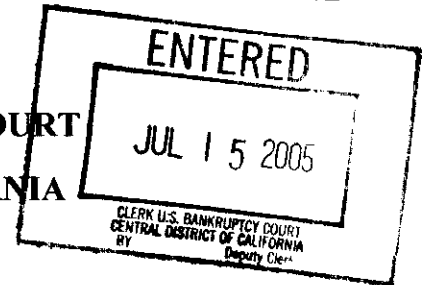
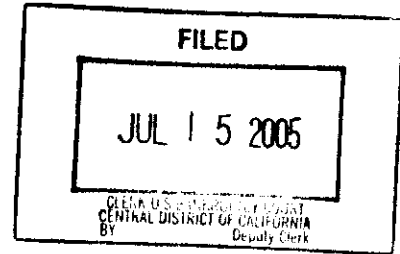


1 JOHN P. REITMAN (Bar No. 80579)
2 ANDREW S. ROTTER (Bar No. 86725)
3 JAMES B. YOBSKI (Bar No. 163770)
4 GUMPORT | REITMAN
5 550 South Hope Street, Suite 825
6 Los Angeles, California 90071-2627
7 Telephone: (213) 452-4900, Facsimile: (213) 623-3302

8 Attorneys for Plaintiff R. Todd Neilson, Trustee of
9 the "Estate of Reed E. Slatkin and Substantively
10 Consolidated Affiliates Topsight Oregon, Inc. and
11 Reed Slatkin Investment Club, L.P. Liquidating Trust"

12 UNITED STATES BANKRUPTCY COURT
13 CENTRAL DISTRICT OF CALIFORNIA
14 NORTHERN DIVISION



15 In re
16 REED E. SLATKIN and Substantively
17 Consolidated Affiliates TOPSIGHT
18 OREGON, INC. and REED SLATKIN
19 INVESTMENT CLUB, L.P.,
20
21 Reorganized Debtors.

22 R. TODD NEILSON, Trustee of the
23 Chapter 11 Bankruptcy Estate of Reed E. Slatkin,
24
25 Plaintiff,

26 v.

27 ARLO GORDIN, an individual, and DOES 1-30,
28 Inclusive,
29
30 Defendants.

Bk. No.: ND 01-11549-RR
[substantively consolidated with
former Case No. ND 01-12990-RR]

CHAPTER 11

Adv. No. AD 02-01225-RR

JUDGMENT

Hearing Date:

DATE: July 15, 2005
TIME: 10:00 a.m.
PLACE: 1415 State Street
Courtroom 201
Santa Barbara, CA 93101
[Judge Riblet]

31 On July 15, 2005, on the 10:00 a.m. calendar in courtroom 201 of the United States
32 Bankruptcy Court, 1415 State Street, Santa Barbara, California, the Honorable Robin L. Riblet,
33 United States Bankruptcy Judge, conducted a hearing on the motion (the "Motion") of plaintiff
34 R. Todd Neilson, trustee (the "Trustee") of the "Estate of Reed E. Slatkin and Substantively
35 Consolidated Affiliates Topsight Oregon, Inc. and Reed Slatkin Investment Club, L.P.
36 Liquidating Trust," for summary judgment on the Trustee's first through fifth, eighth and ninth

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1 claims for relief asserted in the Complaint against defendant Arlo Gordin ("Gordin"). James
2 B. Yobski, Esq. appeared on behalf of the Trustee. All other appearances were as stated on the
3 record.

4 Having considered the Motion, the Memorandum of Points and Authorities,
5 declarations, exhibits, and other pleadings filed in support of the Motion, all documents filed in
6 opposition to the Motion, and all other pleadings and papers on file in this action, the oral
7 argument presented, and good cause appearing therefore, the Court hereby grants summary
8 judgment on the Trustee's claims for relief as follows:

9 **IT IS ORDERED, ADJUDGED AND DECREED** that:

10 **On the First Claim For Relief:**

11 1. On the Trustee's first claim for relief against Gordin for the avoidance and
12 recovery of actual fraudulent transfers pursuant to 11 U.S.C. §§ 544(b) and 550, and Cal. Civ.
13 Code §§ 3439.04(a) and 3439.07, judgment is entered against the Gordin and in favor of the
14 Trustee in the following amounts:

15 a. The principal amount of \$3,251,736.52;

16 b. Pre-judgment interest in the sum of \$607,406.56 (calculated at the
17 rate of 7% per annum on the sum of \$3,251,736.52 from November 14, 2002, the date on
18 which the Complaint was filed, through July 15, 2005); and

19 c. Post-judgment interest at the rate of 3.52% per annum (as
20 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
21 compounded annually, on all unpaid amounts awarded in paragraphs 1(a) and (b) of this
22 judgment from the date this judgment is entered until all such amounts are paid.

23 **On the Second Claim for Relief:**

24 2. On the Trustee's second claim for relief against Gordin for the avoidance and
25 recovery of actual fraudulent transfers pursuant to 11 U.S.C. §§ 544(b) and 550, and Cal. Civ.
26 Code §§ 3439.04(a) and 3439.07, judgment is entered against the Gordin and in favor of the
27 Trustee in the following amounts:

28 ///

- 1 a. The principal amount of \$2,798,926.37;
- 2 b. Pre-judgment interest in the sum of \$522,824.11 (calculated at the
- 3 rate of 7% per annum on the sum of \$2,798,926.37 from November 14, 2002, the date on
- 4 which the Complaint was filed, through July 15, 2005); and
- 5 c. Post-judgment interest at the rate of 3.52% per annum (as
- 6 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
- 7 compounded annually, on all unpaid amounts awarded in paragraphs 2(a) and (b) of this
- 8 judgment from the date this judgment is entered until all such amounts are paid.

9 3. The amounts awarded pursuant to paragraph 2 are included in the amounts
10 awarded pursuant to paragraph 1.

11 **On the Third Claim for Relief:**

12 4. On the Trustee's third claim for relief against Gordin for the avoidance and
13 recovery of constructive fraudulent transfers pursuant to 11 U.S.C. §§ 544(b) and 550, and Cal.
14 Civ. Code §§ 3439.05 and 3439.07, judgment is entered against Gordin and in favor of the
15 Trustee in the following amounts:

- 16 a. The principal amount of \$2,798,926.37;
- 17 b. Pre-judgment interest in the sum of ^{522,824.11} ~~\$178,898.92~~ (calculated at the u
- 18 rate of 7% per annum on the sum of \$2,798,926.37 from November 14, 2002, the date on
- 19 which the Complaint was filed, through July 15, 2005); and
- 20 c. Post-judgment interest at the rate of 3.52% per annum (as
- 21 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
- 22 compounded annually, on all unpaid amounts awarded in paragraphs 4(a) and (b) of this
- 23 judgment from the date this judgment is entered until all such amounts are paid.

24 5. The amounts awarded pursuant to paragraph 4 are included in the amounts
25 awarded pursuant to paragraphs 1 and 2.

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1 **On the Fourth Claim for Relief:**

2 6. On the Trustee's fourth claim for relief against Gordin for the avoidance and
3 recovery of actual fraudulent transfers pursuant to 11 U.S.C. §§ 548 (a)(1)(A) and 550,
4 judgment is entered against Gordin and in favor of the Trustee in the following amounts:

5 a. The principal amount of \$265,000.00;

6 b. Pre-judgment interest in the sum of \$10,324.40 (calculated at the
7 rate of 1.46% per annum (as determined in accordance with 28 U.S.C. § 1961 for the week
8 ending November 8, 2002) on the sum of \$265,000.00 from November 14, 2002, the date on
9 which the Complaint was filed, through July 15, 2005); and

10 c. Post-judgment interest at the rate of 3.52% per annum (as
11 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
12 compounded annually, on all unpaid amounts awarded in paragraphs 6(a) and (b) of this
13 judgment from the date this judgment is entered until all such amounts are paid.

14 7. The amounts awarded pursuant to paragraph 6 are included in the amounts
15 awarded pursuant to paragraphs 1, 2 and 4.

16 **On the Fifth Claim for Relief:**

17 8. On the Trustee's fifth claim for relief against Gordin for the avoidance and
18 recovery of constructive fraudulent transfers pursuant to 11 U.S.C. §§ 548(a)(1)(B) and 550,
19 judgment is entered against Gordin and in favor of the Trustee in the following amounts:

20 a. The principal amount of \$265,000.00;

21 b. Pre-judgment interest in the sum of \$10,324.40 (calculated at the
22 rate of 1.46% per annum (as determined in accordance with 28 U.S.C. § 1961 for the week
23 ending November 8, 2002) on the sum of \$265,000.00 from November 14, 2002, the date on
24 which the Complaint was filed, through July 15, 2005); and

25 c. Post-judgment interest at the rate of 3.52% per annum (as
26 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
27 compounded annually, on all unpaid amounts awarded in paragraph 8(a) and (b) of this
28 judgment from the date this judgment is entered until all such amounts are paid.

1 9. The amounts awarded pursuant to paragraph 8 are included in the amounts
2 awarded pursuant to paragraphs 1, 2, 4 and 6.

3 **On the Sixth and Seventh Claims for Relief:**

4 10. The Trustee's sixth and seventh claims for relief are dismissed without prejudice
5 as to all parties.

6 **On the Eighth Claim for Relief:**

7 11. On the Trustee's eighth claim for relief against Gordin for money lent pursuant
8 to 11 U.S.C. § 108 and Cal. Civ. Code §§ 1912 - 1916, judgment is entered against Gordin and
9 in favor of the Trustee in the following amounts:

10 a. The principal amount of \$414,000.00;

11 b. Pre-judgment interest in the sum of \$178,898.92 (calculated at the
12 stated rate of \$3,450.00 per month [10% per annum on the sum of \$414,000.00] from the
13 payment due April 18, 2001, through and including the payment due June 18, 2005, plus
14 \$2,948.92 for June 19, 2005 through and including July 15, 2005 [26 days at the per diem rate
15 of \$113.42]); and

16 c. Post-judgment interest at the rate of 3.52% per annum (as
17 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
18 compounded annually, on all unpaid amounts awarded in paragraphs 11(a) and (b) of this
19 judgment from the date this judgment is entered until all such amounts are paid.

20 **On the Ninth Claim for Relief:**

21 12. On the Trustee's ninth claim for relief against Gordin for breach of a promissory
22 note pursuant to 11 U.S.C. § 108 and Cal. Civ. Code § 3302, judgment is entered against
23 Gordin and in favor of the Trustee in the following amounts:

24 a. The principal amount of \$414,000.00;

25 b. Pre-judgment interest in the sum of \$178,898.92 (calculated at the
26 stated rate of \$3,450.00 per month [10% per annum on the sum of \$414,000.00] from the
27 payment due April 18, 2001, through and including the payment due June 18, 2005, plus
28

///

1 \$2,948.92 for June 19, 2005 through and including July 15, 2005 [26 days at the per diem rate
2 of \$113.42]); and

3 c. Post-judgment interest at the rate of 3.52% per annum (as
4 determined in accordance with 28 U.S.C. § 1961 for the week ending July 8, 2005),
5 compounded annually, on all unpaid amounts awarded in paragraphs 12(a) and (b) of this
6 judgment from the date this judgment is entered until all such amounts are paid.

7 13. The amounts awarded pursuant to paragraph 12 are included in the amounts
8 awarded pursuant to paragraph 11.

9 **Dismissal of Doe Defendants:**

10 14. As to all Doe defendants, each claim for relief alleged in the Complaint is
11 dismissed without prejudice.

12 **Final Judgment:**

13 15. This Judgment is a final judgment adjudicating all of the claims and the rights
14 and liabilities of all of the parties.

15
16
17 DATED: July 15, 2005

Robin Riblet

HONORABLE ROBIN L. RIBLET
United States Bankruptcy Court

NOTE TO USERS OF THIS FORM:

Physically attach this form as the last page of the proposed Order or Judgment.
Do **not** file this form as a separate document.

In re REED E. SLATKIN, and Substantively Consolidated Affiliates TOPSIGHT OREGON INC. and REED SLATKIN INVESTMENT CLUB, L.P., Reorganized Debtor.	CHAPTER <u>11</u> CASE NUMBER ND 01-11549-RR
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**NOTICE OF ENTRY OF JUDGMENT OR ORDER
AND CERTIFICATE OF MAILING**

TO ALL PARTIES IN INTEREST ON THE ATTACHED SERVICE LIST:

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021-1(a)(1)(E), that a judgment or order entitled
(specify): JUDGMENT

was entered on (specify date):

JUL 1 5 2005

2. I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment to the persons and
entities on the attached service list on (specify date):

JUL 1 5 2005

JUL 1 5 2005

Dated:

JON D. CERETTO
Clerk of the Bankruptcy Court

By: Kam Rust
Deputy Clerk

SERVICE LIST

UNITED STATES TRUSTEE

Brian Fittipaldi, Esq.
Office of the U.S. Trustee
128 East Carrillo Street
Santa Barbara, CA 93101

LIQUIDATING TRUSTEE

R. Todd Neilson
Neilson Elggren LLP
10100 Santa Monica Boulevard
Suite 410
Los Angeles, CA 90067

CO-COUNSEL TO TRUSTEE

Richard L. Wynne, Esq.
R. Alexander Pilmer, Esq.
Kirkland & Ellis
777 S. Figueroa, 34th Floor
Los Angeles, CA 90017

COUNSEL TO DEFENDANT

ARLO GORDIN

Gerald McNally, Jr., Esq.
McNally & Crowder LLP
206 N. Jackson Street, Suite 100
Glendale, CA 91206-4330

COUNSEL TO TRUSTEE

John P. Reitman, Esq.
Gumport | Reitman
550 South Hope Street, Suite 825
Los Angeles, CA 90071-2627