

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 001

05/19/08 09:00 AM 00 ALL PENDING MOTIONS (05-19-08)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	N
	002360	Beller, Neil J.	Y
	0002 D1	Hahn, Larry L	Y
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y

PLTFS' MOTION TO DISQUALIFY LAW FIRM ... PLTFS' MOTION TO STRIKE ... DEFT HAHN'S MOTION FOR ORDER EXTENDING TIME TO FILE REQUEST FOR SECURITY ... DEFT KOKOWEEF'S MOTION TO REQUIRE SECURITY FROM PLTFS

Curtis Cannon, Esq., also present on behalf of Kokoweef.

As to PLTFS' MOTION TO DISQUALIFY LAW FIRM: Mr. Clary stated no Opposition was filed by him, noting the case has been stayed and should not be heard until the stay is over. Mr. Beller advised the stay has nothing to do with the disqualification and stated he is prepared to argue today. Court stated he will consider the motion to be opposed; and noted the motion is not ripe; and ORDERED, motion DENIED WITHOUT PREJUDICE; if he becomes trial counsel, the Court can hear it then. Further statements by Mr. Beller, and argued as to glaring potential problems. Mr. Clary lodged a copy of the letter sent to Mr. Burke which cites the case so the request is complete.

As to DEFT HAHN'S MOTION FOR ORDER EXTENDING TIME TO FILE REQUEST FOR SECURITY: Mr. Segel stated he requested an extension of 60 days and no opposition was filed. Statements by Mr. Beller that the 60 days is unreasonable as it stays everything else, and noted there is a pending Board Meeting. Court noted the stay takes place once the security is made. Mr. Segel referred to NRS 41.520(3), noting he has not yet brought the motion. COURT ORDERED, motion GRANTED; Time EXTENDED for those moving parties to file request for security but that does not stay anything. Further statements by Mr. Segel as to the stay beginning today to file the Answer. Further statements by Mr. Beller as to nothing happening right now. COURT finds the Motion does not stay the case; Deft Hahn will have sixty (60) days from April 11, 2008, the day the Motion was filed, which will be June 11; noted counsel can seek additional time to do it, but that does not mean the case is stayed. Mr. Beller stated no answer has been filed; and requested an Answer be filed. Further statements by Mr. Segel as to a stay, filing an Answer, and security.

As to PLTFS' MOTION TO STRIKE: Pltfs' Errata to Supplement to Motion to

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vs Hahn, Larry L

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Strike Motion to Require Security from Plaintiffs or, in the Alternative, Opposition to Motion to Require Security from Plaintiffs FILED IN OPEN COURT. Mr. Segel stated this motion was moot as it was to be heard before the other motions. Following arguments by counsel, COURT ORDERED, Pltfs' Motion to Strike DENIED. Further statements by Mr. Segel.

As to DEFT KOKOWEEF'S MOTION TO REQUIRE SECURITY FROM PLTFS: Mr. Clary stated the filing of the Motion stayed the case; and referred to the Affidavits filed. During arguments by counsel, Mr. Clary requested Pltfs post a bond of \$250,000.00; Mr. Beller requested a \$100.00 bond, noting these are serious allegations. Mr. Segel read from a copy of the bylaws received from Mr. Beller. Mr. Beller expressed concern as to moving forward and referred to a scheduled Board of Directors' meeting. Following further arguments by counsel, COURT cited NRS 41.520(3) and NRS 78.750(2) refers to the security issues and stated there are provisions that require that security be provided; finds the filing of Mr. Clary's Motion has stayed the case until ruled upon; finds he cannot rule on this Motion until he looks at the record further and other cases addressed in other jurisdictions; and ORDERED, motion taken UNDER ADVISEMENT, noting that in the meantime, the proceedings remain STAYED. Mr. Beller lodged copies of a Notice of Shareholders with the Court and counsel. Further statements by Mr. Segel as to the Bylaws.

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08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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05/28/08 04:42 PM 00 DECISION RE: DEFT KOKOOWEEF'S MOTION TO
REQUIRE SECURITY FROM PLTFs

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

This matter came before the Court May 19, 2008, for hearing on Defendant Kokoweeef's Motion to require Security from Plaintiffs. Counsel presented their case and submitted matter to the Court. COURT ORDERED, matter taken UNDER ADVISEMENT.

DECISION:

COURT ORDERED, Defendant Kokoweeef's Motion to require Security from Plaintiffs GRANTED IN PART as "an application of the corporation...to extend the 30-day period for an additional period...not exceeding 60 days"; such time will be computed from entry hereof. COURT FURTHER ORDERED, this ruling disposes of Defendant's Motion for purposes of NRS 41.520(5).

(SEE COURT'S DECISION FILED MAY 28, 2008, FOR FULL CONTEXT.)

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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06/10/08 09:00 AM 00 ALL PENDING MOTIONS (06-10-08)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	N
	002360	Beller, Neil J.	Y
	0002 D1	Hahn, Larry L	Y
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y

PLTF'S MOTION TO CLARIFY COURT'S MAY 28, 2008 DECISION AND ORDER ... DEFTS HAN & SURPLUS' SECOND MOTION FOR ORDER EXTENDING TIME TO FILE REQUEST FOR SECURITY AND REQUEST FOR RIGHT TO TAKE THE DEPOSITION OF PLAINTIFFS' EXPERTS AND WITNESSES

Mr. Segel noted that if the Court grants Pltf's Motion, his motion would be moot.

As to PLTF'S MOTION TO CLARIFY COURT'S MAY 28, 2008 DECISION AND ORDER: Arguments by counsel as to NRS 41.520(3); motion for security; injunctive relief; and the ten-day issue. During same, Mr. Segel stated Defts are not holding up this case, and requested limited discovery. Upon Court's inquiry, Mr. Segel stated that seeking an extension does not create a stay. Mr. Clary referred to his Motion for Stay, and noted he considers the stay to be no longer in effect. Mr. Segel stated the stay is resolved already and he will get the proper pleadings filed next week. COURT ORDERED, motion GRANTED based on the proceedings, noting that as of this day, the stay is NOT in effect and whether a motion filed by Mr. Clary will reinstate a stay, the Court will not so rule at this time. Further statements by Mr. Beller as to everything being stopped once a motion is filed. Mr. Beller to prepare the Order, and have counsel review same before submission to the Court.

As to DEFTS HAN & SURPLUS' SECOND MOTION FOR ORDER EXTENDING TIME TO FILE REQUEST FOR SECURITY AND REQUEST FOR RIGHT TO TAKE THE DEPOSITION OF PLAINTIFFS' EXPERTS AND WITNESSES: During arguments by counsel, Court stated the reason to take depositions would be to ascertain whether security should be posted. Further arguments by Mr. Segel. Upon Court's inquiry as to setting an Evidentiary Hearing, Mr. Segel requested to take depositions before the Evidentiary Hearing. Court read from the statute and stated that if a motion for security is made, then the better way to handle it would be an Evidentiary Hearing rather than depositions. Further statements by Mr. Beller. Court stated this is analogous to a Preliminary Injunction; this is not a trial on the merits. Statements by Mr. Clary as to documents. COURT

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ORDERED, motion GRANTED as to the extension to the time period; and DENIED as to the aspect that seeks predetermination discovery or depositions; and if and when a Motion for Security is filed, the Court will conduct a brief Evidentiary Hearing so the issues can be flushed out and the Court can make a determination. Mr. Segel requested either an extension for the second deadline or a hearing. Mr. Beller stated he will be gone June 29 until July 14. Mr. Clary stated he will file the Motion.

Mr. Beller to prepare both orders and submit them to counsel for review before submission to the Court.

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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06/24/08 12:05 PM 00 MINUTE ORDER RE: JUNE 10, 2008, HEARING

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

It appearing that there may be inaccuracies in the Minutes of the hearing of June 10, 2008 and that counsel are in disagreement concerning what it is that the Court ordered and the basis of its rulings, and the Court not wishing to litigate this case by correspondence from counsel, the Court will not at this time process the proposed order submitted by Plaintiffs' counsel, but will direct that counsel for Defendants submit proposed orders and that such be done by close of business, Wednesday, June 25, 2008. The Court will then compare the proposed orders that have as of that time been submitted and will process the one that it deems to be most in accord with its rulings. If counsel need to access the recording of the proceedings, they may do so by contacting the Court's Recorder and making an appointment to do so. The Court will not be in session on Wednesday, June 25, 2008 so the Recorder will be able to accommodate counsel in the courtroom. IT IS SO ORDERED.

CLERK'S NOTE: Copies of this minute order faxed to and placed in the attorney folders of Neil J. Beller, Esq.; M. Nelson Segel, Esq.; and Patrick C. Clary, Esq.../sb

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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06/26/08 10:00 AM 00 ALL PENDING MOTIONS (06-26-08)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	N
	002360	Beller, Neil J.	Y
	0002 D1	Hahn, Larry L	Y
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y

PLTFS' MOTION TO STRIKE DEFT KOKOWEEF'S RENEWED MOTION FOR SECURITY FROM
PLTFS ... DEFT KOKOWEEF'S COUNTERMOTION FOR SANCTIONS ... PLTFS' MOTION TO
CONTINUE EVIDENTIARY HEARING

Curtis Cannon, Esq., also present on behalf of Kokoweef.

As to PLTFS' MOTION TO STRIKE DEFT KOKOWEEF'S RENEWED MOTION FOR SECURITY
FROM PLTFS: Mr. Beller stated he submitted everything. COURT ORDERED,
motion DENIED.

As to PLTFS' MOTION TO CONTINUE EVIDENTIARY HEARING: Mr. Beller referred to
his schedule, stated he has not had an opportunity to review the Quick
Books; and inquired if Pltfs have to post a bond, noting Defts are not
prejudiced if this is continued to sometime after July 14, and argued as to
same. Mr. Clary referred to his schedule and argued as to the impact of the
pendency of this motion if not ruled upon as the stay is clearly in effect.
Following further statements by counsel, COURT ORDERED, Pltfs' Motion to
Continue Evidentiary Hearing GRANTED; counsel to see the Court's Judicial
Executive Assistant to schedule a hearing after July 30. Upon Mr. Beller's
inquiry as to this preventing them from moving forward for injunctive
relief, Court noted a stay is in effect until the Evidentiary Hearing is
conducted. Further statements by Mr. Clary. Following statements regarding
the length of the Evidentiary Hearing, Court stated two (2) hours should be
sufficient for this Evidentiary Hearing. Mr. Clary concurred. Court stated
this will not be a trial on the merits, but just an Evidentiary Hearing; and
stated he will expect counsel to proceed accordingly, noting that if it
appears it will go beyond an hour each, the Court will not cut counsel off,
but will delegate the two (2) hours as the time available. Further
statements by Mr. Segel.

As to DEFT KOKOWEEF'S COUNTERMOTION FOR SANCTIONS: COURT ORDERED, motion
DENIED.

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08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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07/30/08 09:00 AM 00 EVIDENTIARY HEARING: SETTING SECURITY
(TWO HOURS)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	Y
	002360	Beller, Neil J.	Y
	0002 D1	Hahn, Larry L	Y
	000530	Segel, M. Nelson	Y
	0003 P	Kehoe, Michael R	Y
	002360	Beller, Neil J.	Y
	0004 P	Kehoe, Laurette L	Y
	002360	Beller, Neil J.	Y
	0019 P	Randolph, Michael	Y
	002360	Beller, Neil J.	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y

Curtis Cannon, Esq., also present on behalf of Kokoweef, Inc.

IN CHAMBERS: Counsel met with the Court to discuss timing issues of the hearing. Court stated he will not impose time limits; noted he set aside two (2) hours for this hearing; and stated this hearing is for the limited purpose of setting security.

ON THE RECORD: Opening statements by Mr. Clary. Mr. Segal stated he will reserve his opening statement and have Mr. Clary present the case, noting he joined in the motion. Opening statement by Mr. Beller. Testimony and exhibits presented. (See worksheets.) Following the testimony of Mr. Stringham, Mr. Beller stated he is willing to submit this to the Court. Colloquy regarding written arguments instead of oral arguments. Court noted Pltfs are concerned as to the stay pending resolution of this matter. Colloquy regarding a deadline. Court stated he is not looking at an opening brief, response, and reply, but looking at blind briefs. Mr. Beller requested to submit briefs, relating to the statute pursuant to which this motion has been made, by Wednesday, August 6. There being no objections, COURT ORDERED, blind briefs to be submitted by 5 PM Wednesday, August 6; and matter taken UNDER ADVISEMENT as of that date and time. Statements by Mr. Segal as to matters in Pltfs' book which were not admitted, and requested they not be used in the briefs. COURT ORDERED, arguments LIMITED to matters in evidence; the Court is treating the Affidavit submitted on the Motion for Preliminary Injunction as to lending support to the position taken by the

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Court on the preliminary issue. Further statements by Mr. Segal. Court stated one issue the Court is interested in has to do with the authority of the Court on a Motion for Security and then revisiting its ruling, and as to procedures in other cases in which the Court was allowed to set security and then reset it at another time. Further statements by counsel.

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08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 010

08/11/08 01:00 PM 00 MINUTE ORDER RE: PLTFS' SUMMARY OF
EVIDENCE PRESENTED AT 7/30/08 EVID HRG

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

The Court has received the post-hearing briefs. Defendant Kokoweef, Inc's brief was filed August 6, 208; Plaintiffs was submitted to Chambers August 6, 2008, but was not filed. The Court directs the Clerk to file the latter item so that it will be in the record and the same will be considered by the Court to have been timely submitted. IT IS SO ORDERED.

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 011

08/11/08 03:39 PM 00 DECISION RE: DEFT KOKOWEEFE'S RENEWED
MTN TO REQUIRE SECURITY FROM PLTF

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

This matter came before the Court July 30, 2008, for Evidentiary hearing regarding Nominal Defendant Kokoweefe, Inc's Renewed Motion to Require Security from Plaintiffs. Counsel presented their case and submitted matter to the Court. COURT ORDERED, matter taken UNDER ADVISEMENT.

DECISION:

COURT ORDERED, Defendant Kokoweefe, Inc's Renewed Motion to Require Security from Plaintiffs GRANTED; Security of \$75,000.00 to be posted within 15 days from and after Notice of Entry of the Order.

(SEE COURT'S DECISION FILED AUGUST 11, 2008, FOR FULL CONTEXT.)

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 012

10/13/08 09:00 AM 00 PLTF'S MTN TO CLARIFY PRELIMINARY
FINDINGS OF FACT & CONCLUSIONS OF LAW/21

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	Y
	005798	Taylor, Jennifer L.	Y
	0002 D1	Hahn, Larry L	N
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y

Ms. Taylor requested the Preliminary Findings of Facts and Conclusions of Law be brought into conformity with the Court's written Decision. Court stated he issued a Decision and directed counsel to complete an Order, but the Court must have found everything to be there when he signed it. Arguments by counsel. Upon Court's inquiry, Ms. Taylor stated she submitted a proposed Findings of Facts and Conclusions of Law. Mr. Clary argued that the Motion is procedurally in error and should be a Motion for Reconsideration, which it is not. Court noted there was an Evidentiary Hearing and Rule 52 applies to that; and noted a party can come in and seek to amend Findings of Facts without a Motion for Reconsideration, and does not see a time limit for that. Mr. Segel stated Pltfs did so within ten (10) days so that is not an issue. Further arguments. Court stated the position on a Reconsideration is noted, and the Court is entertaining a Motion to Amend the Findings of Facts and Conclusions of Law. Ms. Taylor argued further, requesting a statement from the Court that it was meant to apply only to the hearing and that Defts cannot come back and refer to the stay. Mr. Clary stated that if the stay is still in place, Pltf has violated that. COURT ORDERED, matter taken UNDER ADVISEMENT and will compare his Decision with the Order and will issue a ruling as soon as he can.

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 013

10/22/08 09:20 AM 00 MINUTE ORDER RE: PLTF'S MTN TO CLARIFY
PRELIM FINDINGS OF FACT & CONCLSN OF LAW

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

Having further reviewed the subject of Plaintiffs' Motion for Clarification heard October 13, 2008, the Court GRANTS the same IN PART and will amend its prior order to delete reference to any dismissal being "with prejudice" and without further order of the Court, and to correct the statutory reference to NRS 41.520 (4) (b) from "NRS 41.50 (b) (4)." (See Order, 8/28/08, p. 3, l. 25.) There need be no reference in the order at this point to whether any dismissal will be with or without prejudice, and the concept regarding whether dismissal will occur in the absence of the posting of security as required can be clarified by utilizing language to the effect that the action "shall be dismissed" in place of a dismissal that would not contemplate further order of the Court. In all other respects, the Motion is DENIED.

Counsel for Kokoweef is directed to submit a proposed order on the subject Motion consistent with the foregoing and which provides for the clarifications made either within such proposed order or in conjunction with a separate proposed amended order pertaining to the Order entered August 28, 2008.

CLERK'S NOTE: Copies of this minute order placed in the attorney folders of Jennifer Taylor, Esq. (Robertson & Vick); M. Nelson Segal, Esq.; and Patrick Clary, Esq.../sb

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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12/01/08 09:00 AM 00 DEFT PATRICK CLARY'S MOTION FOR
SANCTIONS /23

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT ORDERED, matter CONTINUED pursuant to Stipulation.

CONTINUED TO: 12/08/08 09:00 AM 01

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 015

12/08/08 09:00 AM 00 ALL PENDING MOTIONS (12-08-08)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES: NO PARTIES PRESENT

PLTF'S APPLICATION FOR TRO, APPOINTMENT OF RECEIVER ... PLTF'S MOTION FOR TRO AND TEMPORARY APPOINTMENT OF RECEIVER; MOTION FOR PRELIMINARY INJUNCTION , ... DEFT P CLAYS'S MOTIONS FOR SANCTIONS ... DEFT L HAHN & HAHN'S WORLD OF SURPLUS' MOTION TO DISMISS ... KOKOWEEF & DEFT P CLARY'S JOINDER TO MOTION TO DISMISS

COURT ORDERED, motions CONTINUED pursuant to forthcoming Stipulation.

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 016

01/12/09 09:00 AM 00 ALL PENDING MOTIONS (01-12-09)

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cheryl Campbell, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	N
	008642	Robertson IV, Alexander	Y
	006141	Taylor, Jennifer A.	Y
	0002 D1	Hahn, Larry L	N
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y
	0025 D	Clary, Patrick C	Y
	000053	Clary, Patrick C.	Y

DEFTS L HAHN & HAHN'S WORLD OF SURPLUS' MOTION TO DISMISS AMENDED VERIFIED COMPLAINT ... PLTFS' MOTION FOR TRO AND TEMPORARY APPOINTMENT OF RECEIVER/MOTION FOR PRELIMINARY INJUNCTION ... DEFT PATRICK C CLARY'S MOTION FOR SANCTIONS

Court stated that this was scheduled to come before the Court last year, there was a Stipulation to Continue it but it was not calendared and this is a surprise to the Court; counsel to make their arguments and the Court will take the matter Under Advisement.

Mr. Clary stated for the record that he did not consent to this being heard today. Mr. Robertson stated all counsel signed the stipulation. Colloquy regarding the Stipulation, and this being heard January 26. Statements by Mr. Clary as to his new counsel. Mr. Robertson stated he has not seen a Substitution of Attorney, and noted this has been fully briefed, many of the clients are here and some of them flew in from out-of-town. Further statements by Ms. Taylor.

As to DEFTS L HAHN & HAHN'S WORLD OF SURPLUS' MOTION TO DISMISS AMENDED VERIFIED COMPLAINT: Mr. Segel referred to the neutral director, noting the Court was not adequately addressed as to that one director and as to fairly representing the class. Arguments by counsel as to neutral directors; fair representation of the class; damages; removal of Hahn and reinstatement of Burke being improper under the civil penalty, which is an action that only the SEC Commission has the right to do; and rescission. Court noted the case has been briefed very well by both sides. Mr. Robertson submitted it on the pleadings, referring to the SEC and federal laws as to selling the shares of stock. Arguments by Mr. Segel that all of the shares should be rescinded and reissued to clear up the securities. Mr. Clary stated this is not in the pleadings. Further arguments. COURT ORDERED, motion taken UNDER ADVISEMENT.

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As to PLTFS' MOTION FOR TRO AND TEMPORARY APPOINTMENT OF RECEIVER/MOTION FOR PRELIMINARY INJUNCTION: Mr. Robertson requested to preserve the status quo and referred to the Affidavit of Mr. Springer. Arguments by counsel as to the corporate receiver, the status quo, and that when the stipulation was entered, they agreed to do certain things and they have not been done, Kokoweef is not a money-making corporation; Pltfs do not want rescission; and NRS 33.010. Mr. Robertson requested a Receiver be appointed and that status quo be preserved. COURT ORDERED, matter taken UNDER ADVISEMENT.

As to DEFT PATRICK C CLARY'S MOTION FOR SANCTIONS: Mr. Clary stated he stands on the motion and the Reply to the Opposition; there is no evidence that he committed any security fraud. COURT ORDERED, matter CONTINUED. Mr. Clary stated his counsel is available on the 26th. Upon Court's inquiry, Mr. Robertson stated someone from his office will be able to come.

Ms. Taylor stated there was a Stipulation which set forth a portion of action that would be constrained, and requested that Stipulation be in place until the Court rules on the Motion for Preliminary Injunction. Mr. Segal concurred, and stated Mr. Hahn will abide by the terms of that Stipulation. Mr. Clary restated that Kokoweef has done none of the things accused of doing.

01-26-09 9:00 AM DEFT PATRICK C CLARY'S MOTION FOR SANCTIONS

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

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01/26/09 09:00 AM 03 DEFT PATRICK CLARY'S MOTION FOR
SANCTIONS /23

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk
Cynthia Georgilas, Reporter/Recorder

PARTIES:	0001 P1	Burke, Ted R	N
	005798	Taylor, Jennifer L.	Y
	0002 D1	Hahn, Larry L	Y
	000530	Segel, M. Nelson	Y
	0021 D	Hahn's World Of Surplus Inc	N
	000530	Segel, M. Nelson	Y
	0022 OD	Kokoweef Inc	N
	000053	Clary, Patrick C.	Y
	0025 D	Clary, Patrick C	Y
	001010	Segerblom, Richard S.	Y

Court noted he has not yet entered his ruling on Deft's Motion to Dismiss and Pltf's motion for Appointment of a Receiver, but expects to finalize the Order within the next day or so; after hearing this motion, will probably take this Under Advisement and issue a ruling as to both.

Mr. Segerblom stated this has damaged Mr. Clary's reputation, and there is no justification for him being a Deft. During arguments by counsel, Ms. Taylor stated this motion is premature, noted she received the Second Supplemental Affidavit Thursday afternoon, and requested the late-filed Affidavit not be considered; the underlying securities were not exempt. Upon Court's inquiry, Mr. Taylor stated Mr. Clary was made a party in the First Amended Complaint, and referred to the Complaint and the Opposition. Mr. Segel referred to the securities issue, to which he would like to respond. Ms. Taylor stated Mr. Segel is not a party to this motion. Further arguments by Mr. Segerblom. Ms. Taylor requested an opportunity to respond to the Affidavits and documents unless her oral argument was sufficient. COURT ORDERED, matter taken UNDER ADVISEMENT; he will review the record and if he feels there is a need for a supplemental briefing, he will so advise counsel.

CIVIL COURT MINUTES

08-A-558629-B Burke, Ted R

vs Hahn, Larry L

CONTINUED FROM PAGE: 019

01/29/09 01:17 PM 00 DECISION RE: DEFT HAHN'S MTN TO DISMISS/
PLTF'S APP FOR TRO/PRELIM INJ & RECEIVER

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

This matter came before the Court January 12, 2009, and January 26, 2009, on the motions referenced hereinbelow. Counsel presented their case and submitted matters to the Court. COURT ORDERED, matters taken UNDER ADVISEMENT.

DECISION:

As to DEFENDANT HAHN'S MOTION TO DISMISS AMENDED COMPLAINT, with JOINDER BY DEFENDANTS KOKOWEEF, INC. AND CLARY: COURT ORDERED, Motion GRANTED as to the First Cause of Action and First Cause of Action DISMISSED WITH PREJUDICE; motion GRANTED as to the Second Cause of Action and same is DISMISSED; Motion GRANTED as to the Third Cause of Action and same is DISMISSED; motion DENIED as to the Fourth Cause of Action; motion GRANTED as to the Fifth Cause of Action and same DISMISSED; motion GRANTED as to the Sixth Cause of Action and same DISMISSED; and motion DENIED as to the Seventh, Eight, Ninth, and Tenth Causes of Action. COURT FURTHER ORDERED, Countermotion to Strike the Joinder DENIED.

As to PLAINTIFF'S APPLICATION FOR TRO/PRELIMINARY INJUNCTION AND MOTION FOR APPOINTMENT OF A RECEIVER: COURT ORDERED, Motion DENIED IN PART as to the stock and asset issues; DENIED IN PART as to utilizing corporate funds for payment of costs of defense, WITHOUT PREJUDICE to renewal if discovery demonstrates that corporate funds are being so used for payment of costs of defense; GRANTED IN PART as to destruction or alteration of corporate records, and security in the sum of \$250.00 should suffice; and DENIED IN PART insofar as it seeks appointment of a receiver, limited or otherwise.

As to DEFENDANT CLARY'S MOTION FOR SANCTIONS: COURT ORDERED, motion DENIED WITHOUT PREJUDICE to renewal after the viability of the remaining cause of action pleaded against Defendant Clary (the Fourth Cause of Acton) is determined.

(SEE COURT'S DECISION AND ORDER FILED JANUARY 29, 2009, FOR FULL CONTEXT.)