

C. The Receivership Order grants the Receiver the power to “preserve the Receivership Estate and minimize expenses in furtherance of maximum and timely disbursement thereof to claimants”;

D. Having the full power of an equity receiver at common law and under the Receivership Order, the Receiver has the authority to dispose of contracts and leases belonging to the Receivership Estate, wherever situated anywhere in the world;

E. The Receiver has the authority to abandon or dispose of estate assets, including without limitation furniture, equipment, and other property;

F. With respect to leased properties used and/or occupied by the Receiver before rejection, the Receiver is liable to the lessor for the reasonable value of such use or occupation;

G. The Lease Rejection Procedures proposed by the Receiver are likely to enhance the Receiver’s ability to carry out his responsibilities in an effective and efficient manner.

It is therefore **ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is **GRANTED** in all respects;
2. The Lease Rejection Procedures are hereby **APPROVED**.
3. The Receiver, in his discretion and without further authorization from the Court, may reject any unexpired lease in the Receivership Estate and take all actions necessary to effect the approved Lease Rejection Procedures.
4. In accordance with the Lease Rejection Procedures, the leases listed on Exhibit A to the Motion, unless sooner terminated by lessor and the Receiver by written agreement, are deemed rejected as of the later of (i) the date of this order or (ii) ten days following the date the Receiver sends a notice of rejection to the lessor of such rejected lease (the “Rejection Date”) at the address

provided in the lease (or an updated address if such has been provided to the Receiver) by prepaid U.S. mail, commercial messenger service, or overnight carrier. The notice date shall be the date the Receiver sends the notice, notwithstanding any contrary language contained in the rejected lease.

5. Any additional real property leases not listed on Exhibit A that the Receiver determines should be rejected will be deemed rejected as of ten days following the date the Receiver sends a notice of rejection to the lessor of the rejected lease (the "Rejection Date") at the address provided in the lease (or an updated address if such has been provided to the Receiver) by prepaid U.S. mail, commercial messenger service, fax, or overnight carrier. The notice date shall be the date the Receiver sends the notice, notwithstanding any contrary language contained in the rejected lease.

6. With respect to any leases or contracts for furniture, equipment, or other property or services associated with real property leases, or with respect to any leases or contracts for storage of furniture or files, the Receiver is authorized to take such actions as he deems necessary, in his discretion, to dispose of such leases, contracts, and property, including without limitation: (A) rejecting such leases or contracts, which rejection shall be deemed effective as of ten days following the date the Receiver sends a notice of rejection to the lessor or contracting party to the rejected lease or contract, as the case may be; (B) on or after April 9, 2009, selling or disposing of such furniture, equipment, or other property free and clear of liens in the manner the Receiver in his discretion deems appropriate, including without limitation by sale, auction, donation, or abandonment if the Receiver determines it is necessary to minimize expenses; and (C) negotiating with lessors of rejected leases concerning the appropriate disposition of such furniture, equipment, or other property.

7. The Receiver also is authorized upon vacating the premises of the real property that is the subject of a rejected lease or contract, where the Receiver determines it is necessary to minimize expenses, to abandon such furniture, equipment, or other property, and abandonment shall be effective as of the day the Receiver sends notice to the lessor of the Receiver's intent to abandon.

8. With respect to leased properties used and/or occupied by the Receiver before rejection, within thirty days after the Rejection Date, the Receiver shall notify the lessor of the rejected lease of the amount the Receiver determines is appropriate to satisfy the lessor's claim for post-Receivership obligations arising from the Receiver's use and/or occupation of the premises from the time of his appointment to the date of rejection. If the lessor of the rejected lease agrees with the Receiver's proposed amount, the lessor shall notify the Receiver of the lessor's agreement, and the Receiver shall pay the lessor of the rejected lease such amount within thirty days of receipt of such notice. If the lessor disputes the Receiver's proposed amount, the lessor and the Receiver shall seek to negotiate and settle the dispute. If the lessor and Receiver are unable to settle such dispute, either party may file a motion requesting the Court to determine the amount.

9. The Receiver shall not take any action with respect to Receivership Assets held directly in the name of an individual defendant without additional court approval or the consent of the individual defendant who personally owns such asset.

10. The pre-Receivership claim of a lessor of a rejected lease, if any, shall be preserved for adjudication at a later date.

Signed April 23, 2009.


DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE