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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA CLARA**

In re

THE MATTER OF THE CHINESE-
AMERICAN MUTUAL ASSISTANCE
ASSOCIATION, INC.,

A Corporation in Process of Winding Up.

Case No. 110CV167333

Date: January 19, 2011

Time: 9:00 a.m.

Place: 161 North First Street
San Jose, California 95113
Department 19

Judge: The Honorable Richard Loftus

**NOTICE OF HEARING ON MOTION FOR COURT'S
AUTHORIZATION TO SELL REAL PROPERTY AND PERSONAL PROPERTY**

PLEASE TAKE NOTICE that on January 19, 2011 at 9:00 a.m., in Department 19 of the Santa Clara Superior Court, located at 161 North First Street, San Jose, California, a hearing will be held on a motion by Court-appointed receiver Mohamed Poonja ("Receiver") for authority to sell certain real property and personal property assets of the receivership estate of the Chinese-American Mutual Assistance Association, Inc. ("CMAA"). This notice summarizes the proceedings, the relief sought in the Motion, and the procedure for objection, if any.

BACKGROUND

CMAA is a California non-profit public benefit corporation located in San Jose, California. Pursuant to a settlement agreement dated March 5, 2010 ("Settlement Agreement") entered into by and among CMAA, the District Attorney of Santa Clara County ("District Attorney"), and the Attorney General for the State of California ("AG"), CMAA agreed to voluntarily dissolve. The Settlement Agreement can be found on the following website: <http://ag.ca.gov/charities.php>.

Prior to entering into the Settlement Agreement, CMAA administered a program called The Senior Mutual Assistance Program (the "Senior Program"). The Senior Program was available to participants who contributed to the program, and upon a qualified participant's death, the Senior Program was to provide a lump sum payment to the designated beneficiary of that participant to pay for burial expenses.

The Settlement Agreement provides, among other things, that 85% of all liquidated assets shall be used to reimburse, to the extent possible, participants in the Senior Program for their past contributions, and that the remaining 15% of the liquidated assets shall be used to pay any remaining outstanding debts, with any remaining balance paid to another California public benefit corporation to be approved by the AG.

The AG conducted an audit of CMAA's books and determined, among other things, that CMAA could not sustain itself without raising the contributions of the participants in the Senior Program. The AG alleged, among other things, that CMAA commingled participants' contributions with public benefit assets. The Board of Directors denied this allegation. In order

1 to resolve this dispute, the parties entered into the Settlement Agreement, which was designed, in
2 part, to maximize a return to members of the Senior Program ("Participants").

3 On March 24, 2010, the AG petitioned the above-captioned Court to supervise CMAA's
4 voluntarily winding up its affairs, and to appoint a receiver. Following a duly noticed hearing, on
5 July 18, 2010 the Court entered an order (the "Appointment Order") appointing the Receiver.
6 The Appointment Order authorizes the Receiver to, among other things, wind-up and liquidate the
7 assets of CMAA's receivership estate ("Receivership Estate"), and to sell property of the
8 Receivership Estate by private sale subject to Court approval.

9 Pursuant to the terms of the Appointment Order, the Receiver has filed a motion
10 ("Motion") for authority to sell certain property of the Receivership Estate described as follows:
11 (1) certain real property commonly known as 1669 Flanigan Drive, San Jose, California (the
12 "Real Property"); and (2) a 1992 Dodge Caravan vehicle, office furniture, office equipment
13 (including computers, printers and fax machines), Buddha statues, and library books (collectively,
14 the "Personal Property").

15 RELIEF REQUESTED IN THE MOTION

16 By the Motion, the Receiver seeks authority from the above-captioned Court to sell the
17 Real Property and Personal Property. The terms of these proposed sales are described below.

18 Real Property Sale. Following an extensive marketing effort by the Receiver, as well as a
19 robust auction between interested bidders, the Receiver intends to sell the Real Property to 9969
20 Asset, LLC or its nominee for \$3,425,000. Under the terms of parties' proposed sale agreement,
21 the closing date will occur 30 days after the Court approves the sale.

22 Personal Property Sale. The Receiver intends to sell the 1992 Dodge Caravan for \$1,000.
23 Following an auction of the remaining Personal Property, the Receiver intends to sell the office
24 furniture, office equipment (including computers, printers and fax machines) and library books to
25 9969 Asset, LLC for \$3,000, and intends to sell the Buddha statues to Tony Ly for \$3,500.

26 The Receiver believes that the proposed sales of the Real Property and Personal Property
27 on the terms described above are fair and reasonable, and are in the best interest of the
28 Receivership Estate. For further information on these proposed sales, you are advised to review
the Motion and supporting pleadings, copies of which are available at
<http://ag.ca.gov/charities.php> or by contacting the Receiver's undersigned counsel.

29 PROCEDURE FOR OBJECTION

30 **PLEASE TAKE FURTHER NOTICE**, that the Receiver will seek an order granting the
31 Motion and approving the sales of the Real Property and Personal Property at the hearing on the
32 Motion, which will take place on January 19, 2011, at 9:00 a.m. in Department 19, located at 161
33 N. First Street, San Jose, California, 95113-1090. Any party who has an objection to entry of an
34 order granting the Motion may, but is not required, to file a responsive pleading before the
35 hearing. Any interested party may appear and be heard at the hearing, and the Court will
36 carefully consider any objection or comment.

1 In the event that no objection is made, or there is no appearance on behalf of anyone
2 bringing an objection, the Court will enter an order granting the Motion and approving the sales
3 of the Real Property and Personal Property.

4 Dated: December 21, 2010

DUANE MORRIS LLP

5 By: 

ARON M. OLINER

6 Attorneys for Receiver, MOHAMED POONJA

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