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This Stipulation is entered into by and between plaintiff HSBC Bank USA, National Association, as Indenture Trustee for the benefit of the Noteholders and the Certificateholders of Business Loan Express Business Loan Trust 2005-A ("HSBC as Trustee"), successor in interest to BLX Capital, LLC ("BLX"), the United States Small Business Administration ("SBA"), and defendants Dara Petroleum, inc. dba Watt Avenue Exxon, Sarbjit S. Kang, Narges Eghtesadi (Collectively the "Obligors"), by and through their respective counsel of record, as follows:

- 1. A hearing is set for November 5, 2012 on HSBC as Trustee's Motion to Amend the Judgment ("HSBC Motion").
- 2. A hearing is set for November 5, 2012 on SBA's Motion to Vacate Judgment ("SBA Motion").
- 3. The parties are engaged in settlement discussions with the anticipated result of entering into a stipulation to resolve their motions. The parties desire additional time to complete discussions prior to the motion hearings.

NOW, THEREFORE, IT IS STIPULATED AS FOLLOWS:

With the consent of the Court, the hearings on the HSBC Motion and the SBA Motion shall be continued pursuant to Local Rule 230(F) to December 17, 2012 at 2:00 p.m. or to a time thereafter as determined by the Court.

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	1	Dated: October 26, 2012	Eric S. Pezold SNELL & WILMER L.L.P.
Snell & Wilmer L.P. LAW OFFICES 600 Anton Boulevard, Suire 1400 Costa Mesa, California 92626-7689 (714) 427-7000	2		
	3		
	4		By: /s/ Eric S. Pezold
	5		Eric S. Pezold (#255657)
	6		Attorneys for Plaintiff HSBC Bank USA
	7		
	8		
	9	Dated: October 26, 2012	JEFFREY S. KRAVITZ KRAVITZ LAW OFFICE
	10		KRAVIIZ LAW OFFICE
	11		
	12		By: <u>/s/ Jeffrey Kravitz</u> Jeffrey Kravitz
	13		Attorneys for Defendants
	14		DARA PETROLEUM, INC., S. Kang, N. EGHTESADI
	15		N. LOHTESADI
	16	Dated: October 26, 2012	BENJAMIN B. WAGNER
	17	Dated. October 20, 2012	United States Attorney
	18		
	19		By: /s/ Bobbie J. Montoya
	20		Bobbie J. Montoya
	21		Assistant US Attorney Attorney for the United State of
	22		America
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- 3 -

Snell & Wilmer

LAW OFFICES 600 Anton Boulevard, Suite 1400 Costa Mesa, California 92c26-7689 (714) 427-7000

ORDER

Good cause appearing and the parties having so stipulated, IT IS HEREBY ORDERED that the hearings set for October 9, 2012 at 2:00 p.m. in this Courtroom shall be continued to **January 14, 2013, at 2:00 p.m.** All corresponding deadlines are continued and governed by Local Rule 230.

Dated: October 26, 2012

WILLIAM B. SHUBB

UNITED STATES DISTRICT JUDGE

- 4 -

Snell & Wilmer LLP. LAW OFFICES 600 Anton Boulevard, Suite 1400 Costa Mesa, California 25226-7689

PROOF OF SERVICE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action; my business address is 600 Anton Boulevard, Suite 1400, Costa Mesa, CA 92626-7689.

On October 26, 2012, I served, in the manner indicated below, the foregoing document described as **STIPULATION TO CONTINUE HEARINGS ON MOTIONS BY HSBC BANK, NA AND US SMALL BUSINESS ADMINISTRATION; [PROPOSED] ORDER THEREON** on the interested parties in this action by placing true copies thereof, enclosed in sealed envelopes, at Costa Mesa, addressed as follows:

Bobbie J Montoya United States Attorney's Office 501 I Street, Suite 10–100 Sacramento, CA 95814 Jeffrey S. Kravitz, Esq. 2310 J. Street, Suite A Sacramento, CA 95816

- BY U.S. MAIL: I caused such envelopes to be deposited in the United States mail at Costa Mesa, California, with postage thereon fully prepaid. I am readily familiar with the firm's practice of collection and processing correspondence for mailing. It is deposited with the United States Postal Service each day and that practice was followed in the ordinary course of business for the service herein attested to (C.C.P. § 1013(a)).
- \square BY FACSIMILE: (C.C.P. § 1013(e)(f)).
- BY FEDERAL EXPRESS: I caused such envelopes to be delivered by air courier, with next day service, to the offices of the addressees. (C.C.P. § 1013(c)(d)).
- BY PERSONAL SERVICE: I caused such envelopes to be delivered by personal service at the offices of the addressees. (C.C.P. § 1011(a)(b)).

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 26, 2012, at Costa Mesa, California.

/s/ Dana Lewis
DANA LEWIS