

1 Watt, Tieder, Hoffar & Fitzgerald, L.L.P.
2 Michael G. Long, Bar No. 129771
3 mlong@wthf.com
4 David R. Johnson, Bar No. 174883
5 djohnson@wthf.com
6 2040 Main Street, Suite 300
7 Irvine, CA 92614
8 Telephone: 949-852-6700
9 Facsimile: 949-261-0771

10 Attorneys for Plaintiffs

11
12 UNITED STATES DISTRICT COURT
13 NORTHERN DISTRICT OF CALIFORNIA
14 SAN FRANCISCO DIVISION

15 UNITED STATES FIDELITY AND
16 GUARANTY COMPANY, et al.,

17 Plaintiffs,

18 v.

19 THE SCOTT COMPANIES, INC., et al.

20 Defendants

CASE NO. CV-03-5376-SBA
CV-06-5590-EMC

**[PROPOSED] ORDER GRANTING
PLAINTIFFS' MOTION FOR ORDER TO
SELL SECURITIES TO PARTIALLY
SATISFY PLAINTIFFS' JUDGMENT
AGAINST JOSEPH GUGLIELMO**

Hearing Date: January 4, 2011
Hearing Time: 10:30 a.m.
Courtroom: C - 15th Floor

21
22 Plaintiffs United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance
23 Company, St. Paul Fire and Marine Insurance Company and St. Paul Medical Liability Insurance
24 Company's (collectively, "St. Paul") Motion for Order to Sell Securities to Partially Satisfy
25 Plaintiffs' Judgment Against Joseph Guglielmo ("Motion") came on regularly for hearing before
26 this Court on January 4, 2011 at or about 10:30 a.m. Seth R. Sias, Esq. appeared as attorney for
27 St. Paul, and James Sullivan, Esq. appeared as attorney for Judgment Debtor Joseph Guglielmo
28 ("Guglielmo").

1 After considering the moving and opposition papers, arguments of counsel and all other
2 matters presented to the court, and good cause appearing therefore, IT IS HEREBY ORDERED
3 THAT St. Paul's Motion is GRANTED IN PART AND DENIED IN PART as follows:

4 IT IS ORDERED THAT Charles A. Schwab & Co., Inc. ("Schwab") is directed to
5 immediately sell the securities in the order it deems to be most expeditious, and to immediately
6 deliver to St. Paul the proceeds of the sales, along with any cash in the accounts, that are in the
7 two following accounts that Schwab identified in its October 20, 2010 letter, which is attached
8 hereto to as Exhibit 1 ("Schwab Letter"):

- 9 2. Schwab account no. ["y"] is a(n) Schwab One®
10 Brokerage Trust Account in the name(s) of J. Guglielmo
& A. Guglielmo, Ttee Guggs Family Rev. Liv. Trust and
11 contains \$15,058.11 in securities and \$152.64 in cash.
Accordingly, the account net value is \$15,210.75.
- 12 3. Schwab account no. ["z"] is a(n) Schwab One®
13 Brokerage Trust Account in the name(s) of J. Guglielmo
& A. Guglielmo, Ttee Guggs Family Trust and contains
14 \$21,615.20 in securities and \$10.00 in cash. Accordingly,
the account net value is \$21,625.20.

15 IT IS FURTHER ORDERED THAT St. Paul and Guglielmo meet and confer regarding
16 Guglielmo's need for funds contained in the following account identified in the Schwab Letter:

- 17 1. Schwab account no. ["x"] is a(n) Contributory IRA in the
18 name(s) of Joseph A. Guglielmo and contains
\$321,904.42 in securities and \$1,796.80 in cash.
19 Accordingly, the account net value is \$323,701.22.

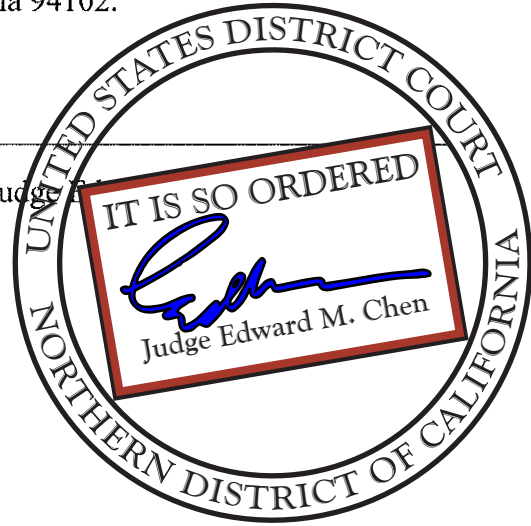
20 St. Paul may conduct discovery regarding Guglielmo's need for the funds in this account,
21 including by obtaining from Guglielmo documents regarding Guglielmo's financial condition and
22 by performing a deposition of Guglielmo. The parties are to submit further briefing regarding
23 Guglielmo's need for the funds on February 16, 2011.

1 IT IS FURTHER ORDERED THAT there will be a further hearing regarding Plaintiffs'
2 Motion on February 23, 2011 at 10:30 a.m. in Department C, 15th Floor, U.S. Courthouse, 450
3 Golden Gate Avenue, San Francisco, California 94102.

4 **IT IS SO ORDERED**

5 Dated: January 11, 2011

6 Judge _____



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Exhibit “1”

Office Of Corporate Counsel
211 Main St, San Francisco, CA 94105-1905
Tel (877) 243-9263 Fax (888) 368-6355

October 20, 2010

VIA USPS PRIORITY MAIL

U.S. Marshals Service
District Of Arizona
401 W. Washington St., #270
Phoenix, AZ 85003

RE: Joseph Anthony Guglielmo
Case No. MC 10-86

Dear U.S. Marshals Service:

This letter will acknowledge that Charles Schwab & Co., Inc. ("Schwab") has received the Writ of Execution served in the above referenced matter and we are not required to make an appearance. This letter is Schwab's formal response. If this answer is not sufficient please advise me immediately. The following valuation is as of September 14, 2010.

1. Schwab account no. **REDACTED** is a(n) Contributory IRA in the name(s) of Joseph A. Guglielmo and contains \$321,904.42* in securities and \$1,796.80 in cash. Accordingly, the account net value is \$323,701.22.
2. Schwab account no. **REDACTED** is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Tee Guggs Family Rev. Liv. Trust and contains \$15,058.11* in securities and \$152.64 in cash. Accordingly, the account net value is \$15,210.75.
3. Schwab account no. **REDACTED** is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Tee Guggs Family Trust and contains \$21,615.20* in securities and \$10.00 in cash. Accordingly, the account net value is \$21,625.20.

The above account(s) have been and will remain restricted. Please advise me what further action, if any, Schwab may be required to take in regards to the account(s).

*Securities value is subject to daily market fluctuations and the Writ of Execution does not give Schwab the authority to liquidate the securities. To convert the securities into cash a court order directing Schwab to liquidate the securities is required. The court order must address in what sequence the securities should be liquidated.

For the Firm,

Laura Carnero

Laura Carnero
Manager, Office of Corporate Counsel
Charles Schwab & Co., Inc.

cc: David R. Johnson, Esq.