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4 Receiver of Baystar Capital Management, LLC  
 5 and Lawrence Goldfarb

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 8 **UNITED STATES DISTRICT COURT**  
 9 **NORTHERN DISTRICT OF CALIFORNIA**

10  
 11 SECURITIES AND EXCHANGE  
 COMMISSION,

12 Plaintiff,

13 v.

14 LAWRENCE R. GOLDFARB and  
 15 BAYSTAR CAPITAL MANAGEMENT,  
 LLC,

16 Defendants.

Case No.: C-11-0938 WHA

**[PROPOSED] ORDER  
 CONCERNING THE  
 RECEIVER'S  
 MISCELLANEOUS  
 ADMINISTRATIVE  
 APPLICATION FOR AN  
 ORDER PURSUANT TO  
 LOCAL RULE 7-11 TO  
 LIQUIDATE ASSET**

17 Date: N/A  
 18 Time: N/A  
 Judge: William A. Alsup

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 20 By this Motion, the Receiver in the above matter, John W. Cotton seeks  
 21 permission to enter into a purchase and sale agreement with Cascade Capital  
 22 LLC ("Cascade") to sell the Receivership estate's illiquid interest in a joint  
 23 venture, known as LRG Cascade, between Cascade and defendant Lawrence  
 24 Goldfarb's solely-owned entity LRG Capital Commercial ("LRGCC").

25 The Receiver recommends the proposed sale after discussing the  
 26 proposed terms with defendant Baystar's three largest Island Fund side-pocket  
 27 investors, who comprise 93% of the investors defrauded by defendant  
 28 Goldfarb, and receiving their approval for the sale. Likewise, the Receiver has

1 discussed the proposed terms with the parties to this litigation, defendant  
2 Goldfarb and the U.S. Securities & Exchange Commission, both of whom have  
3 no objection to the proposed sale. The terms for the sale call for an immediate  
4 cash payment to the Receivership estate of \$8,609 in return for a full release  
5 over diminishing future cash distributions, which are estimated to be \$14,360  
6 over the remaining life of LRGCC. The completion of the sale will eliminate  
7 the need to keep the Receivership estate open until the end of 2017 when  
8 LRGC terminates, and thereby reduce significant administrative cost to the  
9 estate.

10 GOOD CAUSE APPEARING, the Court hereby authorizes John W.  
11 Cotton as Receiver, to enter into the proposed sale to Cascade as supported by  
12 the Motion and accompanying Declaration of Cotton.

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15 IT IS SO ORDERED.

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18 DATED: April 21, 2015

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20 \_\_\_\_\_  
21 Judge William Alsup

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