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7 Attorneys for Receiver  
8 STEPHEN J. DONELL

9 UNITED STATES DISTRICT COURT  
10 CENTRAL DISTRICT OF CALIFORNIA

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12 SECURITIES AND EXCHANGE  
COMMISSION,

13 Plaintiff,

14 v.

15 ROBERT YANG, et al.  
16 Defendants,

17 AND

18  
19 YANROB'S MEDICAL, INC., et al.  
20 Relief Defendants,

Case No. 5:15-cv-02387-SVW (KKx)

STIPULATION FOR ORDER ON  
RECEIVER'S OMNIBUS MOTION FOR  
ORDER: (1) APPROVING RECEIVER'S  
RECOMMENDED TREATMENT OF  
CLAIMS; AND (2) AUTHORIZING  
RECOMMENDED DISTRIBUTION ON  
ALLOWED CLAIMS

[Proposed] Order submitted concurrently  
herewith

Ctrm: 10A  
Judge: Stephen V. Wilson

21 **STIPULATION**

22 The following Stipulation for Order on Receiver's Omnibus Motion for Order:

23 (1) Approving Receiver's Recommended Treatment of Claims; and (2) Authorizing  
24 Recommended Distribution on Allowed Claims (the "Stipulation") is made by and  
25 between Stephen J. Donell (the "Receiver"), the Court-appointed receiver for Defendants  
26 Suncor Fontana, LLC, Suncor Hesperia, LLC, Suncor Care Lynwood, LLC, and their  
27 respective subsidiaries and affiliates (collectively, the "Receivership Entities") in the  
28 above-entitled action, the Plaintiff Securities and Exchange Commission (the

1 "Commission"), and Defendants Robert Yang and Claudia Kano (collectively, with the  
2 Receiver and the Commission, the "Parties"), by and through their respective counsel of  
3 record, and with respect to the following facts:

4 A. On October 3, 2017, the Receiver filed his Omnibus Motion for Order:  
5 (1) Approving Receiver's Recommended Treatment of Claims; and (2) Authorizing  
6 Recommended Distribution on Allowed Claims and supporting papers (collectively, the  
7 "Omnibus Claims Motion") (Dkt. Nos. 189, 189-1, 189-2, 190), which presented the  
8 Receiver's recommended treatment of all timely claims against the estate of the  
9 Receivership Entities, and requested authority to make recommended distributions on  
10 allowed claims.

11 B. Concurrently with his Omnibus Claims Motion, the Receiver filed a Specific  
12 Objection to Proof of Claim of Celtic Bank, and supporting papers (collectively, the  
13 "Objection to Celtic Bank Claim") (Dkt. Nos. 191, 191-1), wherein he objected to the  
14 claim submitted by Celtic Bank Corporation ("Celtic Bank") against the estate of the  
15 Receivership Entities.

16 C. On December 6, 2017, the Receiver and Celtic Bank filed their Stipulation to  
17 Resolve Proof of Claim of Celtic Bank Corporation and to Vacate Hearing Thereon (the  
18 "Celtic Bank Stipulation") (Dkt. No. 205), which served to resolve the Receiver's  
19 Objection to Celtic Bank Claim and which provided, in pertinent part, that, in connection  
20 with the Omnibus Claims Motion and the Receiver's Objection to Celtic Bank Claim,  
21 Celtic Bank's claim against the Receivership Entities would be deemed allowed, in the  
22 amount of \$1.6 million, to be paid by the Receiver out of the assets of the Receivership  
23 Entities.

24 D. On December 7, 2017, this Court entered its Order on Stipulation to Resolve  
25 Proof of Claim of Celtic Bank Corporation and to Vacate Hearing Thereon (the "Celtic  
26 Claim Order") (Dkt. No. 206), granting the Celtic Bank Stipulation, which, among other  
27 things: (1) allowed Celtic Bank's claim against the Receivership Entities in the amount of  
28 \$1.6 million; (2) required the Receiver to pay Celtic Bank \$1.6 million out of the assets of

1 the Receivership Entities; (3) required the Receiver to provide the Court with notice of his  
2 having completed the required payment to Celtic Bank; and (4) required the Receiver to  
3 submit an amended proposed order on the Omnibus Claims Motion, consistent with the  
4 terms of the Celtic Bank Stipulation and the order thereon, which amended proposed order  
5 was to be thereafter entered by the Court.

6 E. Having complied with the Celtic Claim Order, on December 14, 2017, the  
7 Receiver filed a Notice of Completion of Payment on Celtic Bank Claim and Request for  
8 Entry of Order on Omnibus Motion for Order: (1) Approving Receiver's Recommended  
9 Treatment of Claims; and (2) Authorizing Recommended Distribution on Allowed Claims  
10 (the "Notice of Payment to Celtic Bank") (Dkt. No. 208).

11 F. No further issues exist as to the balance of the claims addressed in the  
12 Omnibus Claims Motion, and the Omnibus Claims Motion is not contested.

13 G. As of the date of this Stipulation, the amended proposed order submitted by  
14 the Receiver in compliance with the Celtic Claim Order and via the Notice of Payment to  
15 Celtic Bank has not been entered.

16 H. The Parties have concluded and agreed that an order granting the Omnibus  
17 Claims Motion, consistent with the Celtic Claim Order, should be entered as soon as  
18 possible, in order to permit and enable the Receiver to make payments to individuals and  
19 entities with claims against the Receivership Entities which have been recommended for  
20 allowance and payment by the Receiver as further described in the Omnibus Claims  
21 Motion and the claims summary (the "Claims Summary") (Dkt. No. 190, Ex. 1) previously  
22 submitted in support thereof.

23 **STIPULATION AND AGREEMENT**

24 Accordingly, and in consideration of the foregoing, and incorporating the defined  
25 terms, above, the Parties STIPULATE and AGREE as follows:

- 26 1. The Receiver's Omnibus Claims Motion shall be granted;  
27 2. The Receiver's recommended treatment of claims, as reflected in the  
28 Receiver's Claims Summary, submitted in support of the Omnibus Claims Motion, is

1 approved, as modified by this Court's December 7, 2017 Celtic Claim Order (Dkt. No.  
2 206). Specifically:

- 3 a) each overseas investor in the Receivership Entities shall be deemed to  
4 have an allowed claim against the estate of the Receivership Entities  
5 in the amount of \$500,000;
- 6 b) the Receivership Entities' sole domestic investor shall be deemed to  
7 have an allowed claim against the estate of the Receivership Entities  
8 in the amount of \$1 million;
- 9 c) the four (4) Taxing Entity claims, as the term "Taxing Entities" is  
10 defined in the Omnibus Claims Motion, identified as recommended  
11 for allowance in the Claims Summary, shall be allowed, in the  
12 amounts reflected in the Claims Summary, but shall be subordinated  
13 until such time as all overseas investor and domestic investor claims  
14 against the estate of the Receivership Entities are paid, in full;
- 15 d) the one (1) Taxing Entity claim identified as recommended for denial  
16 in the Claims Summary shall be denied;
- 17 e) all trade creditor and non-investor claims against the estate of the  
18 Receivership Entities identified as recommended for allowance in the  
19 Claims Summary shall be allowed, in the amounts reflected in the  
20 Claims Summary, but shall be subordinated until such time as all  
21 overseas investor and domestic investor claims against the estate of  
22 the Receivership Entities are paid, in full;
- 23 f) the claim of Carlone Construction, Inc. against the estate of the  
24 Receivership Entities shall be denied;
- 25 g) the claim of Mr. D. Lepe against the estate of the Receivership  
26 Entities shall be denied;
- 27 h) in accordance with this Court's Celtic Claim Order, the claim of Celtic  
28 Bank against the estate of the Receivership Entities has been deemed

- 1 allowed, in the amount of \$1,600,000.00, and has been paid, in full, as  
 2 previously required by the Court;
- 3 i) the collective claims of Allen Chi and Mason Investments, LLC  
 4 against the estate of the Receivership Entities shall be denied;
- 5 j) the claim of Medico Investments, LLC against the estate of the  
 6 Receivership Entities shall be denied;
- 7 k) the claims of Milligan, Beswick, Levine & Knox, LLP against the  
 8 estate of the Receivership Entities shall be allowed, in the amounts  
 9 reflected in the Claims Summary, but shall be subordinated until such  
 10 time as all overseas investor and domestic investor claims against the  
 11 estate of the Receivership Entities are paid, in full;
- 12 l) any other claims not identified or addressed in the Receiver's  
 13 Omnibus Claims Motion or an order thereon shall be denied;

14 3. The Receiver's proposed distribution plan, as described in the Omnibus  
 15 Claims Motion, and consistent with the Celtic Claim Order, is approved. The Receiver is  
 16 authorized to make an interim distribution of \$3.1 million in receivership assets on allowed  
 17 investor claims, on a *pro rata* basis. Based on the claims treatment recommended in the  
 18 Omnibus Claims Motion and the Claims Summary, and adopted by this Court herein, the  
 19 interim distribution amounts, per claim, shall be as follows:

<u>Claimant(s)</u>	<u>Number of Claims to be Paid on Interim Distribution</u>	<u>Interim Distribution Amount, Per Claim</u>
Overseas Investors	39	\$75,609.76
Domestic Investor	1	\$151,219.52
All Other Claimants	0	\$0.00

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1 4. Any receivership assets remaining after the completion of the Receiver's  
2 proposed interim distribution and at the conclusion of the instant receivership, after the  
3 payment of administrative fees and expenses, shall be distributed, *pro rata*, on all allowed  
4 investor claims, without further order of this Court.

5 SO STIPULATED.

6  
7 Dated: January 26, 2018

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP  
DAVID R. ZARO  
JOSHUA A. DEL CASTILLO  
MELISSA K. ZONNE

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10 By:           /s/          Joshua A. del Castillo          

JOSHUA A. DEL CASTILLO  
Attorneys for Receiver  
STEPHEN J. DONELL

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13  
14 Dated: January 26, 2018

SECURITIES AND EXCHANGE  
COMMISSION  
ZACHARY T. CARLYLE

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16 By:           /s/          Zachary T. Carlyle          

ZACHARY T. CARLYLE  
Attorneys for Plaintiff  
SECURITIES AND EXCHANGE  
COMMISSION

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21 Dated: January 26, 2018

MITCHELL SILBERBERG & KNUPP LLP  
MARK T. HIRAIDE

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23 By:           /s/          Mark T. Hiraide          

MARK T. HIRAIDE  
Attorneys for Defendants  
ROBERT YANG and CLAUDIA KANO

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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

ROBERT YANG, et al.  
Defendants,

AND

YANROB'S MEDICAL, INC., et al.  
Relief Defendants,

Case No. 5:15-cv-02387-SVW (KKx)

[PROPOSED] ORDER GRANTING  
STIPULATION FOR ORDER ON  
RECEIVER'S OMNIBUS MOTION FOR  
ORDER: (1) APPROVING RECEIVER'S  
RECOMMENDED TREATMENT OF  
CLAIMS; AND (2) AUTHORIZING  
RECOMMENDED DISTRIBUTION ON  
ALLOWED CLAIMS

Ctrlm: 10A  
Judge: Stephen V. Wilson

**ORDER**

The Stipulation for Order on Receiver's Omnibus Motion for Order: (1) Approving Receiver's Recommended Treatment of Claims; and (2) Authorizing Recommended Distribution on Allowed Claims (the "Stipulation"), made by and between Stephen J. Donell (the "Receiver"), the Court-appointed receiver for Defendants Suncor Fontana, LLC, Suncor Hesperia, LLC, Suncor Care Lynwood, LLC, and their respective subsidiaries and affiliates (collectively, the "Receivership Entities") in the above-entitled action, the Plaintiff Securities and Exchange Commission (the "Commission"), and Defendants Robert Yang and Claudia Kano (collectively, with the Receiver and the Commission, the "Parties"), by and through their respective counsel of record, having been

ORDER ON STIPULATION FOR ORDER ON  
OMNIBUS CLAIMS MOTION

1 considered by the Court and good cause appearing therefor, this Court ORDERS as  
2 follows:

3 1. The Stipulation is approved, in its entirety;

4 2. The Receiver's Omnibus Motion for Order: (1) Approving Receiver's  
5 Recommended Treatment of Claims; and (2) Authorizing Receiver's Recommended  
6 Distribution on Allowed Claims (the Receiver's "Motion") is granted;

7 3. The Receiver's recommended treatment of claims, as reflected in the Motion  
8 and in the Receiver's Claims Summary, submitted in support of the Motion, is approved, as  
9 modified by this Court's December 7, 2017 Order on Stipulation to Resolve Proof of Claim  
10 of Celtic Bank Corporation and Vacate Hearing Thereon (the "Celtic Claim Order") (Dkt.  
11 No. 206). Specifically:

- 12 a) each overseas investor in the Receivership Entities is deemed to have  
13 an allowed claim against the estate of the Receivership Entities in the  
14 amount of \$500,000;
- 15 b) the Receivership Entities' sole domestic investor is deemed to have an  
16 allowed claim against the estate of the Receivership Entities in the  
17 amount of \$1 million;
- 18 c) the four (4) Taxing Entity claims, as the term "Taxing Entities" is  
19 defined in the Motion, identified as recommended for allowance in the  
20 Claims Summary, are allowed, in the amounts reflected in the Claims  
21 Summary, but are subordinated until such time as all overseas investor  
22 and domestic investor claims against the estate of the Receivership  
23 Entities are paid, in full;
- 24 d) the one (1) Taxing Entity claim identified as recommended for denial  
25 in the Claims Summary is denied;
- 26 e) all trade creditor and non-investor claims against the estate of the  
27 Receivership Entities identified as recommended for allowance in the  
28 Claims Summary are allowed, in the amounts reflected in the Claims



- 1 Summary, but are subordinated until such time as all overseas investor  
2 and domestic investor claims against the estate of the Receivership  
3 Entities are paid, in full;
- 4 f) the claim of Carlone Construction, Inc. against the estate of the  
5 Receivership Entities is denied;
- 6 g) the claim of Mr. D. Lepe against the estate of the Receivership  
7 Entities is denied;
- 8 h) in accordance with this Court's Celtic Claim Order, the claim of Celtic  
9 Bank Corporation against the estate of the Receivership Entities is  
10 deemed allowed, in the amount of \$1,600,000.00, and has been paid,  
11 in full, as provided for in the Celtic Claim Order;
- 12 i) the collective claims of Allen Chi and Mason Investments, LLC  
13 against the estate of the Receivership Entities are denied;
- 14 j) the claim of Medico Investments, LLC against the estate of the  
15 Receivership Entities is denied;
- 16 k) the claims of Milligan, Beswick, Levine & Knox, LLP against the  
17 estate of the Receivership Entities are allowed, in the amounts  
18 reflected in the Claims Summary, but are subordinated until such time  
19 as all overseas investor and domestic investor claims against the estate  
20 of the Receivership Entities are paid, in full;
- 21 l) any other claims not identified or addressed in the Receiver's Motion  
22 or in this Order are denied; and

23 4. The Receiver's proposed distribution plan, as described in the Motion is  
24 approved. The Receiver is authorized to make an interim distribution of \$3.1 million in  
25 receivership assets on allowed investor claims, on a *pro rata* basis. Based on the claims  
26 treatment recommended in the Receiver's Motion and Claims Summary, and adopted by  
27 this Court herein, the interim distribution amounts, per claim, shall be as follows:  
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<u>Claimant(s)</u>	<u>Number of Claims to be Paid on Interim Distribution</u>	<u>Interim Distribution Amount, Per Claim</u>
Overseas Investors	39	\$75,609.76
Domestic Investor	1	\$151,219.52
All Other Claimants	0	\$0.00

5. Any receivership assets remaining after the completion of the Receiver's proposed interim distribution and at the conclusion of the instant receivership, after the payment of administrative fees and expenses, shall be distributed, *pro rata*, on all allowed investor claims, without further order of this Court.

SO ORDERED.

Dated: \_\_\_\_\_

\_\_\_\_\_  
 Stephen V. Wilson  
 Judge, United States District Court

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**PROOF OF SERVICE**

*Securities and Exchange Commission v. Robert Yang, Suncor Fontana, et al.*  
USDC, Central District of California – Case No. 5:15-cv-02387-SVW (KKx)

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017-2543.

A true and correct copy of the foregoing document(s) described below will be served in the manner indicated below:

**STIPULATION FOR ORDER ON RECEIVER'S OMNIBUS MOTION FOR ORDER: (1) APPROVING RECEIVER'S RECOMMENDED TREATMENT OF CLAIMS; AND (2) AUTHORIZING RECOMMENDED DISTRIBUTION ON ALLOWED CLAIMS; [PROPOSED] ORDER**

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – the above-described document will be served by the Court via NEF. On **January 26, 2018**, I reviewed the CM/ECF Mailing Info For A Case for this case and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

- **Zachary T. Carlyle**  
carlylez@sec.gov,kasperg@sec.gov,karpeli@sec.gov, blongrene@sec.gov,pinkstonm@sec.gov,NesvigN@sec.gov
- **Stephen J. Donell**  
jdelcastillo@allenmatkins.com
- **Mark T. Hiraide**  
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- **Joshua Andrew del Castillo**  
jdelcastillo@allenmatkins.com
- **David R Zaro**  
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2. **SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):** On **January 26, 2018**, I served the following person(s) and/or entity(ies) in this case by placing a true and correct copy thereof in a sealed envelope(s) addressed as indicated below. I am readily familiar with this firm's practice of collection and processing correspondence for mailing. Under that practice it is deposited with the U.S. postal service on that same day in the ordinary course of business. I am aware that on motion for party served, service is presumed invalid if postal cancellation date or postage meter date is more than 1 (one) day after date of deposit for mailing in affidavit. Or, I deposited in a box or other facility regularly maintained by FedEx, or delivered to a courier or driver authorized by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelopes or packages designated by the express service carrier, addressed as indicated above on the above-mentioned date, with fees for overnight delivery paid or provided for.

Franchise Tax Board (FTB)  
P.O. Box 2952  
Sacramento, CA 95812-2952

**Via U.S. Mail**

Internal Revenue Service  
880 Front Street  
San Diego, CA 92101-8869

**Via U.S. Mail**

I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on **January 26, 2018** at Los Angeles, California.

*/s/ Martha Diaz*  
\_\_\_\_\_  
Martha Diaz