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(SPACE BELOW FOR FILING STAMP ONLY)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

11 ONIONS, ETC., INC. and DUDA FARM
FRESH FOODS, INC..

Case No. 1:09-CV-00906-OWW-MJS

ORDER BY THE COURT ON TRUSTEE'S MOTION FOR FURTHER INSTRUCTION

12

Plaintiffs,

V.

15 Z&S FRESH, INC. fdba Z&S
16 DISTRIBUTING CO., INC., MARTIN J.
ZANINOVICH, LOREN SCHOENBURG,
AND MARGARET aka MARGE
SCHOENBURG,

Defendants.

19 On June 25, 2010 Trustee's Terence J. Long's (the "Trustee") Motion for Further
20 Instruction came on for hearing with this Court. Mandy L. Jeffcoach of McCormick, Barstow,
21 Sheppard, Wayte & Carruth LLP and Jan Perkins of Perkins, Mann & Everett appeared on behalf
22 of the Trustee Terence J. Long. Norman Morrison of Walter & Wilhelm Law Group, a
23 Professional Corporation appeared on behalf of Defendants Z&S FRESH, INC. and MARTIN J.
24 ZANINOVICH ("Z&S"). All other appearances by counsel are noted on the record.

25 After reviewing the papers submitted in this matter and hearing all arguments by counsel,
26 the Court orders as follows:

McCORMICK, BARSTOW,
SHEPPARD, WAYTE &
CARRUTH LLP
5 RIVER PARK PLACE EAST

ORDER BY THE COURT ON TRUSTEE'S MOTION FOR FURTHER INSTRUCTION

1 1. That the Trustee's primary goal initially was the marshaling of assets easily
2 identifiable. With the Court's order on June 25, 2010 regarding IG Fruit's claim, that phase of
3 the case has been completed with the exception of the further administration and disbursement of
4 assets from the Trust;

5 2. That this matter has now transitioned into "Trust Collection Litigation" and
6 the litigation shall proceed with the Trustee acting, in essence, as the representative plaintiff for
7 all claimants to the Trust's assets; and

8 3. That the PACA Beneficiary Committee ("PBC") as established by the
9 Court's order on June 24, 2009 [Docket No. 48] shall continue to be in existence with the
10 participation from the representative for Z&S FRESH, INC., Mark Burrell, being stayed. At any
11 time in the future Z&S FRESH, INC. can petition this Court for the stay to be lifted if it believes
12 that it is necessary.

13 4. With respect to the Trust Collection Litigation, the PBC can determine
14 whether a steering committee should be appointed and who shall be members of that committee
15 going forward in the trust collection litigation.

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18 **IT IS SO ORDERED.**

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20 Dated: July 6, 2010

21 /s/ OLIVER W. WANGER
22 UNITED STATES DISTRICT JUDGE

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