

RECEIVERSHIP SPECIALISTS
STATE AND U.S. FEDERAL COURT RECEIVERS/TRUSTEES

RULES FOR COURT CONFIRMATION AND OVERBID HEARING

DATE OF HEARING: April 18, 2018 at 8:30 a.m.

CASE NO.: BC612952: KORBEL CAPITAL, LLC, v ROYALTIES TRUSTEE CORPORATION, et al., (the “Case”)

PLACE: Long Beach Superior Court
Governor George Deukmejian Court
Dept. S26
275 Magnolia
Long Beach, CA 90802

PROPERTY: (APNs) 7216-001-004, 7216-001-005, 7216-001-006 (collectively, the “Property”) and legally described as:

Lots 4, 5, and 6 in the Flora Villa Tract, City of Signal Hill, County of Los Angeles, State of California, as per map recorded in Book 10, Page 163 of Maps in the Office of the County Recorder of said County

1) To participate in the Court Confirmation Hearing and Overbid Procedure, (“Hearing”) you must present to the Court Referee prior to the hearing, a signed written copy of this Rules For Confirmation and Overbid Hearing and a cashier’s check in the amount of \$20,000.00 made out to Escrow First American Title Company. You must also present proof of funds in an amount at least equal to the amount you are willing to bid. Anyone who does not present these items prior to hearing will not be allowed to participate in the overbid hearing. The Court Referee will return the \$20,000.00 deposit check to unsuccessful bidders at the end of the hearing.

2) The Property shall be available for viewing at specific times prior to the Hearing. Stephen A. Lieberman with American Energy Advisors, Inc. will arrange these viewings and can be contacted at (949) 242-3636. The Property is being sold “as is” with no warranties except for transfer of title.

3) Signal Hill Petroleum, Inc. (“SHP”) currently has the highest offer at \$210,000.00. Attached as “**Exhibit 1**”, is a copy of the purchase documents with SHP (the “Purchase Agreement”). Any overbids are to be on the same terms and conditions, except for price, no contingency removal time and no credits for due diligence. The highest offer accepted must sign and agree to the same terms, except for price, no contingency removal time and no credit for due diligence. The Court Referee will have extra copies of these Rules for Confirmation

and Overbid Hearing at the hearing, as well as extra copies of the Purchase Documents

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with blanks. If the court confirmed buyer(s) cannot close the transaction within twenty (20) days from the date of the Court Confirmation and Overbid Hearing through no fault of the Seller(s), then the \$20,000.00 deposit (otherwise to be applied to purchase price) shall be non- refundable and escrow shall automatically terminate without Buyer'(s) signature and immediately release the funds to the Court Referee's trust account for this case.

4) The Court shall move for confirmation on the day of the Hearing. At that time, the judge presiding over the Case may inquire as to whether a responsible bidder will make a written increased offer in the following amount(s):

	\$10,000X.10	Last Bid -\$10K	5% on amount in in excess	Bids 1-25
Current Purchase Price:				\$210,000.00
2nd Bid	\$1,000.00	\$200,000.00	\$10,000.00	\$221,000.00
3rd Bid	\$1,000.00	\$211,000.00	\$10,550.00	\$232,550.00
4th Bid	\$1,000.00	\$222,550.00	\$11,127.50	\$244,677.50
5th Bid	\$1,000.00	\$234,677.50	\$11,733.88	\$257,411.38
6th Bid	\$1,000.00	\$247,411.38	\$12,370.57	\$270,781.94
7th Bid	\$1,000.00	\$260,781.94	\$13,039.10	\$284,821.04
8th Bid	\$1,000.00	\$274,821.04	\$13,741.05	\$299,562.09
9th Bid	\$1,000.00	\$289,562.09	\$14,478.10	\$315,040.20
10th Bid	\$1,000.00	\$305,040.20	\$15,252.01	\$331,292.21
11th Bid	\$1,000.00	\$321,292.21	\$16,064.61	\$348,356.82
12th Bid	\$1,000.00	\$338,356.82	\$16,917.84	\$366,274.66
13th Bid	\$1,000.00	\$356,274.66	\$17,813.73	\$385,088.39
14th Bid	\$1,000.00	\$375,088.39	\$18,754.42	\$404,842.81
15th Bid	\$1,000.00	\$394,842.81	\$19,742.14	\$425,584.95

In such case, the first overbid would be \$221,000.00. Then the bids will continue to increase by the increments listed in the bid chart above until a winner is determined. SHP shall have the right to match any bid at the Court Confirmation and Overbid Hearing. If SHP matches an offer, and there are no additional overbids, then SHP will be the highest bidder.

5) You have reviewed the terms of the Purchase Documents. You agree to execute the Purchase Documents at Court immediately following the Court Confirmation and Overbid Hearing if your bid is confirmed by the Court as the winning bid and the Court authorizes the Property sold to you.

6) The Court presiding over the Case shall retain jurisdiction over any legal disputes relating to or arising out of the Court Confirmation and Overbid Hearing and/or sale of the Property. The winning bid/buyer of the Property waives any right to a jury trial over any legal disputes relating to or arising out of the Court Confirmation and Overbid Hearing and/or sale of the Property. The Court presiding over the Case reserves

the right to amend any of the rules pertaining to the process, cancel the Court Confirmation and Overbid Hearing, or cancel any part of the Purchase Documents in their entirety.

I agree to the above rules and procedures:

Name (*Print*)

Signature

Date

Title:

If you have any questions, please feel free to give me a call at (310) 552-9064.

Kevin Singer,
Superior Court Referee