall be deemed to be, or otherwise operate as a breach, violation, event of default, termination, event of dissolution, event of acceleration, insolvency, bankruptcy, or liquidation, shall be stayed, and the assertion of any and all rights, remedies relating thereto shall also be stayed and barred, except as otherwise ordered by this Court, and this Court shall retain jurisdiction over any causes of action that have arisen or may otherwise arise under any such provision.
- 23. The receiver, the receiver's employees and agents, and professionals employed by the receiver, are entitled to monthly payment of interim compensation for services rendered, at their normal hourly rates, and monthly reimbursement for all expenses incurred by them on behalf of the receivership estate, and the receiver is authorized to make such payments without further order of the court. Within 10 days after such monthly payments, the receiver shall serve written notice upon the counsel of record for receivership defendants of the amount paid to each payee, with an itemization of the services rendered or expenses incurred.

24. Interim monthly fees paid shall be subject to review and approval by this Court, on a quarterly basis. This Court retains jurisdiction to award a greater or lesser amount as the full, fair and final value of such services. In the event that extraordinary services are performed by the receiver, or any professionals employed by the receiver, the Court may approve extraordinary compensation to such persons.

25. Neither Plaintiff, the California Corporations Commissioner, the State of California, the Department of Corporations, nor any officer, employee or agent of the Department, shall have any liability for the payment, at any time, for any such fees or expenses in connection with said receivership.

IT IS FURTHER ORDERED that Defendants, Eurobrand, Inc. DBA Euromint, Samuel & Cohen Media, LLC., Mintech International, Inc., and Daniel Cohen, individually and their officers, agents, servants, employees and attorneys, and any other persons who are in custody, possession or control of any assets, collateral, books, records, papers or other property of Defendants shall forthwith give access to and control of such property to the Receiver.

IT IS FURTHER ORDERED that no officer, agent, servant, employee, or attorney of Eurobrand, Inc. DBA Euromint, Samuel & Cohen Media, LLC., Mintech International, Inc., and Daniel Cohen, individually or their subsidiaries or affiliates, shall take any action or purport to take any action, in the name of or on behalf of any receivership defendant or any of their subsidiaries and affiliates, without the written consent of the Receiver or order of this Court.

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of this receivership, all clients, investors, trust beneficiaries, note holders, creditors, claimants, lessors, and all other persons or entities seeking relief of any kind, in law or equity, from Defendants and all persons acting on behalf of any such investor, trust beneficiary, note holder, creditor, claimant, lessor, or other person, including sheriffs, marshals, servants, agents, employees, and attorneys, are hereby restrained and enjoined from, directly or indirectly with respect to receivership defendants:

A. using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of

impounding or taking possession of or interfering with or creating or enforcing a lien upon any property or property interest owned by or in the possession of receivership defendants and any partnerships or joint ventures for which receivership defendants are the Managing General Partner, wherever situated; and doing any act or thing whatsoever to interfere with taking control, possession or

B. doing any act or thing whatsoever to interfere with taking control, possession or management by the Receiver appointed hereunder of the property and assets owned, controlled or in the possession of receivership Defendants or in any way to interfere with or harass the temporary receiver or to interfere in any manner with the discharge of his or her duties and responsibilities hereunder.

IT IS FURTHER ORDERED that receivership Defendants and their subsidiaries and affiliates and their officers, agents, servants, employees and attorneys, shall cooperate with and assist the Receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver in the conduct of his duties of to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the Receiver of the funds, assets, collateral, premises, and choses in action described above.

IT IS FURTHER ORDERED that each defendant named herein shall, within ten (10) days of the entry of this Order, prepare and deliver to the Receiver a detailed and complete schedule of all of his personal assets, including a description of the source of funds for the purchase of such assets. For purposes of this Order, the term "assets" shall include income/compensation or right of income/compensation from any source, and any financial or controlling interest in any business entity, including, but not limited to, a partnership, trust, corporation, or limited liability company. Such accounting shall be filed with the Court and a copy shall be delivered to the Receiver. After completion of the accounting, each defendant named herein shall produce to the Receiver at a time agreeable to the Receiver, all books, records and other documents supporting or underlying his accountings.

IT IS FURTHER ORDERED that within ten (10) days from the date of this Order, all receivership defendants shall transfer to a trust account fund of the Receiver all assets, funds, and

other property that is presently held in foreign locations in the name of any receivership defendant or for the benefit of or under the control of any of them, or over which any of them exercise actual investment or other authority, including signatory authority.

IT IS FURTHER ORDERED that the Receiver shall determine upon taking possession of the Property whether in the Receiver's judgment there is sufficient insurance coverage. With respect to any insurance coverage in existence or obtained, the Receiver shall be named as an additional insured on the policies for the period that the Receiver shall be in possession of the Property. If sufficient insurance coverage does not exist, the Receiver shall immediately notify the parties to this lawsuit and shall have thirty (30) calendar days to procure sufficient all-risk and liability insurance on the Property (excluding earthquake and flood insurance) provided, however, that if the Receiver does not have sufficient funds to do so, the Receiver shall seek instructions from the Court with regard to whether insurance shall be obtained and how it is to be paid for. If consistent with existing law, the Receiver shall not be responsible for claims arising form the lack of procurement or inability to obtain insurance.

IT IS FURTHER ORDERED that a copy of the Ex Parte Application, the Order Issuing the Temporary Restraining Order, Asset Freeze and Appointing Receiver, the Complaint, the Memorandum of Points and Authorities in support thereof, the Declarations in support thereof, and all other declarations and exhibits in support thereof, together with a copy of the Order to Show Cause shall be served on all defendants no later than Hay 15, 2007 at 5:00 p.m., pursuant to CCP §527(d)(2). Free State State Shall be filled to later than IT IS SO ORDERED. A:30 pm., May 16, 2007.

DATED:

MAY 14 2007

SHELLEYANNE W.L. CHANG

JUDGE OF THE SUPERIOR COURT

Opposium to drie osc shall be to seemed and filled no then som 5/21/07.

Any Reply Grall ve for sound and filed no later from 5/23/07