1 Jeremy A. Burns, Esq. (Bar No. 239917) jburns@carr-mcclellan.com CARR, McCLELLAN, INGERSOLL, THOMPSON & HORN Professional Law Corporation 216 Park Road 3 P.O. Box 513 Burlingame, California 94011-0513 Telephone: (650) 342-9600 Facsimile: (650) 342-7685 5 6 Louis W. Diess, III ldiess@mccarronlaw.com 7 McCarron & Diess 4530 Wisconsin Avenue, N.W., Suite 301 Washington, D.C. 20016 8 Telephone: (202) 364-0400 9 Attorneys for Plaintiff 10 11 IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA 12 13 SEQUOIA SALES, INC. 14 Plaintiff 15 Civil Action No: <u>4:10-cv-05757-CW</u> v. P.Y. PRODUCE, L.L.C., et al **ORDER GRANTING** 16 PRELIMINARY INJUNCTION 17 Defendants 18 19 THIS MATTER is before the Court upon the Application of Sequoia Sales, Inc., 20 seeking an Order enjoining and restraining the defendants and their employees, agents, 21 servants, successors, assigns and attorneys from taking any action to assign, transfer, convey, 22 spend or dissipate PACA trust funds in the sum of \$141,661.79, and directing and requiring the 23 defendants to account for and segregate the sum of \$141,661.79 for the benefit of plaintiff in a 24 separate interest bearing trust account to be held by plaintiff's counsel pending further Order of Order Granting Preliminary Injunction

the Court. It appearing that the defendants were properly served with the Temporary Restraining Order, and that plaintiff will be irreparably and immediately harmed if the relief requested is not granted, and for good cause shown;

IT IS HEREBY ORDERED that Plaintiff's Application for Preliminary Injunction is granted; and it is further

ORDERED that Defendants, their customers, agents, officers, subsidiaries, assigns, and banking institutions be, and hereby are, RESTRAINED AND ENJOINED, pursuant to Fed. R. Civ. P. 65(a), from alienating, dissipating, paying over or assigning any assets of Defendant P.Y. Produce, L.L.C., its subsidiaries or related companies; and it is further

ORDERED that within five (5) business days after service of this Order Granting Preliminary Injunction, Defendants shall produce to Plaintiff's counsel the following documents regarding the assets of Defendant P.Y. Produce, L.L.C., its subsidiaries or related companies: most recent balance sheets and profit/loss statements of Defendant P.Y. Produce, L.L.C.; name, addresses and amounts of all accounts receivable of Defendant P.Y. Produce, L.L.C. for collection purposes, and all records, including without limitation checking account registers, regarding the disposition of any funds received from the sale of produce by Defendant P.Y. Produce, L.L.C. during the past eight (8) months immediately preceding the date of this Order Granting Preliminary Injunction; and it is further

ORDERED that within two (2) business days after service of this Order Granting Preliminary Injunction, Defendants and their banking institutions shall freeze all funds realized from the sale of produce or products derived from produce by Defendant P.Y. Produce, L.L.C., to be held in trust pending further Order; and it is further

ORDERED that within two (2) days after service of this Order Granting Preliminary Injunction, any third party possessing funds realized from the sale of produce or products Order Granting Preliminary Injunction

1 derived from produce in the name of, or belonging to, Defendant P.Y. Produce, L.L.C. shall turn 2 over such funds to Plaintiff's counsel, to be held in trust pending further Order; and it is further 3 **ORDERED** that Plaintiff's counsel is authorized and directed to collect any and all outstanding accounts receivables realized from the sale of produce or products derived from 5 produce of Defendant P.Y. Produce, L.L.C., to be held in trust pending further Order; and it is further 6 7 **ORDERED** that Defendants shall cooperate, upon reasonable request by Plaintiff's counsel, in any and all such collection efforts; and it is further 8 9 **ORDERED** that no security or bond shall be required under Fed. R. Civ. P. 65(c); and it is further 10 11 **ORDERED** that Plaintiff shall serve one copy each of this Order Granting Preliminary 12 Injunction upon Defendants by hand delivery or overnight delivery service delivered to 13 Defendants at the addresses contained in Plaintiff's Complaint on or before December 31, 2010. 14 15 Dated this 29th day of December, 2010. 16 17 18 19 20 21 22 23 24