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 9 GENERAL ELECTRIC CAPITAL
 10 CORPORATION, CEF FUNDING II, L.L.C.
 11 and CEF FUNDING V, LLC

8 UNITED STATES DISTRICT COURT
 9 FOR THE EASTERN DISTRICT OF CALIFORNIA - SACRAMENTO

10 GENERAL ELECTRIC CAPITAL
 11 CORPORATION; CEF FUNDING II,
 12 L.L.C. and CEF FUNDING V, LLC,

13 Plaintiffs,

14 v.

15 TEN FORWARD DINING, INC.;
 16 DELIGHTFUL DINING, INC.; TGIA
 17 RESTAURANTS, INC.; KOBRA
 18 RESTAURANT PROPERTIES, L.L.C.;
 19 ABOLGHASSEM ALIZADEH; THE
 20 MECHANICS BANK; EQUITY
 21 LENDERS, LLC; APEX PROPERTY
 22 ADVISORS INC.; KEY REAL ESTATE
 23 EQUITY CAPITAL, INC.; COUNTY
 24 OF SACRAMENTO DEPARTMENT
 25 OF PUBLIC WORKS
 26 ADMINISTRATION; STATE OF
 27 CALIFORNIA EMPLOYMENT
 28 DEVELOPMENT DEPARTMENT;
 UNITED STATES OF AMERICA;
 CITY OF CITRUS HEIGHTS; CITY OF
 ELK GROVE; CITY OF REDDING;
 CITY OF GRASS VALLEY; COUNTY
 OF PLACER; COUNTY OF
 SACRAMENTO; COUNTY OF
 SHASTA; COUNTY OF NEVADA, and
 DOES 1 – 100, INCLUSIVE,

Defendants.

Case No. 2:09-cv-03296-FCD-EFB

Assigned to Judge:
 Hon. Frank C. Damrell, Jr.

Assigned to Magistrate:
 Hon. Edmund F. Brennan

**STIPULATION REGARDING
 PRIORITY AND DISMISSAL
 (WITHOUT PREJUDICE)
 AMONG PLAINTIFFS AND
 DEFENDANTS COUNTY OF
 SACRAMENTO, COUNTY OF
 NEVADA AND COUNTY OF
 SHASTA; ORDER**

Complaint Filed on: Nov. 25, 2009

1 Plaintiffs General Electric Capital Corporation (“GECC”); CEF Funding II,
2 L.L.C. (“CEF II”) and CEF Funding V, LLC (“CEF V,” and collectively with CEF
3 II and GECC, “Plaintiffs”), on the one hand, and Defendants County of Sacramento
4 Department of Public Works and County of Sacramento (“Sacramento County”),
5 County of Nevada (“Nevada County”) and County of Shasta (“Shasta County,” and
6 collectively with Sacramento County and Nevada County, “Defendants”;
7 Defendants and Plaintiffs, collectively, the “Parties”), by and through their
8 respective attorneys of record, HERBY ENTER INTO THE FOLLOWING
9 STIPULATION REGARDING PRIORITY AND DISMISSAL (WITHOUT
10 PREJUDICE) AMONG PLAINTIFFS AND DEFENDANTS COUNTY OF
11 SACRAMENTO, COUNTY OF NEVADA AND COUNTY OF SHASTA
12 (“Stipulation”) AND AGREE UPON THE FOLLOWING:

13 1. On November 25, 2009, Plaintiffs initiated this lawsuit by filing a
14 Complaint for Damages and Injunctive Relief (“Complaint”) against various
15 defendants, including Defendants. In the Complaint, Plaintiffs allege that
16 Defendants may have or asserts an interest in the real and personal properties at
17 issue in this lawsuit.

18 2. Plaintiffs have released their mortgage liens on and security interests
19 in the 19373 Kobra Properties (as defined in the Complaint) and, accordingly, have
20 agreed to dismiss, without prejudice, Sacramento County Department of Public
21 Works and Sacramento County from this lawsuit.

22 3. In exchange for the foregoing dismissal, without prejudice,
23 Sacramento County has agreed to a waiver of all fees and costs against Plaintiffs
24 and to not seek any action relating thereto.

25 4. Plaintiffs, Nevada County and Shasta County wish to stipulate as to
26 their respective liens on the 11726 Kobra Property and the 11794 Kobra Property
27

1 (each as defined in the Complaint), as follows:

2 (a) the lien of Shasta County on the 11726 Kobra Property for real
3 property taxes and assessments with respect to the 11726 Kobra Property is
4 senior in priority to CEF V's mortgage lien on the 11726 Kobra Property
5 under the 11726 Kobra Deed of Trust; and

6 (b) the lien of Nevada County on the 11794 Kobra Property for real
7 property taxes and assessments with respect to the 11794 Kobra Property is
8 senior in priority to CEF V's mortgage lien on the 11794 Kobra Property
9 under the 11794 Kobra Deed of Trust.

10 5. In exchange for the foregoing dismissal, without prejudice, Shasta
11 County and Nevada County have agreed to a waiver of all fees and costs against
12 Plaintiffs and to not seek any action relating thereto.

13 6. It is further understood and agreed that this Stipulation may be
14 executed in separate counterparts, including facsimile signatures, each of which
15 shall be considered an original but all of which shall constitute one agreement.

16 7. The parties hereto further agree to execute any further and additional
17 documents, and undertake such further acts, as shall be reasonable, convenient,
18 necessary or desirable to carry out the provisions of this Stipulation and the parties
19 further agree to cooperate with each other to effectuate the intent of this agreement.

20 8. All prior and contemporaneous conversations, negotiations or
21 agreements, representations and covenants concerning settlement are superseded by
22 this Stipulation. This is a fully integrated document.

23 9. The parties enter into the foregoing stipulation with the understanding
24 and intention to be bound by the obligations set forth in this agreement and warrant
25 and represent that the individuals executing this agreement have the full right,
26 power and authority to settle and compromise the matters referenced herein.

1 10. The parties acknowledge that this Stipulation has been reviewed by
2 their respective counsel and it has been approved as to form. They further agree
3 that this agreement is to be construed and interpreted without regard to the identity
4 of the party drafting this Stipulation.

5 11. If any term or provision of this Stipulation, or the application thereof,
6 to any persons, parties or circumstances shall, to any extent, be held invalid or
7 unenforceable, the remainder of this Stipulation or application of such term or
8 provision to persons, parties or circumstances other than those as to which it is held
9 invalid or unenforceable, shall not be affected thereby, and each such term or
10 provision of this Stipulation shall be valid and enforced to the fullest extent
11 permitted by law.

12 12. The rights and obligations of the parties pursuant to this Stipulation
13 shall inure to and be binding upon each of the parties hereto and each of their
14 respective successors and assigns.

15 SO STIPULATED AND AGREED:

16 Dated: September 2, 2011

KUTAK ROCK LLP

17
18 By: /s/ J. David Bournazian

19 J. David Bournazian
20 Attorneys for Plaintiffs
21 GENERAL ELECTRIC CAPITAL
22 CORPORATION, CEF FUNDING II,
23 L.L.C. and CEF FUNDING V, LLC
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Dated: October 12, 2011

ROBERT A. RYAN, JR., County Counsel
SACRAMENTO, CALIFORNIA

By: /s/ Diane E. McElhern
Diane E. McElhern, Deputy
Attorneys for Defendants
COUNTY OF SACRAMENTO,
DEPARTMENT OF PUBLIC WORKS
and COUNTY OF SACRAMENTO

(JR) October
Dated: ~~September~~ 28, 2011

RUBIN E. CRUSE, JR., County Counsel
REDDING, CALIFORNIA

By: /s/ James R. Ross
James R. Ross,
Assistant County Counsel
Attorneys for Defendants
COUNTY OF SHASTA

Dated: September 7, 2011

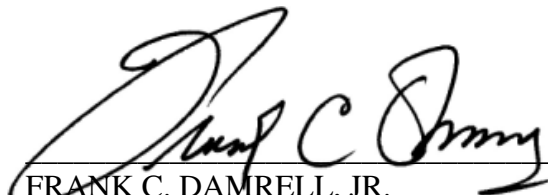
MICHAEL JAMISON, County Counsel
NEVADA CITY, CALIFORNIA

By: /s/ Michael Jamison
Michael Jamison, County Counsel
Attorneys for Defendants
COUNTY OF NEVADA

ORDER

IT IS SO ORDERED.

Dated: October 31, 2011


FRANK C. DAMRELL, JR.
UNITED STATES DISTRICT JUDGE