

STATE OF RHODE ISLAND
PROVIDENCE, SC

SUPERIOR COURT

RICHARD W. ZACKS,
Plaintiff,

v.

PARNASSUS REALTY, LLC,

and

PARNASSUS REALTY,

Defendants.

C.A. No. 13-0702

SUPERIOR COURT
FILED
HENRY S. KINCH, JR., CLERK
2013 MAR 18 A 9:30

ORDER APPOINTING PERMANENT SPECIAL MASTER

This cause came to be heard on the Verified Petition for Appointment of Permanent Special Master (the "Petition") for the Defendant Parnassus Realty, LLC and Defendant Parnassus Realty (collectively, the "Defendants") and it appearing that the Notice provided by the Order of this Court previously entered herein has been given, and upon consideration thereof, it is hereby:

ORDERED, ADJUDGED and DECREED:

1. That Joseph M. DiOrio of the Law Office of Joseph M. DiOrio, Inc. be and hereby is appointed Permanent Special Master (the "Special Master") of Defendants, and of all the estate, assets, effects, property and business of Defendants of every name, kind, nature and description, with all the powers of a Receiver as set forth herein, including, without limitation, the powers of a Master and Receiver as set forth in Rules 53 and 66 of the Superior Court Rules of Civil Procedure and R.I. Gen. Laws §§ 7-1.2-1314 – 7.1.2-1323. On such notice as may be

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required, if any, the Special Master may apply to this Court for enhanced powers other than those powers specifically enumerated or otherwise set forth herein.

2. That said Special Master shall, as previously ordered by this Court shall continue the Special Master's bond in the amount of \$10,000.00 with corporate surety thereon authorized to do business in the State of Rhode Island conditioned that the Special Master will well and truly perform the duties of said office.

3. That said Special Master be and hereby is authorized, empowered and directed to take possession and charge of said estate, assets, effects, property and business of the Defendants, and to preserve the same, and is hereby vested with title to the same; to collect and receive the debts, property and other assets and effects of said Defendants, with full power to prosecute, defend, adjust and compromise all claims and suits of, by or against said Defendants and to appear, intervene or become a party in all suits, actions or proceedings relating to said estate, assets, effects and property as may in the judgment of the Special Master be necessary or desirable for the protection, maintenance and preservation of the Property and assets of said Defendants.

4. That this appointment is made in succession to the appointment of Temporary Special Master heretofore made by order of this Court, and the Special Master shall take and be vested with the title to all assets, property and choses-in-action which have heretofore accrued to the Temporary Special Master with power to confirm and ratify in writing such agreements as entered into by such Temporary Special Master and to carry out and perform the same.

5. That the Special Master is authorized to continue the business of the Defendants until further order of this Court and, in connection therewith, to use such moneys as shall come

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into the Special Master's hands and possession, as far as the same shall be necessary, for continuing the business of said Defendants until further order of this Court.

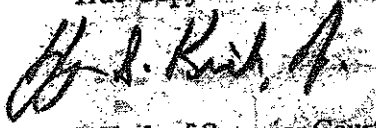
6. That the Special Master is authorized to incur expenses for goods and services and to purchase for cash such merchandise, supplies and materials as in the Special Master's discretion may be desirable or necessary for continuance of the business of the Defendants.

7. That said Special Master be, and hereby is, authorized and empowered, as soon as there are sufficient funds available, to pay all City, State and United States taxes of any kind, nature and description, including withholding taxes but only after prior notice and an opportunity to be heard by all parties-in-interest.

8. That the Special Master shall forthwith, and in all events no later than June 15, 2013, use his best efforts to market and sell the real property and improvements thereon known as 123 Dyer Street, Units 1A and 2A, Providence, Rhode Island 02903 at public auction style sale, in a fashion and at a price that the Special Master believes reasonable, subject to final approval by this Court, after a Hearing thereon with reasonable notice thereof to all interested parties. The aforesaid time period may be extended by the Court for cause upon further application with notice to all parties-in-interest.

9. In fulfillment of the reporting requirements set forth in Rule 53(e) and Rule 66(e) of the Superior Court Rules of Civil Procedure, the Special Master shall file with the Court the Reports referred to in said Rules, as and when the Special Master deems necessary or advisable under the circumstances, or, in any event, as and when required by order of this Court. In addition, the Special Master shall file with the Court, on or before May 1st and October 1st of each year, a Control Calendar Report in accordance with Rhode Island Superior Court

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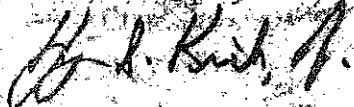
Administrative Order No. 98-7. Notwithstanding the above, the Special Master shall continue to report to the Court on a regular basis.

10. That the Special Master shall continue to discharge said Special Master's duties and trusts hereunder until further order of this Court; that the right is reserved to the Special Master and to the parties hereto to apply to this Court for any other or further instructions to said Special Master and that this Court reserves the right, upon such Notice, if any, as it shall deem proper, to make such further orders herein as may be proper, and to modify this Order from time to time.

11. That, pursuant to and in compliance with the Rhode Island Supreme Court Executive Order No. 9501, if applicable, this Court finds that the designation of the afore-described person for appointment as Special Master is warranted and required because of said Special Master's specialized expertise and experience.

12. All creditors or other claimants hereby are ordered to file under oath with the Special Master at the Law Office of Joseph M. DiOrto, Inc., 144 Westminster Street, Suite 302, Providence, Rhode Island 02903 on or before 16th day of July, 2013, a statement setting forth their claims, including, but without limiting the generality of the foregoing, the name and address of the claimant, the nature and amount of such claim, a statement of any security or lien held by the claimant to which such claimant is or claims to be entitled, and also a statement as to any preference or priority which the claimant claims to be entitled to over the claims of any other or all other claimants or creditors.

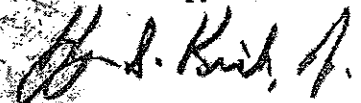
13. That the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, ~~True Copy~~ ^{Attest} under


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any statute, or otherwise, against said Defendants or any of their property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Defendants, or the taking or attempting to take into possession any property in the possession of the Defendants or of which the Defendants have the right to possession, or the cancellation at any time during the Mastership proceeding herein of any insurance policy, lease or other contract with Defendants, by any of such parties as aforesaid, other than the Special Master designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Defendants, by any public utility, without obtaining prior approval thereof from this Honorable Court, in which connection said Special Master shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further order of this Court.

14. That Notice be given of the entry of this order by the Clerk of this Court by publication of a copy of the annexed Special Mastership Notice once in the Providence Journal on or before the 28th day of March, 2013, and by the Special Master mailing on or before the 5th day of April, 2013, a copy of said Special Mastership Notice to each of Defendants' creditors, stockholders and other interested parties whose addresses are known or may become known to the Special Master or appearing as such on the books of said Defendants, addressed to each such stockholder or creditor at his last known address.

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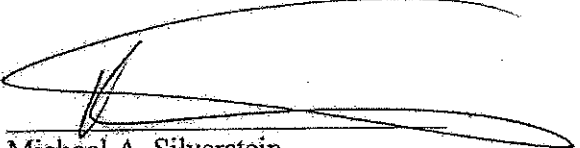
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15. This Order is entered by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

ENTERED as an Order of this Court this 18th day of March, 2013.

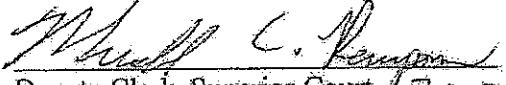
ENTER:

BY ORDER:



Michael A. Silverstein
Associate Justice

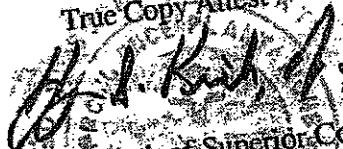
3/18/2013



Deputy Clerk, Superior Court 3/18/13

RECEIVED:

Providence
Received for Record
Mar 18, 2013 at 10:14:22A
Document Num: 00061530
John A Murphy
Recorder of Deeds

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