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F I L E D
Clerk of the Superior Court

SEP 10 2007

By: L. ROCKWELL, Deputy

9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF SAN DIEGO

12 THE PEOPLE OF THE STATE OF
13 CALIFORNIA, by and through the
14 CALIFORNIA CORPORATIONS
COMMISSIONER,

15 Plaintiff,

16 vs.

17 MONUMENTAL FUNDING, L.L.C., a
California limited liability company;
18 MONUMENTAL FUNDING
CORPORATION, a California corporation;
19 JERMAINE D. BOONE, as an individual;
WILLIAM E. BIDDLE III, as an individual;
20 and Does 1 through 10, inclusive,

21 Defendants.

Case No.: 37-2007-00071452-CU-MC-CTL

STIPULATION APPOINTING RECEIVER;
AND [PROPOSED] ORDER THEREON

Judge: Jay M. Bloom
Dept: C-70

Hearing Date:
Hearing Time:
Date Action Filed: July 19, 2007
Trial Date:

22
23 Whereas, on July 19, 2007, Plaintiff filed a civil action against Defendants, MONUMENTAL
24 FUNDING, L.L.C., a California limited liability company; MONUMENTAL FUNDING
25 CORPORATION, a California corporation; JERMAINE D. BOONE, as an individual; and
26 WILLIAM E. BIDDLE III, as an individual, alleging that Defendants: offered and sold unqualified,
27 non-exempt securities; committed fraud in the offer and sale of said securities; and violated the Desist
28

1 and Refrain Order issued against Defendants, on December 4, 2006 by the California Corporations
2 Commissioner for the offer and sale of unqualified, non-exempt securities, by continuing to offer and
3 sale said securities to California residents.

4 Whereas, on July 23, 2007, the Court granted a temporary restraining order and asset freeze
5 enjoining Defendants;

6 Whereas, on August 3, 2007, Defendants stipulated to entry of a preliminary injunction and
7 asset freeze; and

8 Whereas, the parties now recognize the need for the appointment of a receiver to marshal the
9 assets of the Defendants in order to liquidate and distribute said assets in an equitable manner under
10 the supervision of the Court.

11 WHEREFORE, the Defendants, MONUMENTAL FUNDING, L.L.C., a California limited
12 liability company; MONUMENTAL FUNDING CORPORATION, a California corporation;
13 JERMAINE D. BOONE, as an individual; WILLIAM E. BIDDLE III, as an individual, and Plaintiff,
14 the People of the State of California, by and through the California Corporations Commissioner,
15 hereby stipulate as follows:

16 1. That Eric J. Benink, an attorney duly licensed to practice law in the State of
17 California, be appointed as a permanent receiver over Defendants, MONUMENTAL FUNDING,
18 L.L.C., a California limited liability company, MONUMENTAL FUNDING CORPORATION, a
19 California corporation, and each of them, and such Does as may be subsequently named, and their
20 respective subsidiaries, affiliates, successor in interest and assigns, wherever situated (hereinafter
21 "Receivership Defendants").

22 2. In order to obtain an adequate accounting of the assets and liabilities and to secure
23 marshalling of said asserts, the receiver is hereby authorized and directed to take possession of all
24 "Receivership Assets," defined as:

25 a. Including any and all real and personal property, investor funds, collateral,
26 premises, choses of action and other assets, books, records and papers in the
27 possession, custody or control of Receivership Defendants, or to which Receivership
28 Defendants have any right of possession, custody or control, beneficially or otherwise,

1 irrespective of whosoever holds such assets, including all such assets which
2 Receivership Defendants carry or maintain, or which may be received during the
3 pendency of this receivership; and

4 b. Distributions, salaries, bonuses, funds, or other forms of compensation which
5 were derived from investor funds, in the possession, custody or control of Defendants,
6 JERMAIN D. BOONE, an individual, WILLIAM E. BIDDLE III, an individual, and
7 each of them, and such Does as may be subsequently named (hereinafter
8 “Defendants”), and their respective affiliates, agents, employees, representatives,
9 successors in interest and assigns wherever situated, or to which Defendants have any
10 right of possession, custody or control, beneficially or otherwise, irrespective of
11 whosoever holds such assets, including all such assets which Defendants carry or
12 maintain, or which may be received during the pendency of this receivership.

13 3. Expect for an act of gross negligence, the receiver shall not be liable for any loss or
14 damage incurred by any of the Receivership Defendants, Defendants, their owners, officers, directors,
15 shareholders, agents, employees, representatives, salespersons, successors in interest, attorneys,
16 assigns, subsidiaries, affiliates, or any other person, by reason of any act performed or omitted to be
17 performed by the receiver in connection with the discharge of his duties and responsibilities. For
18 good cause appearing, the receiver’s bond is hereby waived.

19 4. Upon his appointment and entering upon his duties, the receiver is authorized,
20 empowered and directed: to marshal, collect, receive, review, observe, discover and take charge of all
21 Receivership Assets and all accounts or safe deposit boxes held in the name of Receivership
22 Defendants in any financial depositories or other institutions, including, but not limited to Bank of
23 America, account numbers 03808-42627 and 03808-42628, on an ongoing and continual basis
24 pursuant to this Court’s order.

25 5. Periodically, as set forth in paragraphs (8) and (9), below, the receiver shall report to
26 this Court the results of the collection, receiving, review, observation, discovery and abstracts
27 resulting from the activities of the receiver as ordered by this Court, and specifically on any
28 commingling of funds, unauthorized use of, or other disposition of assets of whatever description by

1 and between any and each of the Receivership Defendants and Defendants herein and/or any person,
2 corporation, entity, sole proprietorship, affiliate, association of whatever type of structure, whether or
3 not said entities are or are not defendants in this action.

4 6. The receiver may employ other such persons, including accountants, investigators,
5 clerical and professional personnel, and the receiver's law firm's in-house staff, counsel, paralegals
6 and attorneys, to perform such tasks as may be necessary to aid the receiver in the performance of his
7 duties and responsibilities, without further order of the court.

8 7. The receiver may employ outside attorneys upon further order of this Court to assist
9 the receiver in the performance of his duties and responsibilities, such employment to be approved by
10 the Court upon ex parte application of the receiver.

11 8. The receiver shall file, within 30 days of his appointment hereunder, an initial
12 inventory of all Receivership Assets, which he shall then have collected, received, reviewed,
13 observed and/or discovered pursuant to this Court's order. Additionally, the receiver is to file one or
14 more supplemental inventories when and if he shall subsequently come into knowledge of additional
15 items appropriate to the inventory.

16 9. The receiver shall undertake an independent review into the affairs and transactions of
17 Receivership Defendants and file with this Court, within 120 days, and every six months thereafter, a
18 report detailing the receiver's findings of his review of the condition of the Receivership Assets and
19 Receivership Defendants, or other affairs and transactions of Receivership Defendants, reflecting the
20 existence of any liabilities, both those claimed by others to exist and those to which the receiver
21 believes to be the legal obligations of each of said Receivership Defendants, including a review of
22 any possible conflicts of interest and any further information the receiver believes may assist in an
23 equitable disposition of this matter, and to include in the report the receiver's opinion regarding the
24 ability of the Receivership Defendants to meet their obligations as they come due, and the receiver's
25 recommendation regarding the necessity for, and the best method of handling, preserving, or
26 disposing of the Receivership Assets.

27 10. The receiver shall invest the funds of the Receivership Assets in any interest-bearing
28 obligations of the United States or in any interest-bearing accounts in financial institutions approved

1 by the United States Trustee as an authorized depository for funds of bankruptcy estates, without
2 further order of the Court, and will be the signatory on the bank accounts of Receivership
3 Defendants, and each of them, including, but not limited to Bank of America and any depository or
4 investment account in any financial institution that the receiver may discover at a later date
5 containing Receivership Assets.

6 11. The receiver shall bring such proceedings as are necessary to enforce the provisions
7 hereof, including issuance of subpoenas to compel testimony or production of documents as to the
8 existence or location of Receivership Assets or any other information pertinent to the business,
9 financial affairs, or other transactions of Receivership Defendants.

10 12. The receiver shall bring such proceedings as are necessary to modify the provisions
11 hereof, as the receiver deems appropriate.

12 13. The receiver shall make such payments and disbursements from the funds of the
13 Receivership Assets so taken into possession, custody and control of the receiver or otherwise
14 received by him, as may be necessary and advisable in discharging his duties as receiver, without
15 further order of the Court, including, without limitation, the payment of interim compensation to the
16 receiver and persons or entities under paragraphs (6) and (7), above, subject to the provisions of
17 paragraphs (25) and (26), below.

18 14. The receiver shall carry on any lawful business activities of Receivership Defendants,
19 to preserve Receivership Assets, and to foreclose and/or actively seek and negotiate with potential
20 buyers, assignees or other parties who may be interested in acquiring, purchasing, leasing, subleasing
21 or renting Receivership Assets and to sell, lease, sublease or rent Receivership Assets, subject to
22 Court approval.

23 15. The receiver shall institute, prosecute, defend, compromise, intervene in and become a
24 party, either in his own name or in the name of Receivership Defendants, to such suits, actions or
25 proceedings as may be necessary for the protection, maintenance, recoupment or preservation of the
26 Receivership Assets in his custody, in his discretion, without further order of the Court.

27 16. The receiver shall divert, take possession of and secure all mail of Receivership
28 Defendants, in order to screen such mail, retaining so much as relates to the business of Receivership

1 Defendants, and forwarding to the individual or other appropriate addresses so much as is not, in the
2 receiver's opinion, appropriate for retention by him, and to effect a change in the rights to use any
3 and all post office boxes and other mail collection facilities used by Receivership Defendants.

4 17. Upon the receiver's appointment, the receiver shall undertake an immediate review of
5 all readily available Receivership Assets in order to determine the economic viability of a
6 receivership. Upon such review, if the receiver determines that sufficient Receivership Assets are
7 readily available to fund the receivership, then the receiver shall file such finding with the Court, and
8 the receivership shall continue until further order of the Court. If upon initial review the receiver
9 determines that readily available funds are insufficient to maintain the receivership, then the receiver
10 shall so notify the Court, and may request that the Court dissolve the receivership, or modify the
11 duties and responsibilities of the receiver and Receivership Defendants, Defendants and Plaintiff will
12 not oppose such request, it being understood that the receiver and professionals employed by the
13 receiver shall not be expected to perform services unless readily available assets exist to pay the
14 expenses of the receivership.

15 18. The receiver shall cooperate fully with the California Department of Corporations or
16 other regulatory agencies having jurisdiction over matters relating to the conduct of business of
17 Receivership Defendants and Defendants so as not to impair the ability of said regulatory agencies to
18 perform their duly authorized investigative and enforcement duties.

19 19. Any regulatory agency having jurisdiction over matters relating to Receivership
20 Defendants' and Defendants' business shall be permitted to review, without exception, all reports of
21 the receiver and all books, records and files of Receivership Defendants at any time during normal
22 business hours, with reasonable notice, and to make any abstracts or copies of said documents as it
23 desires, provided that nothing herein shall waive or abrogate any applicable attorney-client or other
24 legally recognized privilege.

25 20. The receiver's powers shall be in addition to, and not by way of limitation of, the
26 powers described in California Corporations Code section 25530, subdivision (a), California
27 Government Code section 13975.1 and California Code of Civil Procedure section 564 et seq.

28 21. The receiver shall be vested with, and is authorized, directed and empowered to

1 exercise, all of the powers of Receivership Defendants, their owners, officers, directors, shareholders,
2 general partners or persons who exercise similar powers and perform similar duties; and that
3 Receivership Defendants, their owners, officers, directors, shareholders, agents, employees,
4 representatives, successors in interest, attorneys in fact and all persons acting in concert or
5 participating with them, are hereby divested of, restrained and barred from exercising any of the
6 powers vested herein in the receiver.

7 22. Receivership Defendants and Defendants, including, but not limited to their owners,
8 officers, directors, shareholders, agents, employees, representatives, salespersons, successors in
9 interest, attorneys, assigns, subsidiaries, affiliates, and any other persons or entities under their
10 control and all persons or entities in active concert or participation with Receivership Defendants and
11 Defendants, and all persons owing a duty of disclosure to Receivership Defendants and Defendants,
12 and each of them, shall cooperate with the receiver in his investigation and shall immediately turn
13 over to the receiver Receivership Assets, books, records, papers, documentations, charts and/or
14 descriptive material of all Receivership Assets, owned beneficially or otherwise, and wherever
15 situated, and all books and records of accounts, title documents and other documents in the
16 possession or under their control, which relate, directly or indirectly, to the Receivership Assets.

17 23. Except by leave of this Court and during the pendency of this receivership, all clients,
18 investors, trust beneficiaries, note holders, creditors, claimants, lessors and all other persons or
19 entities seeking relief of any kind, in law or in equity, from Receivership Defendants and
20 Receivership Assets, and all others acting on behalf of any such persons, including sheriffs, marshals,
21 agents, employees, and attorneys are hereby restrained and enjoined, directly or indirectly, with
22 respect to Receivership Defendants and Receivership Assets, from:

- 23 a. Commencing, prosecuting, continuing or enforcing any suit or proceeding,
24 including arbitration, except by motion before this Court;
- 25 b. Executing or issuing or causing the execution or issuance of any court
26 attachment, subpoena, replevin, execution or other process for the purpose of
27 impounding or taking possession of or interfering with or creating or enforcing a lien;
- 28 c. Commencing or continuing judicial or non-judicial foreclosure proceedings or

- 1 proceedings for the appointment of a receiver;
- 2 d. Creating, perfecting, or enforcing any lien or encumbrance;
- 3 e. Accelerating the due date of any obligation or claimed obligation;
- 4 f. Exercising any right of set-off;
- 5 g. Taking, retaining, retaking or attempting to retake possession;
- 6 h. Withholding or diverting any rent or other obligations;
- 7 i. Using self-help or executing or issuing or causing the execution or issuance of
- 8 any court attachment, subpoena, replevin, execution or other process for the purpose
- 9 of impounding or taking possession of or interfering with or creating or enforcing a
- 10 lien; and
- 11 j. Doing any act or thing whatsoever to interfere with the control of, the
- 12 possession of, or management by, the receiver herein, or to, in any way, interfere with
- 13 or harass the receiver or to interfere in any manner during the pendency of this
- 14 proceeding, the discharging of the receiver's duties and responsibilities, and with the
- 15 exclusive jurisdiction of this Court.

16 24. Any and all provisions of any agreement entered by and between any third party and

17 Receivership Defendants, including, by way of illustration, but not limited to, the following types of

18 agreements (as well as any amendments or modifications thereto), mortgages, partnerships

19 agreements, financial guarantee bonds, joint venture agreements, promissory notes, remarketing

20 agreements, loan agreements, security agreements, indemnification agreements, subrogation

21 agreements, subordination agreements, deeds of trust, pledge agreements, assignments of rents and

22 other collateral, financing statements, letters of credit, leases, insurance policies, guarantees, escrow

23 agreements, management agreements, real estate brokerage and rental agreements, servicing

24 agreements, consulting agreements, easement agreements, license agreements, franchise agreements,

25 construction contracts, or employment contracts that provide in any manner that the selection,

26 appointment, or retention of a receiver or trustee by any court, or the entry of an order such as hereby

27 made, shall be deemed to be, or otherwise operate as a breach, violation, event of default,

28 termination, event of dissolution, event of acceleration, insolvency, bankruptcy, or liquidation, shall

1 be stayed, and the assertion of any and all rights and remedies relating thereto shall also be stayed and
2 barred, except as otherwise ordered by this Court, and this Court shall retain jurisdiction over any
3 causes of action that have arisen or may otherwise arise under any such provision.

4 25. Receivership Defendants are responsible for the payment of costs, fees and expenses
5 of receiver incurred in connection with the performance of his duties, including the costs, fees and
6 expenses of those persons who may be engaged or employed by the receiver to assist him in carrying
7 out his duties and obligations. The receiver, the receiver's employees and agents, and professionals
8 employed by the receiver, are entitled to monthly payment of interim compensation for services
9 rendered, at their normal hourly rate, and monthly reimbursement for all expenses incurred by them
10 on behalf of the receivership estate, and the receiver is authorized to make such payments without
11 further order of the Court. Within 10 days after such monthly payments, the receiver shall serve
12 written notice upon the counsel of record for Receivership Defendants, Defendants and Plaintiff of
13 the amount paid to each payee, with an itemization of the services rendered or expenses incurred.

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

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

23 28. That Receivership Defendants and Defendants, their owners, officers, directors,
24 shareholders, agents, employees, representatives, successors in interest, attorneys, and any other
25 persons shall not take any action or purport to take any action, in the name of or on behalf of any
26 Receivership Defendants or any of their subsidiaries and affiliates, without the written consent of the
27 receiver or order of this Court.

28 29. That Receivership Defendants and Defendants and their subsidiaries and affiliates and

1 their owners, officers, directors, shareholders, agents, employees, representatives, successors in
2 interest, and attorneys, shall cooperate with and assist the receiver and shall take no action, directly or
3 indirectly, to hinder, obstruct, or otherwise interfere with the receiver in the conduct of his duties or
4 interfere in any manner, directly or indirectly, with the custody, possession, management, or control
5 by the receiver of the Receivership Defendants and Receivership Assets, as described above.

6 30. That each Receivership Defendant and Defendant named herein shall, within 10 days
7 of the entry of this Order, prepare and deliver to the receiver and Plaintiff a detailed and complete
8 schedule of all of their real and personal properties, and other assets, with a minimum value of
9 \$1,000.00, including a description of the source of funds for the purchase of such assets. For
10 purposes of this Order, the term "assets" shall include, but is no way limited to, income/compensation
11 or right of income/compensation from any source, and any financial or controlling interest in any
12 business entity, including, but not limited to, a partnership, trust, corporation, or limited liability
13 company. Such accounting shall be filed with the Court and a copy shall be delivered to the receiver.
14 After completion of the accounting, each Receivership Defendant and Defendant named herein shall
15 produce to the receiver at a time agreeable to the receiver, all books, records and other documents
16 supporting or underlying his accountings.

17 31. That within 20 days from the date of this Order, all Receivership Defendants and
18 Defendants shall transfer to a trust account of the receiver all Receivership Assets that are presently
19 held in domestic and foreign locations, to the extent said assets are transferable.

20 32. That the receiver shall determine upon taking possession of all real property of the
21 Receivership Assets whether in the receiver's judgment there is sufficient insurance coverage. With
22 respect to any insurance coverage in existence or obtained, the receiver shall be named as an
23 additional insured on the policies for the period that the receiver shall be in possession of the real
24 property of the Receivership Assets. If sufficient insurance coverage does not exist, the receiver shall
25 immediately notify the parties to this lawsuit and shall take reasonable measures, within 30 days, to
26 procure sufficient all-risk and liability insurance on all real property (excluding earthquake and flood
27 insurance) provided, however, that if the receiver does not have sufficient funds to do so, the receiver
28 shall seek instructions from the Court with regard to whether insurance shall be obtained and how it

1 is to be paid for. The receiver shall not be responsible for claims arising from the lack of
2 procurement or inability to obtain insurance.

3 33. That a copy this Order shall be deemed effective immediately upon entry by the Court.
4 Plaintiff shall, upon entry, serve a copy of the order via facsimile to Mr. Melvin Neal, Esq., which
5 shall be considered valid service on all defendants.

6
7 Dated: 9/6/7 Defendant JERMAINE D. BOONE, managing member and principal
8 of MONUMENTAL FUNDING, L.L.C., a California limited liability
9 company.

10 By: _____
11 JERMAINE D. BOONE

12 Dated: 9/6/7 Defendant JERMAINE D. BOONE, president and principal of
13 MONUMENTAL FUNDING CORPORATION, a California
14 corporation.

15 By: _____
16 JERMAINE D. BOONE

17 Dated: 9/6/7 By: _____
18 JERMAINE D. BOONE, As An Individual

19 Dated: 9/6/7 By: _____
20 WILLIAM E. BIDDLE III, As An Individual

21
22
23 Dated: 9/7/7 By: _____
24 ALEX CALERO, Attorney for Plaintiff

25 IT IS SO ORDERED:

26
27 Dated: SEP 12 2007 JAY M. BLOOM
28 JUDGE OF THE SUPERIOR COURT

State of California - Department of Corporations