

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE)
COMMISSION,)

Plaintiff,)

v.)

GEOFFREY A. GISH; WESTON)
RUTLEDGE FINANCIAL SERVICES,)
INC.; ZAMINDARI CAPITAL, LLC;)
LEXINGTON INTERNATIONAL FUND,)
LLC, a/k/a LEXINGTON)
INTERNATIONAL FUND, INC.; AND)
OXFORD ADAMS CAPITAL, LLC,)

Defendants.)

CIVIL ACTION FILE
NO. 1:06-CV01171-CC

EXPEDITED MOTION FOR SALE OF RECEIVERSHIP PROPERTY
PURSUANT TO 28 U.S.C. § 2001 AND BRIEF IN SUPPORT

Thomas S. Richey, as Receiver for Weston Rutledge Financial Services, Inc.; Zamindari Capital, LLC; Lexington International Fund, LLC, a/k/a Lexington International Fund, Inc.; and Oxford Adams Capital, LLC (the “Receivership Companies”), through his undersigned counsel hereby seeks a Court Order allowing the sale of personalty belonging to the Receivership Companies under 28 USC §§ 2001 and 2004.¹

¹ The Securities and Exchange Commission consents to relief requested herein.

The Securities and Exchange Commission filed this litigation on May 17, 2006. On that date, this Court issued an “Order to Show Cause, Temporary Restraining Order, Order Appointing Receiver, Order Freezing Assets, Order Prohibiting Destruction of Documents and Order Expediting Discovery.” This Order froze the assets of the Receivership Companies and appointed Mr. Richey as the Receiver of the Receivership Companies (hereinafter “the Receiver”). On June 30, 2006, the defendants Geoffrey A. Gish, Weston Rutledge Financial Services, Inc., Zamindari Capital, LLC, Lexington International Fund, LLC, and Oxford Adams Capital, LLC consented to the entry of the “Order Granting Preliminary Injunction, and Ordering Other Ancillary Relief,” continuing the asset freeze during the pendency of the litigation and continuing the appointment of the Receiver.

In carrying out his duties and to preserve the assets of the Receivership, the Receiver has terminated the Receivership Companies’ lease at 1792 Woodstock Road, Suite 450, Roswell, Georgia. The Receiver has been informed that a new tenant will move into the space on September 1, 2006 and therefore the Receiver needs to quickly sell the office furnishings, office furniture, and equipment (hereinafter referred to as the “Office Furniture”) still present at the Receivership Companies’ former office, or incur the cost of moving and storing the Office

Furniture. The new tenant has expressed an interest in purchasing some or all of the Office Furniture.

ARGUMENT AND CITATION OF AUTHORITY

Pursuant to the Court’s Order of May 17, 2006, and as re-affirmed in the Court’s Order of June 30, 2006, the Receiver is charged with the duty and power to “manage, control, operate and maintain the Receiver Estate.” (Page 9, ¶ X).

Furthermore, the Court’s May 17, 2006 Order provides the Receiver with the authority to “sell, rent, lease or otherwise hypothecate or dispose of the assets of the Receiver Estate.” Id. While the Orders do not require the Receiver to obtain a court order to sell the Receivership Companies’ property, 28 U.S.C. §§ 2001 and 2004 appear to require such an order.

Should the Court determine that the Receiver must follow the statutory requirements of 28 U.S.C. §§ 2001 and 2004, the Receiver seeks an expedited order to allow the private sale of the Office Furniture under the statutes.

Sale of personalty is governed by 28 U.S.C. § 2004, which follows the procedures set out in 28 U.S.C. § 2001. The private sale of receivership property is allowed so long as “the best interests of the estate will be conserved thereby” and several steps are followed to ensure that the property is sold for a fair and equitable price. 28 U.S.C. § 2001(b).

The new tenant has expressed an interest in purchasing the Office Furniture for his own use in the office space. The Office Furniture is specifically designed for the office space and a sale to the future tenant will likely garner a higher sales price than a sale to multiple parties for use at a different location. Furthermore, a sale of the Office Furniture to the future tenant will save the Receivership Estate the expenses of transporting and storing the Office Furniture until the sale to a different party.

1. Appointment of Three Appraisers and Approval of Appraisal Fees

28 U.S.C. § 2001 provides that “the court shall appoint three disinterested persons to appraise such property...” Therefore, the Receiver seeks an Order appointing three disinterested persons/entities to appraise the value of the Office Furniture so that it may be sold at a private sale. The Receiver has contacted numerous appraisers and found three appraisers that are experienced in appraising office furniture and equipment. The three are:

- (1) DoveBid Valuation Services, Inc.;
- (2) The Dobbins Company; and
- (3) ICS Asset Management Services, Inc.

DoveBid Valuation Services, Inc. is a national appraisal company that has offered asset appraisal services for over sixty (60) years and specialized in over

eighty (80) industries, including wood products. The Dobbins Company is a family-owned business operating in Atlanta, Georgia since 1975, which works closely with lending institutions in asset appraisals and has recently performed asset appraisals for companies manufacturing cabinets and furniture. Lastly, ICS Asset Management Services, Inc. was established in 1988 and offers valuations for all types of assets including furniture, computers and office automation equipment, telecommunications systems, and restaurant equipment and fixtures. The Receiver respectfully requests that the Court approve these three disinterested companies to appraise the Office Furniture.

The Receiver's counsel has engaged in price negotiations with each of the appraisal companies. DoveBid Valuation Services, Inc. has agreed to perform the valuation of the Office Furniture for a fee of \$2,000. Additionally, The Dobbins Company has quoted the Receiver a fee of \$145 per hour with the total cost not to exceed \$1,000 and ICS Asset Management Services, Inc. has agreed to perform their valuation of the Office Furniture for \$1,500. The Receiver respectfully requests this Court to approve the Receiver's payment of appraisal fees to DoveBid Valuation Services, Inc., The Dobbins Company, and ICS Asset Management Services, Inc. for performing appraisals of the Office Furniture as required by the statute.

2. Notice of the Private Sale and Scheduling a Confirmation Hearing

The statute also requires that the Court hold a confirmation hearing, of which all interested parties shall be given notice by publication or otherwise as directed by the court, during which the Court may confirm or reject the terms of the private sale. 28 U.S.C. § 2001(b). 28 U.S.C. § 2001(b) also requires notice of the terms of the sale to “be published in such newspaper or newspapers of general circulation as the court directs at least ten days before confirmation.” Accordingly, the Receiver respectfully requests this Court to issue an order setting (1) the date and time of the confirmation hearing, and (2) the method of notifying all interested parties of the confirmation sale and the terms of the sale, including the newspaper for publication of such notice.

If the Court determines that 28 U.S.C. §§ 2001 and 2004 are not applicable because the May 17, 2006, and June 30, 2006, Orders do not require the Receiver to obtain a Court Order to sell Receivership assets, the Receiver respectfully requests an Order to that effect and a clarification of procedures to be followed in the future.

The Receiver respectfully requests this Court to grant this Motion on an expedited basis as the Office Furniture is located within the Receivership

Companies' former office space, which is set to be occupied by a new tenant on September 1, 2006.

Respectfully submitted this 18th day of August 2006.

/s/ Jennifer D. Odom

Jennifer D. Odom
Georgia Bar No. 549717
jodom@pogolaw.com
Robert M.D. Mercer
Georgia Bar No. 502317
rmerc@pogolaw.com
Stacey Godfrey Evans
Georgia Bar No. 298555
sevans@pogolaw.com

POWELL GOLDSTEIN LLP
One Atlantic Center – Fourteenth Floor
1201 West Peachtree Street
Atlanta, Georgia 30309
(404) 572-6600
Fax: (404) 572-6999

Attorneys for Thomas S. Richey,
Receiver for Weston Rutledge
Financial Services, Inc.;
Zamindari Capital, LLC;
Lexington International Fund, LLC,
a/k/a Lexington International Fund, Inc.;
and Oxford Adams Capital, LLC

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing Expedited Motion for Sale of Receivership Property Pursuant to 28 U.S.C. § 2001 and Brief In Support with the Clerk of Court using the CM/ECF system which will automatically send email notification of such filing to the attorneys of record.

This 18th day of August 2006.

/s/ Stacey Godfrey Evans
Stacey Godfrey Evans