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 14 STEPHEN J. DONELL

15 UNITED STATES DISTRICT COURT  
 16 CENTRAL DISTRICT OF CALIFORNIA

17 SECURITIES AND EXCHANGE  
 18 COMMISSION,

19 Plaintiff,

20 v.

21 ROBERT YANG, et al.,

22 Defendants,

23 YANROB'S MEDICAL, INC., et al.,

24 Relief Defendants.

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

SUPPLEMENTAL BRIEF IN SUPPORT  
 OF MOTION OF RECEIVER,  
 STEPHEN J. DONELL, FOR ORDER  
 APPROVING: (1) SALE OF OPAL  
 PROPERTY; (2) OVERBID  
 PROCEDURES; AND (3) REAL  
 ESTATE BROKER'S COMMISSION

[Supplemental Declaration of Receiver,  
 Stephen J. Donell, filed concurrently  
 herewith]

Date: June 11, 2018  
 Time: 1:30 p.m.  
 Ctrm: 10A  
 Judge Hon. Stephen V. Wilson

25 **TO THIS HONORABLE COURT, ALL PARTIES, AND THEIR**  
 26 **COUNSEL OF RECORD:**

27 **PLEASE TAKE NOTICE THAT** Stephen J. Donell (the "Receiver"), the  
 28 Court-appointed receiver for Defendants Suncor Fontana, LLC, Suncor Hesperia,  
 LLC, Suncor Care Lynwood, LLC, and their respective subsidiaries and affiliates,  
 hereby submits the following Supplemental Brief in support of his pending Motion

1 for Order Approving: (1) Sale of Opal Property; (2) Overbid Procedures; and  
2 (3) Real Estate Broker's Commission (the "Sale Motion") (Dkt. No. 223) as follows:

3 **I. NO PARTIES HAVE QUALIFIED AS OVERBIDDERS AND THE**  
4 **SALE MOTION SHOULD BE GRANTED WITHOUT A HEARING.**

5 In the Sale Motion, the Receiver requested that the Court authorize and  
6 approve the sale of the real property located at and commonly known as 11202 Opal  
7 Avenue, Redlands, California (APN: 0299-111-08) (the "Opal Property") to Brian  
8 Bouye (the "Original Buyer"), pursuant to the terms of an attached Purchase and  
9 Sale Agreement and Joint Escrow Instructions (the "PSA"), but subject to overbid.

10 As to the question of overbidding, the Receiver alerted the Court that, after  
11 months of marketing and other efforts aimed at securing a buyer for and maximizing  
12 the value of the Opal Property, he had been alerted to the existence one prospective  
13 overbidder, but that the prospective overbidder had not satisfied the requirements to  
14 become a Qualified Overbidder as described and defined in the Sale Motion. As a  
15 consequence, and at the time the Sale Motion was filed, the Receiver requested that  
16 the Court hold a hearing on the Sale Motion in order to allow for the possibility of  
17 an auction by overbid, on the assumption that the prospective overbidder would  
18 ultimately qualify as a Qualified Overbidder.

19 **As of the date of this Supplemental Brief, no parties have qualified as**  
20 **Qualified Overbidders, and the deadline for such qualification, as identified in**  
21 **the Sale Motion, has lapsed.** The prospective overbidder previously referenced in  
22 the Receiver's Sale Motion has failed to qualify by failing to, at least: (1) provide  
23 the Receiver with the requisite earnest money deposit; and (2) deliver to the  
24 Receiver proof of funds sufficient, in the Receiver's reasonable business judgment,  
25 to establish to the Receiver's satisfaction that the prospective overbidder was  
26 genuinely capable of consummating the purchase of the Opal Property. (See  
27 concurrently filed Supplemental Declaration of Stephen J. Donell, ¶¶ 2,3.)  
28

1           Accordingly, there are no Qualified Overbidders for the Opal Property. Only  
2 the Original Buyer remains as a viable buyer for the Opal property. The Receiver  
3 therefore respectfully submits the Court may take the Sale Motion under  
4 submission, and should grant the Sale Motion, authorizing and approving the  
5 Receiver's proposed Sale of the Opal Property to the Original Buyer (the party that  
6 has submitted the highest and best viable offer to purchase the Opal Property) in  
7 accordance with the terms of the Sale Motion and the PSA.

8  
9 Dated: June 5, 2018

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP  
DAVID R. ZARO  
JOSHUA A. DEL CASTILLO  
KENYON HARBISON

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12 By: /s/ Joshua A. del Castillo

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Attorneys for Receiver  
STEPHEN J. DONELL

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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:

**SUPPLEMENTAL BRIEF IN SUPPORT OF MOTION OF RECEIVER,  
STEPHEN J. DONELL, FOR ORDER APPROVING: (1) SALE OF  
OPAL PROPERTY; (2) OVERBID PROCEDURES; AND (3) REAL  
ESTATE BROKER'S COMMISSION**

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 **June 5, 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**  
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2. **SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):** On **June 5, 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) **Via U.S. Mail**  
P.O. Box 2952  
Sacramento, CA 95812-2952

Internal Revenue Service **Via U.S. Mail**  
880 Front Street  
San Diego, CA 92101-8869

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 **June 5, 2018** at Los Angeles, California.

/s/ Martha Diaz  
Martha Diaz