

IN THE CIRCUIT COURT OF THE STATE OF OREGON
MULTNOMAH COUNTY

In re:

Case No. 26CV34357

ORDER APPOINTING RECEIVER

DWFRITZ AUTOMATION, LLC, an Oregon
limited liability company, PRECISION
AUTOMATION AND METROLOGY
HOLDINGS LLC, a Delaware limited liability
company, DWF AUTOMATION INC., a
Delaware corporation, and DW ENERGY LLC,
a Delaware limited liability company,

Petitioners.

This matter came before the Court on the Motion to Appoint Receiver submitted by
Petitioners DWFritz Automation, LLC (“*DWFritz*”), Precision Automation and Metrology
Holdings LLC (“*Precision*”), DWF Automation Inc. (“*DWF*”), and DW Energy LLC (“*DWE*”)
(collectively, “*Petitioners*”) for an order to appoint a receiver in the above-captioned action. The
Court has considered the files and records in this case, including the Petition for Appointment of
Receiver, Petitioners’ Motion for Appointment of Receiver, the Declaration of Robin Nourmand
in Support of Petitioners’ Motion for Appointment of Receiver, and the Declaration of Graham
McFarland in Support of Petitioners’ Motion for Appointment of Receiver and is otherwise duly
advised.

The Court being fully informed makes the following findings:

A. Appointment of a receiver is appropriate pursuant to ORS 37.060(1)(a) and (1)(g) and
ORCP 80. Petitioners have an interest in the property that is the subject of this action. Such property

1 is in possession of Petitioners. The revenue-producing potential of the property is in danger of
2 being lost or materially injured or impaired. The Petitioners voluntarily seek protection of the
3 Oregon Receivership Code ORS 37.010 *et seq.* for protection of its business and assets. The
4 appointment of a receiver is reasonably necessary and other remedies either are not
5 available or are inadequate.

6 B. The entities and assets that are the subject of this action are DW Fritz, Precision, DWF,
7 and DWE and all of their assets, including but not limited to the leasehold interest in the property
8 located at 9600 Boeckman Road, Wilsonville, Oregon 97070, together with certain equipment,
9 inventory, fixtures, accounts, chattel paper, instruments, documents, general intangibles (including
10 Payment Intangibles and Software, patents, trademarks, tradestyles, copyrights, and all other
11 intellectual property rights, including all applications, registration, and licenses therefor, and all
12 goodwill of the business connected therewith or represented thereby), investment property, letter-
13 of-credit rights, deposit accounts, monies, and goods of various natures and descriptions (the
14 “Assets”).

15 C. Sufficient grounds exist for appointment of a receiver pursuant to ORS 37.060(l)(a).
16 The Assets along with the incomes and proceeds to be derived from those Assets are in danger of
17 being lost or materially injured or impaired because Petitioners currently have insufficient capital
18 to operate its business and there is a landlord likely to obtain possession of the Asset and creditors
19 likely to obtain judgments that would cause the property of Petitioners to be lost or impaired.

20 D. Sufficient grounds exist for appointment of a receiver pursuant to ORS 37.060(l)(g)
21 (and ORCP 80B(7) and (8)). Petitioners are either insolvent, or are in imminent danger of
22 insolvency, and the receivership is reasonably necessary to protect the property of Petitioners or
23 to conserve or protect the interests of Petitioners' creditors and interest holders.

24 E. Newpoint Advisors Corporation (“*Receiver*”) is a responsible, competent, and
25 qualified entity to be appointed as receiver for Petitioners and the Assets.

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1 F. That \$10,000 is the proper amount for the security required pursuant to
2 ORCP 82(A)(2) and ORS 37.090, given that the Receiver carries an errors and omissions insurance
3 policy with policy limit of \$1,000,000. Such security may be posted in the form of a bond as set
4 forth in ORCP 82(A)(5) or deposited in cash as set forth in ORCP 82(A)(6).

5 Based on the foregoing, it is hereby ORDERED as follows:

6 **1. Appointment.** Newpoint Advisors Corporation is hereby appointed as receiver with
7 exclusive possession, control and management over the Petitioners property and the Assets, and
8 all rights, entitlements, leases, interests, contracts, contracts for sale, and business affairs
9 associated with and relating to the property (collectively, the "*Estate*"). During the receivership,
10 and until further order of the Court, the Estate shall remain under this Court's exclusive jurisdiction
11 in accordance with ORS 37.100. The Receiver shall not be subject to the control of any of the
12 parties to this matter, but shall be subject only to the Court's direction in the fulfillment of the
13 Receiver's duties.

14 **2. Bond and Oath.** The appointment of the Receiver as the receiver is effective as of the
15 date of this order, subject to the Receiver furnishing a bond in the sum of \$10,000 within
16 ten (10) days of the appointment. The cost of the bond will be reimbursed to the Receiver from the
17 Estate. Entry of this order, countersigned by an authorized representative of the Receiver,
18 evidences the Receiver's acceptance of its rights and duties hereunder and constitutes
19 administration of any required oath of office.

20 **3. Powers and Duties.** The Receiver shall have exclusive possession and control over
21 the Estate with the power and authority to preserve, manage, protect, and develop it. The Receiver
22 shall maintain, secure, and manage the Estate, review the books and records with respect to the
23 Estate, investigate the operations and financial affairs of the Estate, and take such other actions as
24 may be deemed appropriate by the Receiver.

25 The Receiver is conferred with all the powers under applicable Oregon law including but
26 not limited to:

1 (a) Collect, control, manage, conserve and protect Estate property;

2 (b) Operate a business constituting Estate property, including preservation, use,
3 sale, lease, license, exchange, collection or disposition of property in the ordinary course of
4 business;

5 (c) In the ordinary course of business, incur unsecured debt and pay expenses
6 incidental to the Receiver's preservation, use, sale, lease, license, exchange, collection or
7 disposition of Estate property;

8 (d) Assert a right, claim, cause of action or defense of Petitioners that relate to
9 Estate property;

10 (e) Assert in the name of the Receiver any claim under ORS 95.200 to 95.310 that
11 may be asserted by any creditor of Petitioner;

12 (f) Seek and obtain instruction from the Court concerning Estate property, exercise
13 of the Receiver's powers and performance of the Receiver's duties;

14 (g) On subpoena, compel a person to submit to examination under oath in the
15 manner of a deposition in a civil case, or to produce and permit inspection and copying of
16 designated records or tangible things, with respect to Estate property or any other matter that may
17 affect administration of the receivership;

18 (h) Engage and pay compensation to one or more professionals under ORS 37.310;

19 (i) Apply to a court of another state for appointment as ancillary receiver with
20 respect to Estate property in that state under ORS 37.390;

21 (j) Incur debt for the use or benefit of Estate property other than in the ordinary
22 course of business under ORS 37.260;

23 (k) Make improvements to Estate property;

24 (l) Use or transfer Estate property other than in the ordinary course of business
25 under ORS 37.250;

26 (i) The Receiver's sale of any or all Estate property shall be made free

1 and clear of liens and of all rights of redemption, whether or not the sale will generate proceeds
2 sufficient to fully satisfy all claims secured by such property. Any sale of Estate property outside
3 the ordinary course of Petitioner's business shall be subject to the approval of the Court.

4 (ii) Unless ordered otherwise, any sale free and clear of liens in
5 accordance with this Order shall be free of all security interests and other liens encumbering
6 property of the Estate with such liens attaching to the proceeds of the sale, net of reasonable
7 expenses incurred in the disposition of the property and receivership expenses allocated to the
8 disposition of the property, in the same order, priority, and validity as the liens had with respect to
9 the property immediately before the conveyance.

10 (m) Assume or reject an executory contract of Petitioner under ORS 37.240;

11 (n) Pay compensation to the Receiver;

12 (o) Determine whether or not to establish a claims procedure under ORS 37.340;

13 (p) Allow or disallow a claim of a creditor under ORS 37.360 including but not
14 limited to rejecting the accrual of post-petition interest;

15 (q) Make a distribution of Estate property under ORS 37.370;

16 (r) Take any other action authorized under the Oregon Receivership Code; and

17 (s) Take any other actions that the Court deems reasonably necessary to avoid
18 injustice.

19 **4. Duties of the Receiver:**

20 (a) The Receiver shall notify all federal and state taxing and applicable regulatory
21 agencies of the Receiver's appointment in accordance with any applicable laws imposing this duty,
22 including 26 § U.S.C. § 6036; provided, however, that the Receiver shall not be required to file
23 tax returns on behalf of the Estate, and the Receiver shall not be liable for any taxes incurred prior
24 to its appointment as Receiver;

25 (b) The Receiver shall comply with applicable law; and

26 (c) If appointed with respect to any real property, the Receiver shall file with the

1 recorder of the county in which the real property is located a certified copy of the order of
2 appointment, together with a legal description of the real property if one is not included in the
3 order.

4 **5. Abandonment of Property of the Estate.** The Receiver, after giving proper
5 notice, may abandon Estate property as set forth in ORS 37.280.

6 **6. Collection of Income and Profits.** The Receiver shall have the power to take all steps
7 reasonably necessary to collect income, profits, and proceeds from the Estate and shall deposit
8 those amounts into a segregated account (the "**Bank Account**") at a federally insured bank. The
9 Receiver shall have the power to present for payment any checks, money orders, and other forms
10 of payment made payable to the Petitioner or similar names, which constitute or are derived from
11 the income, profits, and proceeds of the Estate, indorse the same and collect the proceeds thereof.
12 The Receiver shall have the sole and exclusive authority to disburse funds from the Bank Account.
13 The Receiver shall have authority to take possession of bank, financial, and other deposit accounts
14 of the Petitioners so that all such accounts are in the name of the Receiver. The Petitioners shall
15 cooperate with the Receiver and execute any documents required to affect the transfer of the
16 Petitioners' accounts, and any and all monies therein, to the Receiver.

17 **(a) Possession of Estate.** The Receiver may take and keep possession of the Estate
18 during the pendency of this action; provided, however, that the Receiver shall have no duty to
19 investigate the design, construction or condition of any Estate property. Nonetheless, the Receiver
20 may investigate or inspect Estate property without incurring liability for any design, construction,
21 state of repair or other defect relating to the property, or for any damage to the same, whether now
22 known or later discovered. The Receiver may, without incurring any personal liability, rely upon
23 and utilize, including following any recommendation set forth herein, any existing or future
24 inspection or consultant reports, plans and specifications and other documentation related to Estate
25 property. The Receiver shall have no liability for any statement, error or omission contained in, or
26 omitted from, any such existing or future inspection or consultant reports and other documentation.

1 (b) **Management of Estate.** The Receiver shall manage and operate the Estate in a
2 manner consistent with this order. The Receiver shall have the power and authority to enforce,
3 renew and terminate lease agreements, rental management agreements, maintenance agreements,
4 service agreements, sale agreements, and other agreements relating to the Estate without need of
5 an order of the Court, subject however to the provisions of paragraph 3 herein. The Receiver shall
6 manage, operate and maintain the Estate subject to such rules and conditions as the Receiver may
7 establish to ensure that rents and profits are profitably preserved and to reasonably ensure that the
8 value of the Estate is not diminished.

9 (c) **Licenses and Permits.** The Receiver may acquire, keep, or renew all
10 governmental licenses, permits, or other authorizations, either in the Receiver's name or in the
11 name of Petitioner(s), pertaining to the Estate or any business associated therewith and to do all
12 other things necessary or appropriate to maintain and protect the Estate.

13 7. **Operating Decisions.** The Receiver shall have the power to do all the things that the
14 Petitioners might do in the ordinary course of operation of the business, and shall be entitled to
15 make operating decisions regarding the Estate, including, without limitation:

16 (a) Managing the Estate itself or appointing an outside manager for the
17 Estate to conduct operations as directed by the Receiver;

18 (b) Providing ordinary maintenance and repair services for the Estate and
19 extraordinary maintenance or repair services where required by emergency conditions;

20 (c) Assuming or rejecting executory contracts or unexpired leases presently
21 existing relating to the Estate;

22 (d) Entering into or modifying contracts affecting any part or all of the Estate
23 including, without limitation, any and all leases and contracts for sale affecting the Estate;

24 (e) Procuring goods and services for the Estate, including additional legal
25 services where necessary;

26 (f) Consulting with, or obtaining records of, existing employees of the

1 Petitioner or related parties regarding any business operations related to the Estate;

2 (g) Marketing, liquidating, and selling Estate property in any commercially
3 reasonable manner;

4 (h) Contracting with, or hiring, paying, directing, and discharging all persons
5 deemed necessary by the Receiver, in its sole discretion, for the operation and maintenance of the
6 Estate; and

7 (i) Engaging counsel, accountants, appraisers, auctioneers, or other
8 professionals, as deemed necessary by the Receiver, in its sole discretion, the reasonable fees and
9 expenses of whom shall be included and paid as expenses of the receivership.

10 **8. Payment of Expenses; Budget.** The Receiver shall pay the operating expenses of the
11 Estate from the income generated by the Estate, and to the extent Estate income is inadequate to
12 pay the operating expenses, from Receivership Advances made in accordance with paragraph 15
13 herein. The Receiver shall similarly pay all amounts necessary to maintain adequate property
14 insurance and liability insurance on the Estate. Payment of payroll, payroll taxes, employee
15 benefits, property management company fees, as applicable, utilities, insurance, taxes,
16 landscaping, janitorial services, and maintenance shall not require prior approval of the Court.

17 **9. No Obligation to Complete Tax Returns.** Notwithstanding any other provision
18 hereof, the Receiver shall be under no obligation to complete or file tax returns on behalf of
19 Petitioners, or any Petitioner, for income or other taxes arising before the date of this order. The
20 Receiver shall comply with all applicable laws and regulations relating to tax reporting
21 requirements. The Receiver shall furnish Petitioners with such access to books and records within
22 the Receiver's custody or control as reasonably may be necessary for Petitioners to complete and
23 file state and federal tax returns on its own behalf.

24 **10. Court Actions.** The Receiver may bring and prosecute actions to recover any part of
25 the Estate that is in the possession of any third party.

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1 **11. No Appraisal Required.** The Receiver is excused from seeking an independent
2 professional appraisal of Estate property.

3 **12. No Personal Liability.** Pursuant to ORS 37.300(3), no obligation incurred by the
4 Receiver in the good faith performance of its duties in accordance with the orders of this Court,
5 whether pursuant to any contract, by reason of any tort, or otherwise, shall be the Receiver's
6 obligation or the personal obligation of its principals or agents. Rather, the recourse of any person
7 or entity to whom the Receiver becomes obligated in connection with the performance of its duties
8 and responsibilities shall be solely against the assets of the Estate. The Receiver shall have any
9 obligation to advance its own funds to pay any costs and expenses of the Estate.

10 **13. No Obligation or Liability for Hazardous Materials.** Unless otherwise ordered by
11 the Court, the Receiver is not obligated to undertake, and will have no liability for any remediation
12 or cleanup with respect to hazardous materials presently existing under, on or about Estate
13 property. The Receiver is authorized, in its sole discretion, to initiate environmental due diligence,
14 inspections, or other environmental monitoring it initiates, and shall have no liability for any
15 hazardous materials presently existing under, on or about Estate property.

16 **14. Limitations on Duties and Obligations.** The Receiver shall have no duties or
17 obligations except for duties and obligations specifically identified in this order. Pursuant to ORS
18 37.110(2) and ORS 37.120(4), upon proper notice and Court order, the powers and duties of the
19 Receiver may be expanded, modified, or limited at any time.

20 **15. Receivership Advances.** The Receiver is authorized to request and receive advances
21 in such amounts as may be necessary to satisfy the costs and expenses of the receivership (each, a
22 "*Receivership Advance*"). Should such financing be needed, the Receiver and Balmoral Fund IV
23 Series LLC Series F ("*Balmoral*") have agreed that Balmoral may provide such financing up to a
24 limit of \$1,500,000.00 in total Receivership Advance(s); provided, however, that such limit may
25 be increase upon further order of the Court. Such a Receivership Advance shall be made pursuant
26 to a receiver's certificate, secured by a senior lien on Estate property. Notwithstanding the

1 foregoing, the lien described in this paragraph will be subordinate to any lien in favor of the
2 Receiver as allowed by law.

3 **16. Inventory of Estate Property; Notice to Creditors and Others.** No later than 60
4 days after the entry of this order, the Receiver shall file schedules of Estate property and liabilities,
5 as required by ORS 37.190. The Receiver shall mail notice of the receivership to all known
6 creditors and known interested persons, which notice must be mailed no later than 30 days after
7 the date of appointment of the Receiver. The Receiver is not required to publish notice of the
8 receivership. The Receiver shall also give notice to federal and state taxing authorities, consistent
9 with ORS 37.120.

10 **17. Financial Reports.** The Receiver shall provide the parties and other interested persons
11 on the Receiver's special notice list maintained pursuant to ORS 37.160(2) with monthly reports
12 on the operations and financial affairs of the Estate. Each such report shall be due by the last day
13 of the subsequent month and shall include: (a) a narrative summary of Receiver's activities; (b) a
14 balance sheet; (c) a statement of income and expenses; (d) a cash flow statement; (e) a statement
15 of accrued accounts receivable of the Receiver, with amounts considered uncollectable; (f) a
16 statement of accounts payable of the Receiver, including professional fees; and (g) Estate property
17 site progress reports. The Receiver's first report shall be within sixty (60) days of appointment.
18 These requirements replace the reporting requirements of ORS 37.200.

19 **18. Compensation of Receiver.** Receiver shall be entitled to compensation for its services
20 performed as a receiver at its normal hourly rates. The current standard rates for Receiver's
21 principal and employees is as follows:

22	Graham McFarland	\$430 per hour
23	Matthew Brash	\$430 per hour
24	Managing Director	\$425 per hour
25	Director	\$420 per hour
26	Sr. Associate/Associate	\$350-\$400 per hour

1 The billing rates for Receiver are subject to periodic review and adjustment. In addition,
2 Receiver shall be entitled to reimbursement for all costs and expenses (including but not limited
3 to professional fees) incurred in performing services in this matter. Such reimbursable fees, costs,
4 and expenses shall include any incurred by Receiver in defending litigation brought by any
5 interested party to adjudicate the propriety of any actions Receiver takes pursuant to this order
6 (except that Receiver shall not be entitled to such reimbursement if the court determines that the
7 Receiver is personally liable pursuant to ORS 37.300(2)). Such compensation, reimbursable fees,
8 costs and expenses shall be payable from receivership Assets.

9 **19. Reimbursement Procedure.** The Receiver is authorized to make payment for its fees
10 and costs, and for the fees and costs of its professionals, by filing a notice of intent to compensate
11 professionals and serving such notice, together with a reasonably detailed description of the time
12 periods, services and amount requested on the parties and on other interested persons on the
13 Receiver's special notice list maintained pursuant to ORS 37.160(2). If no party in interest objects
14 to such accounting within fourteen (14) calendar days of its filing and service, the fees and costs
15 shall be deemed approved as being fully and finally earned without further order or leave of the
16 Court. The approved fees and costs of the Receiver and its professionals shall be paid from the
17 gross receipts derived from the Estate and shall be a first-priority lien on Estate property. If Estate
18 property is not sufficient to pay the fees and costs of the Receiver and its professionals as presented,
19 the Receiver may pay such advances by way of a Receivership Advance.

20 **20. Notice.** Unless otherwise provided in this order, the Receiver shall provide notice of
21 all pleadings filed by the Receiver herein to the parties and to other interested persons on the
22 Receiver's special notice list maintained pursuant to ORS 37.160(2). Notwithstanding any
23 provision of this order requiring court approval of any act of the Receiver, the Receiver may
24 undertake any action without prior court approval if it obtains the written consent of any person
25 making a Receivership Advance, Petitioners, and each person who has filed and served on the
26 Receiver a notice of appearance.

1 **21. Further Instructions.** The Receiver may at any time apply to this Court for further or
2 other instructions or for modification of this order or for further powers necessary to enable the
3 Receiver properly to perform its duties, or for termination of the Receiver's appointment.

4 **22. Petitioners' Obligations.** Petitioners and their officers, directors, managers, members,
5 employees, agents, affiliates, and other individuals exercising or having the power to exercise
6 control over the affairs of Petitioners are directed to:

7 (a) assist and cooperate fully with the Receiver in the administration of the Estate
8 and the discharge of the Receiver's duties, and comply with all orders of the Court;

9 (b) supply to the Receiver information necessary to enable the Receiver to complete
10 any schedules that the Receiver may be required to file, and otherwise assist the Receiver in the
11 completion of the schedules;

12 (c) submit to examination by the Receiver, or by any other person upon order of
13 the Court, under oath, concerning the acts, conduct, property, liabilities and financial condition of
14 that person or any matter relating to the Receiver's administration of the Estate;

15 (d) comply with all reasonable instructions of the Receiver in connection with its
16 duties; and

17 (e) immediately turnover to the Receiver sole authority and control over the
18 Petitioners' bank and financial accounts, financial books and records (whether in physical or
19 electronic form or otherwise), and any other requested information to assist the Receiver in
20 fulfilling its fiduciary obligations.

21 In performing the duties listed above it becomes necessary for Petitioners to engage the
22 services of any professional, other than such professionals employed by the Receiver, then
23 Petitioners may, with the consent of the Receiver, seek compensation from the Estate for such
24 Petitioners' professionals' fees and costs upon notice and according to the procedures outlined in
25 paragraph 19 herein.

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1 **23. Other Parties' Obligations.** Petitioners and their officers, directors, managers,
2 members, employees, agents, affiliates, representatives and contractors and subcontractors, if any,
3 and its employees, and all persons with actual or constructive knowledge of this order and their
4 agents and employees shall turn over to the Receiver:

5 (a) The possession of Estate property, including all keys (including electronic
6 keycards, badges, etc.), and the records, books of account, ledgers and all business records for
7 Estate property, payroll records, personnel files, operating statements, bank account records, and
8 all other records, documents, insurance policies and instruments of whatever kind and nature which
9 relate to the operation and control of any part of the Estate, wherever located and in whatever mode
10 maintained;

11 (b) All documents that constitute or pertain to licenses, permits, or governmental
12 approvals relating to the Estate;

13 (c) All documents that constitute or pertain to insurance policies, whether currently
14 in effect or lapsed, that relate to the Estate;

15 (d) All contracts for sale, leases and subleases, royalty agreements, licenses,
16 assignments or other agreements of any kind, whether currently in effect or lapsed, that relate to
17 the Estate;

18 (e) Any other record, document, or information that may be needed by or requested
19 by the Receiver; and

20 (f) All income and profits derived from the Estate, wherever and in whatever mode
21 maintained, including all bank and financial accounts.

22 **24. Third Parties.** All financial institutions, credit card processors, insurance agents or
23 underwriters, utility providers, vendors, suppliers, tradesmen, materialmen, service providers,
24 franchisors, taxing agencies, and all government agencies and departments are hereby ordered to
25 take direction from the Receiver as it relates to the licenses, permits, accounts, and contracts of
26 Petitioner. All funds held on deposit by any third party shall be surrendered to the Receiver, or

1 applied to an appropriate account, as may be directed by the Receiver. Unless abandoned or
2 rejected by the Receiver, all licenses, permits, accounts, and contracts of Petitioner shall remain in
3 full force and effect as they relate to any third party. The commencement of this receivership shall
4 not form a basis for any third party to terminate, annul, rescind, revoke, suspend, or otherwise
5 frustrate the performance of any such license, permit, account, or contract. The Receiver is
6 specifically entitled to convey to any purchaser the Petitioner's interest in any license, permit,
7 account, or contract, consistent with the sale provisions set forth in paragraph 3(1) herein, and
8 upon notice given to the affected third party.

9 **25. Utilities.** Any utility company providing services for the benefit of the Estate, including
10 gas, electricity, water, sewer, trash collection, telephone, communications or similar services, shall
11 be prohibited from discontinuing service to the Estate based upon unpaid bills incurred by
12 Petitioner. Further, such utilities shall transfer any deposits held by the utility to the exclusive
13 control of the Receiver and shall be prohibited from demanding that the Receiver deposit
14 additional funds in advance to maintain or secure such services.

15 **26. Mail.** The Receiver may issue demand upon the U. S. Postal Service to grant exclusive
16 possession and control of mail and instrumentalities thereof, including postal boxes, as may have
17 been used by Petitioners, and may direct that certain mail related to the Estate and its business be
18 re-directed to the Receiver.

19 **27. Insurance.** The Receiver shall determine upon taking possession of Estate property
20 whether, in the Receiver's judgment, there is sufficient insurance coverage. With respect to any
21 insurance coverage in existence or obtained, the Receiver and any person who makes a
22 Receivership Advance may be named as an additional insured on the policies for the period of the
23 receivership. If sufficient insurance coverage does not exist, the Receiver shall immediately notify
24 the parties to this lawsuit and shall have 30 calendar days to procure sufficient property and liability
25 insurance on Estate property. The Receiver shall not be responsible for claims arising from the
26 lack of procurement or inability to obtain insurance.

1 **28. Use of Funds.** The Receiver shall pay only those bills that are reasonable and necessary
2 for the operation and protection of the Estate and shall allocate funds in the following order of
3 priority: (1) Receiver fees and professional fees, the costs and expense of the Estate including
4 payroll, utilities, insurance premiums, and general and special taxes or assessments; and (2)
5 amounts due to persons who make a Receivership Advance, if any.

6 **29. Stay Against Actions or Proceedings.** The entry of this order appointing a receiver
7 shall operate as a stay, as provided under ORS 37.220, applicable to all persons except Receiver
8 and its employees, attorneys or other authorized agents, of all acts described in ORS 37.220(1)(a)
9 through (1)(f), including:

10 (a) the commencement or continuation, including the issuance or employment of
11 process, of a judicial, administrative, or other action or proceeding against the Estate that was or
12 could have been commenced before the entry of the order of appointment;

13 (b) the enforcement, against any Estate property, of a judgment obtained before the
14 order of appointment;

15 (c) any act to obtain possession of any Estate property from the Receiver, or to
16 interfere with, or exercise control over, Estate property;

17 (d) any act to create, perfect, or enforce any lien or claim against Estate property,
18 to the extent that the lien secures a claim that arose before the entry of the order of appointment;

19 (e) any act to collect, assess, or recover a claim against Estate property that arose
20 before the entry of the order of appointment; and

21 (f) the exercise of a right of setoff against Petitioners.

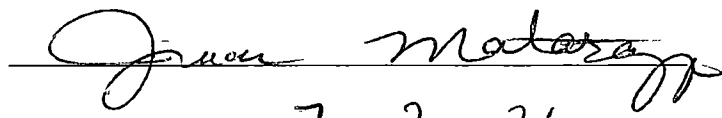
22 The automatic stay imposed by ORS 37.220(1) shall remain in full force and effect until
23 the earlier of (a) the termination of the receivership, and (b) entry of an order terminating the stay
24 upon the motion of any creditor or party in interest on thirty (30) days' written notice and hearing
25 in accordance with ORS 37.220(3) as to that particular movant's action or proceeding.

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1 **30. Termination of Receivership.** The receivership shall not be terminated, and the rights
2 and parties subject to this order shall remain in full force, until this Court approves the Receiver's
3 final report submitted in accordance with ORS 37.410, or until the court enters an order terminating
4 the receivership. Upon discharge, the Court shall also exonerate the Receiver's bond, if any. The
5 Receiver's discharge shall release the Receiver from any further duties and responsibilities as
6 Receiver.

7 **31. Jurisdiction.** This Court shall retain jurisdiction over any disputes arising from the
8 receivership, or relating to the Receiver's actions therein or to Estate property, which jurisdiction
9 shall be exclusive and shall survive the termination of the receivership.

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11 **IT IS SO ORDERED.**

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CERTIFICATE OF READINESS
(UTCRC 5.100(2))

This proposed order or judgment is ready for judicial signature because:

- ☐ 1. Each party affected by this order or judgment has stipulated to the order or judgment, as shown by each party's signature on the document being submitted.
- ☐ 2. Each party affected by this order or judgment has approved the order or judgment, as shown by each party's signature on the document being submitted or by written confirmation of approval sent to me.
- ☐ 3. I have served a copy of this order or judgment on each party entitled to service and:
- ☐ a. No objection has been served on me
- ☐ b. I received objections that I could not resolve with a party despite reasonable efforts to do so. I have filed a copy of the objections. I received and indicated which objections remain unresolved.
- ☐ c. After conferring about objections, [] agreed to independently file any remaining objection.
- ☒ 4. Service is not required pursuant to subsection (3) of this rule, or by statute, rule, or otherwise.
- ☐ 5. This is a proposed judgment that includes an award of punitive damages and notice has been served on the Director of the Crime Victims' Assistance Section as required by subsection (5) of this rule.
- ☐ 6. Other: _____

Dated July 2, 2026.

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