

1 PETER J. BENVENUTTI (Bar No. 60566)
 HELLER EHRMAN LLP
 2 333 Bush Street
 San Francisco, CA 94104
 3 Telephone: 415-772-6000
 Facsimile: 415-772-6268
 4 Email: peter.benvenutti@hellerehrman.com

5 MARK S. KAUFMAN (Admitted Pro Hac Vice)
 McKENNA LONG & ALDRIDGE LLP
 6 303 Peachtree Street, Suite 5300
 Atlanta, GA 30308
 7 Telephone: (404) 527-4000
 Facsimile: (404) 527-4198
 8 Attorneys for Plaintiff-Appellee
 Lehman Brothers Holdings Inc.

11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA

13 JOHN KONTRABECKI,
 14 Defendant-Appellant,

15 v.

16 LEHMAN BROTHERS HOLDINGS
 INC.,
 17 Plaintiff-Appellee.

Case No. C 06-00028 CRB

On Appeal from Bankruptcy Court
 Adversary Proceeding No. 03-3264 DM

18 In re
 CENTRAL EUROPEAN INDUSTRIAL
 19 DEVELOPMENT COMPANY, LLC d/b/a,
 CEIDCO,

20 Debtor.

21 Bk. No. 02-30419-11-DM

22 In re
 23 THE KONTRABECKI GROUP, LP,

24 Debtor.

25 Bk. No. 02-30421-11-DM

**[PROPOSED] ORDER ON EMERGENCY
 MOTION OF JOHN KONTRABECKI
 FOR STAY PENDING APPEAL RE
 ORDER TO LIQUIDATE MISSION
 WEST INTERESTS**

Date: January 12, 2006

Time: 2:00 p.m.

**Location: Courtroom 8
 450 Golden Gate Avenue
 San Francisco, CA 94102**

26 On January 12, 2006, the Court heard the Emergency Motion of Defendant-Appellant John
 27 Kontrabecki for a Stay Pending Appeal (the "Stay Motion") from the Order of the Bankruptcy
 28 Court entered January 4, 2006 (the "MW Order"), directing Mr. Kontrabecki to take various actions

Heller
 Ehrman LLP

ORDER ON EMERGENCY MOT. STAY PENDING
 APPEAL RE LIQUIDATION OF MISSION WEST INTERESTS
 Case No. C-06-00028 CRB

1 to liquidate certain of his interests in partnerships affiliated with Mission West Properties, Inc. in
2 order to pay compensatory sanctions awarded to Appellee Lehman Brothers Holdings Inc.
3 (“Lehman”) pursuant to an earlier order of the Bankruptcy Court (the “Sanctions Award”). Mr.
4 Kontrabecki and Lehman appeared by counsel, as stated on the record.

5 Upon consideration of the briefs and supporting papers filed in support of and in opposition
6 to the Stay Motion, and the argument of counsel, for the reasons stated by the Court on the record at
7 the hearing, and good cause therefor appearing,

8 IT IS HEREBY ORDERED:

9 1. The Stay Motion is Denied, except as provided below.

10 2. The interim stay pending appeal of the MW Order, as ordered by the Court on
11 January 6, 2006, shall expire at 2:15 pm on January 13, 2006, unless prior to that time Mr.
12 Kontrabecki deposits his passport with the Court’s clerk, to be held pending further order of the
13 Court.

14 3. If Mr. Kontrabecki timely deposits his passport as provided in the preceding
15 paragraph, the court’s stay of the MW Order shall remain effective until 12:00 noon on January 20,
16 2006, and shall expire at that time except as provided in paragraph 4 below.

17 4. The stay of the MW Order shall continue in effect pending disposition of Mr.
18 Kontrabecki’s appeal of the MW Order only if, prior to 12:00 noon on January 20, 2006, Mr.
19 Kontrabecki obtains and files with the Court and serves on counsel for Lehman a bond issued by a
20 licensed and qualified bonding company in the amount of \$7,000,000 in favor of Lehman,
21 conditioned on the disposition of Mr. Kontrabecki’s appeal from the MW Order. The bond must be
22 on customary terms acceptable to Lehman or approved by the Court, and must provide that, in the
23 event Mr. Kontrabecki’s appeal of the MW Order is resolved against him, the bonding company
24 shall forthwith pay Lehman the full unpaid balance of the Sanctions Award, plus interest, costs and
25 legal fees as permitted by law.

26 5. The Court will rule without further hearing on Lehman’s request to dismiss Mr.
27 Kontrabecki’s appeal for lack of jurisdiction and on Mr. Kontrabecki’s request for discretionary
28 review. If Mr. Kontrabecki wishes to submit a further brief on that request or on any other issues

1 concerning his appeal, he shall do so by papers filed and served by noon on January 17, 2006.
2 Lehman may file and serve a response by noon on January 19, 2006. Lehman's request to dismiss
3 the appeal and Mr. Kontrabecki's request for discretionary review shall be deemed submitted (a) at
4 noon on January 17, 2006, if Mr. Kontrabecki fails to file additional papers by that time, or (b)
5 upon the filing of (or expiration of the time for) Lehman's reply should Mr. Kontrabecki timely file
6 an additional brief.

7
8 Dated: January 17, 2006

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10 Approved as to form:

11 Law Offices of Steven F. Gruel
12 Farella Braun + Martell LLP

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15 Attorneys for Appellee John Kontrabecki
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