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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT WE A HON. GERALD ROSENBERG, JUDGE

FREDRIC GOLDMAN, AN INDIVIDUAL,)
AND AS PERSONAL REPRESENTATIVE OF THE)
ESTATE OF RONALD LYLE GOLDMAN,)
PLAINTIFFS,)
VS.) NO. SC 036340
ORENTHAL JAMES SIMPSON,)
DEFENDANTS.)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

FRIDAY, MARCH 23, 2007

APPEARANCES:

FOR PLAINTIFFS: PETER T. HAVEN, ESQ.
ONE WILSHIRE BOULEVARD
SUITE 2000
LOS ANGELES, CALIFORNIA 90017-3321
-AND-
COOK, PERKISS & LEW, P.L.C.
BY: DAVID J. COOK, ESQ.
333 PINE STREET
SAN FRANCISCO, CALIFORNIA 94104

FOR DEFENDANTS: RONALD P. SLATES, PROFESSIONAL CORP.
BY: J. STEVEN BINGMAN, ESQ.
523 WEST 6TH STREET
SUITE 502
LOS ANGELES, CALIFORNIA 90014

FOR THIRD PARTY: HARPER/COLLINS PUBLISHERS:
HOGAN & HARTSON, LLP
BY: NEIL R. O'HANLON, ESQ.
1999 AVENUE OF THE STARS
SUITE 1400
LOS ANGELES, CALIFORNIA 90067

REPORTED BY: SANDRA B. PISTER, CSR#2034
OFFICIAL REPORTER

1 MR. ZEE: TAPPAN ZEE MAKING A LIMITED APPEARANCE
2 ON BEHALF OF LORRAINE BROOKE ASSOCIATES.

3 THE COURT: THE FIRST THING WE WANT TO CLEAR UP
4 IS MR. O'HANLON HAD RAISED AN ISSUE WHICH WENT TO THE
5 MINUTE ORDER OF MARCH 13.

6 AT THAT TIME, YOU APPEARED. THERE WAS A
7 DISCUSSION IN CHAMBERS RELATIVE TO A MOTION THAT WAS SET
8 FOR HEARING, I BELIEVE, ON MARCH 20.

9 MR. O'HANLON: THAT'S CORRECT.

10 THE COURT: WITH RESPECT TO A SUBPOENA YOU
11 RECEIVED REQUESTING CERTAIN DOCUMENTS.

12 THERE WAS A REPRESENTATION MADE THERE
13 APPARENTLY THE MINUTE ORDER YOU ARE CORRECT THE MINUTE
14 ORDER IS NOT CORRECT AS TO WHAT YOU REPRESENTED TO THE
15 COURT, AND I WONDER IF YOU COULD NOW EXPLAIN IT AS TO
16 WHAT YOU REPRESENTED. OKAY.

17 MR. O'HANLON: YES, YOUR HONOR.

18 WE DID HAVE A MOTION TO QUASH OR MODIFY
19 THE SUBPOENA THAT HAD BEEN ISSUED IN CONNECTION WITH AN
20 ORDER FOR EXAMINATION OF MY CLIENT, HARPER/COLLINS
21 PUBLISHERS, AND WE DID HAVE EXTENSIVE DISCUSSION ABOUT
22 THAT IN CHAMBERS ON MARCH 13.

23 AT THAT TIME, I INDICATED TO THE COURT
24 THAT OUR CLIENT HAD PRODUCED THE DOCUMENTS, WHICH IT HAD
25 AGREED TO PRODUCE.

26 THAT INCLUDED THE PUBLISHING AGREEMENT
27 ITSELF AS WELL AS THE DOCUMENTS SHOWING PAYMENTS THAT
28 HAVE BEEN MADE, ALL BY WIRE TRANSFER, PURSUANT TO THAT

1 CASE NO. SC036340
2 CASE NAME: GOLDMAN VS. SIMPSON
3 SANTA MONICA, CALIFORNIA FRIDAY, MARCH 23, 2007
4 DIVISION A HON. GERALD ROSENBERG, JUDGE
5 APPEARANCES: (AS HERETOFORE NOTED.)
6 REPORTER: SANDRA B. PISTER, CSR #2034
7 TIME: A.M. SESSION
8
9

10 THE COURT: WE ARE ON THE RECORD HERE IN
11 CHAMBERS IN THE CASE OF GOLDMAN VERSUS SIMPSON, AND I
12 WILL ASK ALL COUNSEL TO STATE THEIR APPEARANCE AND SPELL
13 THEIR LAST NAME.

14 IF YOU SPEAK AGAIN, JUST MERELY STATE YOUR
15 LAST NAME. IT JUST HELPS THE COURT REPORTER. I KNOW
16 YOU MIGHT BE UNCOMFORTABLE, BUT IF YOU LOOK TOWARDS
17 SANDY AS YOU SPEAK, THAT WOULD HELP HER.

18 I WANT TO GET A GOOD AND ACCURATE RECORD
19 OF WHAT GOES ON HERE THIS MORNING.

20 MR. COOK, WE WILL START YOU.

21 MR. COOK: DAVID COOK ON BEHALF OF FRED GOLDMAN.

22 MR. HAVEN: PETER HAVEN, H-A-V-E-N, ALSO ON
23 BEHALF OF FRED GOLDMAN.

24 MR. O'HANLON: NEIL O'HANLON, O'H-A-N-L-O-N--
25 HARPER/COLLINS PUBLISHERS.

26 MR. BINGMAN: STEVEN BINGMAN, B-I-N-G-M-A-N,
27 FROM THE LAW OFFICES OF RONALD P. SLATES FOR THE
28 MR. SIMPSON.

1 AGREEMENT.

2 WE STILL HAD A DISPUTE, WHICH WAS THE
3 REASON FOR THE MOTION TO QUASH OR MODIFY THE SUBPOENA,
4 BECAUSE THERE WAS A DEMAND BY THE JUDGMENT CREDITOR THAT
5 OUR CLIENT PRODUCE ADDITIONAL DOCUMENTS.

6 I JUST WANTED TO CORRECT THE RECORD. I
7 DID NOT MAKE A REPRESENTATION THAT ALL DOCUMENTS THAT
8 HAD BEEN REQUESTED BY THE JUDGMENT CREDITOR THAT HAD
9 BEEN PRODUCED. OBVIOUSLY, THAT WAS NOT THE CASE.
10 HENCE, THE MOTION --

11 THE COURT: THE MINUTE ORDER STATED YOU PRODUCED
12 ALL DOCUMENTS YOU AGREED TO PRODUCE?

13 MR. O'HANLON: THAT'S CORRECT.

14 THE COURT: MR. COOK, I ASSUME THAT YOU WILL
15 ACKNOWLEDGE, AND MR. HAVEN, THAT IS A CORRECT
16 REPRESENTATION OF WHAT HAPPENED?

17 MR. COOK: YES, SIR.

18 MR. HAVEN: (NODS HEAD AFFIRMATIVELY.)

19 THE COURT: ALL RIGHT. NOW, WE HAVE A COUPLE OF
20 EX PARTE APPLICATIONS.

21 I WILL NOTE, FOR THE RECORD, THAT THERE
22 WAS A LETTER THAT WAS SENT BY DELIVERY SERVICE TO THE
23 COURT FROM THE OFFICE OF THE SACRAMENTO COUNTY COUNCIL.
24 ROBERT RYAN IS COUNTY COUNCIL, SACRAMENTO COUNTY, AND
25 ONE OF HIS DEPUTIES, JAMES WRIGHT, (SIC), WROTE A LETTER
26 TO MR. COOK DATED MARCH 22.

27 WHAT HAPPENED WAS THE COURT RECEIVED A
28 COMMUNICATION FROM SACRAMENTO COUNTY THAT THEY FELT THAT

1 THEY WERE NOT ABLE TO GO FORWARD WITH THE SALE AS
2 ORDERED BY THE COURT ON MARCH 13.

3 THAT THEY NEEDED CLARIFICATION WITH
4 RESPECT TO THE ENTITY KNOWN AS LORRAINE BROOKE
5 ASSOCIATES.

6 ONCE THE COURT RECEIVED THAT
7 COMMUNICATION FROM THE SHERIFF'S DEPARTMENT, I
8 INSTRUCTED THE JUDICIAL ASSISTANT TO SEND A COPY TO
9 MR. SLATES AND TO MR. COOK.

10 GENTLEMEN, YOU BOTH HAVE ACKNOWLEDGED TO
11 ME THAT YOU DID, IN FACT, GET A COPY OF THAT LETTER.
12 MR. SLATES, THEREAFTER, CALLED THE COURT A COUPLE OF
13 TIMES CONCERNING WHAT THE COURT WAS GOING TO DO ABOUT
14 IT.

15 I GUESS HE WANTED A HEADS UP IF THE COURT
16 WAS GOING TO TAKE ANY ACTION. I INFORMED HIM THAT, NO,
17 THE COURT WOULD NOT TAKE ANY ACTION. IT WAS UP TO THE
18 ATTORNEYS, AND THAT IS ONE OF THE REASONS WE FIND
19 OURSELVES HERE THIS MORNING.

20 TO BEGIN WITH, WE HAVE MR. TAPPAN ZEE,
21 SPELLED, Z-E-E. HE IS HERE MAKING A SPECIAL APPEARANCE
22 ON BEHALF OF LORRAINE BROOKE ASSOCIATES, INC. AND HE IS
23 REQUESTING AN ORDER STAYING ANY SALE RELATIVE TO THE
24 HARPER/COLLINS CONTRACT.

25 AM I CORRECT, MR. ZEE?

26 MR. ZEE: THANK YOU, YOUR HONOR.

27 ACTUALLY, IT WOULD BE A LIMITED APPEARANCE
28 AS OPPOSED TO SPECIAL.

1 THE COURT: ALL RIGHT. LET'S CALL IT LIMITED.

2 MR. ZEE: WE ARE STILL CONTESTING JURISDICTION,
3 AND WE ARE NOT ASKING YOU TO STAY THE HARPER SALE.
4 ACTUALLY, QUITE TO THE CONTRARY.

5 WE ARE ASKING YOU TO STAY THE HARPER SALE
6 AS TO LBA, LORRAINE BROOKE ASSOCIATES, SINCE THEY WERE
7 NEVER SERVED, JURISDICTION IS NOT OVER THEM, THEY HAVE
8 NEVER HAD AN OPPORTUNITY TO LITIGATE THE ISSUES AND,
9 QUITE FRANKLY, THEY ARE NOT EVEN A PART TO THE CASE.

10 SO IT IS MY BELIEF IN TALKING TO COUNTY
11 COUNCIL OF SACRAMENTO, THAT PROCEDURALLY WE CAN'T HAVE A
12 SALE, AND I DON'T THINK IT IS AN ISSUE OF NOT
13 UNDERSTANDING THE ORDER.

14 I THINK IT IS MORE OF AN ISSUE OF THERE
15 WAS AN ORDER ON THE THIRTEENTH THAT SAID TWO THINGS:

16 ONE THAT SAID THAT THE CCP 187 MOTION
17 BROUGHT BY THE PLAINTIFF TO INCLUDE LBA AS A JUDGMENT
18 DEBTOR ALIAS OF THE JUDGMENT DEBTOR, MR. SIMPSON, WAS
19 DENIED. LBA IS NOT A PARTY TO THIS CASE.

20 BY DENYING THAT MOTION, YOU ARE SAYING
21 THAT THERE IS NOTHING THAT CAN BE LEVIED OF LBA, AND
22 THEN I UNDERSTAND THE SECOND PART, WHICH IS WE SHOULD
23 PROCEED ON THE SALE OF THE HARPER/COLLINS AGREEMENT AS
24 TO THE JUDGMENT DEBTOR'S INTEREST IN THAT AGREEMENT.

25 IF THE JUDGMENT DEBTOR TRIES TO TRANSFER
26 HIS AGREEMENT, IF HE USES AN INTERMEDIARY PARTY TO SHIFT
27 AROUND WHAT COULD BE ATTACHED, THEN, ABSOLUTELY, THAT
28 SHOULD BE ATTACHABLE AS WELL.

1 UNDERSTAND THE INTENT OF THAT ORDER, WHICH IS IF
2 MR. SIMPSON WERE TO TRANSFER, IF HE WERE TO USE AN
3 INTERMEDIARY PARTY, IF HE WERE TO SOMEHOW CONVEY HIS
4 INTEREST IN THE BOOK DEAL, THEN, YES, THAT ORDER WOULD
5 BE APPLICABLE TOWARDS ANYBODY THAT HE SO CONVEYED IT TO.
6 THEY WOULD BE SUBJECT TO LEVY, BUT THAT IS ABOUT AS FAR
7 AS YOU CAN GO.

8 I THINK SACRAMENTO IS A LITTLE BIT
9 CONFUSED BECAUSE PLAINTIFF'S INTERPRETATION IS THEY WANT
10 TO HAVE A CCP 187 SPIN PUT ON THAT ORDER, BUT THE 187
11 ISSUE HAS ALREADY BEEN DECIDED.

12 SO WE WOULD LIKE MORE TIME. LBA WOULD
13 LIKE MORE TIME, A BRIEF STAY, BECAUSE IT DOESN'T
14 PREJUDICE ANYBODY IF WE HAVE A BRIEF STAY.

15 THIS ISN'T A PROPERTY THAT IS GOING TO
16 PERISH. THIS ISN'T A PIECE OF PROPERTY THAT WILL GET
17 STOLEN OR DIMINISH IN VALUE. IT IS A STORY ABOUT
18 SOMETHING THAT HAPPENED 10 YEARS AGO.

19 I DON'T THINK 10 DAYS, 10 WEEKS, EVEN 10
20 MONTHS IS GOING AFFECT THE VALUE OF THAT STORY, AND
21 CERTAINLY NO ONE CAN TAKE THAT INTANGIBLE GOOD.

22 SO SINCE THERE WILL BE NO PREJUDICE
23 TOWARDS ALLOWING LBA, IF NECESSARY, TO HAVE ITS DAY IN
24 COURT AND LBA COMING IN IMMEDIATELY UPON BEING NOTIFIED
25 THAT ITS INTERESTS WERE BEING EFFECTED, LBA RESPECTFULLY
26 REQUESTS, SHOULD THE COURT FIND THAT THE ORDER OF THE
27 THIRTEENTH IS APPLICABLE TOWARDS THEIR PROPERTY
28 INTEREST, THAT LBA BE GRANTED A SHORT STAY TO RESPOND TO

1 THE ALLEGATIONS RAISED BY THE PLAINTIFF.

2 THE COURT: I ASKED YOU THIS OFF THE RECORD, SO
3 I WANT TO BE CLEAR ABOUT IT.

4 IF THE COURT WERE ABLE TO GIVE YOU A STAY,
5 FOR WHAT PURPOSE? WHAT IS IT YOU WANT TO DO AT THE END
6 OF THAT STAY?

7 IS IT YOUR INTENTION TO FILE A MOTION?

8 MR. ZEE: I GUESS THAT'S -- MY APOLOGIES FOR NOT
9 CONVEYING THIS MORE CLEARLY EARLIER, YOUR HONOR.

10 I GUESS I SAID THIS WOULD HINGE ON WHAT
11 WOULD HAPPEN TO MR. COOK'S MOTION.

12 IF THE COURT, IN CLARIFYING ITS ORDER,
13 MADE IT CLEAR PURSUANT TO WHAT I READ IT AS AND WHAT
14 COUNTY COUNCIL READS IT AS AND WHAT THE SACRAMENTO
15 SHERIFF READS IT AS, AS HE CAN'T LEVY ON A NON PARTY,
16 AND THE CCP 187 ISSUE ALREADY BEING DECIDED, ALL OF
17 LORRAINE BROOKE'S INTEREST IN THE BOOK DEAL IS NOT
18 SUBJECT TO LEVY, BUT CERTAINLY MR. SIMPSON'S INTERESTS
19 ARE SUBJECT TO LEVY, AND SHOULD MR. SIMPSON TRY TO
20 TRANSFER IT TO ANYBODY, INCLUDING LORRAINE BROOKE, THAT
21 INTEREST, YOU CAN KIND OF FOLLOW THE INTEREST ALONG.

22 SO IF YOUR RULING IS THAT, WE WOULDN'T
23 NEED A STAY. THAT'S WHY I SAID WE WOULD -- THE STAY
24 WOULD REALLY BE UNTIL THE PLAINTIFF TRIED TO BRING US
25 INTO THE ACTION, BUT IF YOUR RULING IS CONTRARY TO MY
26 INTERPRETATION, I GUESS OUR REQUEST WOULD BE A SHORT
27 STAY SO WE COULD PREPARE THE PROPER DOCUMENTATION FOR
28 YOU TO, I GUESS, 473 IT, AND HAVE A DECISION ON ITS

1 MERITS BEFORE YOU ARE PRESENTED WITH ALL THE EVIDENCE
2 ALL OF ALL REASONS WHY IT WOULD BE INEQUITABLE FOR LBA
3 TO BE BROUGHT IN AS A JUDGMENT DEBTOR.

4 THE COURT: ONE OF THE THINGS YOU RAISE IS THAT
5 YOU TAKE THE POSITION THAT LORRAINE BROOKE ASSOCIATES,
6 INC. WAS NOT PROPERLY SERVED.

7 MR. ZEE: THAT IS CORRECT.

8 AGENTS OF SERVICE OF PROCESS IS AN
9 ATTORNEY IN FLORIDA BY THE NAME OF LEONARDO STARKE.

10 THE COURT: HIS NAME IS LEONARDO, MIDDLE INITIAL
11 D. S-T-A-R-K-E.

12 MR. ZEE: LEONARDO, LIKE THE PAINTER.

13 MR. COOK: LEONARDO DIVINCI STARKE, LIKE THE
14 PAINTER.

15 THE COURT: LIKE THE PAINTER. OKAY. GO AHEAD.

16 MR. ZEE: I DIDN'T KNOW THAT.

17 HE SUBMITTED AN AFFIDAVIT TESTIFYING THAT
18 HE DID NOT RECEIVE ANY DOCUMENTS BY PERSONAL SERVICE.

19 ACTUALLY, IF YOU LOOK AT THE BOTTOM OF
20 THAT AFFIDAVIT, HE DID NOT RECEIVE ANY DOCUMENTS AT ALL.

21 IF YOU LOOK AT PARAGRAPH 8, AND I DID LOOK
22 --

23 THE COURT: THAT IS NOT -- WELL, WHAT HE REALLY
24 SAYS HERE, AND I THINK IT IS INTERESTING. HE SAYS A
25 COUPLE OF THINGS.

26 HE DOES STATE QUOTE HE WAS NEVER
27 PERSONALLY SERVED AS REGISTERED AGENT FOR LORRAINE
28 BROOKE ASSOCIATED, INC. CONCERNING THE GOLDMAN VERSUS

1 O.J. SIMPSON CIVIL CASE IN CALIFORNIA STATE COURT.

2 HE SAYS THAT IN PARAGRAPH 5.

3 HE ALSO SAYS IN PARAGRAPH 8, HE NEVER
4 RECEIVED, NOR IS HE AWARE OF THE CONTENTS OF DOCUMENTS
5 DROPPED BY THE PROCESS SERVER.

6 MR. ZEE: CORRECT.

7 THE COURT: IT SEEMS PRETTY CLEAR TO ME THAT HE
8 HAS ACKNOWLEDGED THAT SOME DOCUMENTS WERE LEFT AT HIS
9 OFFICE AND, MR. COOK, YOU ARE GOING TO GET INTO THAT IN
10 JUST A COUPLE OF MINUTES.

11 I JUST WANTED TO SAY THAT FOR THE RECORD.
12 THAT IS PART OF HIS DECLARATION.

13 MR. ZEE: IN REGARDS TO COLLATERAL ISSUE, SUCH
14 AS SERVICE AND JURISDICTION, IT IS MY HOPE THAT SHOULD
15 THE ORDER NOW BE DECIDED IN FAVOR, OR FOR CLARIFICATION
16 OF THE ORDER NOW BE DECIDED IN FAVOR OF LBA, THAT LBA AT
17 LEAST HAVE THE OPPORTUNITY, PURSUANT TO THEIR DUE
18 PROCESS RIGHTS AND STATUTES, LIKE 473, TO COME IN AND
19 ACTUALLY LITIGATE THE MATTER, BECAUSE MR. COOK IS
20 CORRECT. NO DEFENSE WAS PUT FORTH BECAUSE LBA, FOR ALL
21 INTENTS AND PURPOSES, DID NOT HAVE THE OPPORTUNITY TO
22 PRESENT THAT DEFENSE.

23 I DON'T THINK THERE IS ANY INEQUITY IN
24 ALLOWING LBA 10 DAYS AFTER LEARNING OF THE ORDER THAT
25 WAS ENTERED INTO ON MARCH 13 TO COME IN HERE AND MEET
26 WITH LOCAL COUNSEL TO TRY TO CLARIFY THE ORDER, TO TRY
27 TO GET SOME TIME TO GET THE COURT FILE TOGETHER TO
28 REVIEW AND PRESENT AN APPROPRIATE DEFENSE.

1 THE COURT: OKAY, MR. COOK, GO SLOW. I AM GOING
2 TO REIN YOU IN A LITTLE BIT.

3 MR. COOK: SIR, IT WOULD NOT BE THE FIRST TIME.

4 LET'S DEAL WITH THE TOP ISSUE HERE AS TO
5 THE APPLICATION BROUGHT BY THE ENTITY LORRAINE BROOKE
6 ASSOCIATES, AND, FOR THE RECORD, CALLED LBA.

7 THAT LBA IS FILING AN EX PARTE APPLICATION
8 TO STAY ENFORCEMENT OF A LEVY EFFECTUATED UPON WHAT
9 APPEARS TO BE THE ACCOUNT HOLDER CALLED HARPER/COLLINS
10 AND OF WHICH THE COURT ISSUED AN ORDER ON MARCH 13,
11 2007, WHICH DIRECTED THE SALE OF A CONTRACT, COMMONLY
12 KNOWN AS THE MAY 8, 2006, SALE BETWEEN HARPER/COLLINS
13 PUBLISHERS, INC. ON ONE HAND, KNOWN AS HC, FOR THIS
14 HEARING, AND ON THE OTHER HAND, LORRAINE BROOKE
15 ASSOCIATES, LBA.

16 THE COURT ISSUED AN ORDER DIRECTING THE
17 SALE OF THE INTEREST OF MR. SIMPSON AND THE ENTITY
18 CALLED LBA IN THE CONTRACT.

19 THE ORDER WAS ISSUED ON MARCH 13, 2007.

20 LORRAINE BROOKE NOW FILES AN EX PARTE
21 APPLICATION TO STAY IN PERPETUITY THE SALE PROCESS, AND
22 THE APPLICATION SEEKS NOT A STAY PER SE, BUT A COMPLETE
23 HALT OR TERMINATION OF ANY PROCESS AGAINST LBA.

24 THE APPLICATION BY AND OF ITSELF SHOULD BE
25 SUMMARILY DENIED BECAUSE THE COURT POST JUDGMENT LACKS
26 THE POWER TO ISSUE A STAY.

27 A STAY MIGHT HAVE BEEN ISSUED UNDER CCP
28 918A, WHICH WOULD HAVE BEEN LIMITED TO 70 DAYS AFTER THE

1 DATE OF THE RENDITION OF THE ORIGINAL JUDGMENT IN 1997.

2 CALIFORNIA CASE LAW AND, SPECIFICALLY, THE
3 CASE WE CITED CALLED DEL RICCIO VERSUS SUPERIOR COURT
4 AND ITS DESCENDENTS, STATES THAT THE COURT DOES NOT HAVE
5 THE POWER TO STAY ENFORCEMENT OF THE WRIT OF EXECUTION.

6 THE NEXT LEVEL IS, IN LOOKING AT THE EX
7 PARTE APPLICATION AS A GLORIFIED FORM OF A TEMPORARY
8 RESTRAINING ORDER OR ORDER TO SHOW CAUSE, THAT IN AND OF
9 ITSELF WOULD BE SUMMARILY DENIED, BECAUSE THE EX PARTE
10 APPLICATION IN AND OF ITSELF, DOES NOT SHOW, AS WE SAY,
11 THE PROBABILITY ON THE MERITS.

12 IT DOES NOT CONTAIN ANY FACTUAL RECITATION
13 OF WHICH THE COURT, IN LOOKING AT IT, WOULD BE ABLE TO
14 SAY THAT THERE WOULD BE ANY MERIT AT ALL TO THE GRANTING
15 OF ANY TEMPORARY RELIEF, MUCH LESS WHAT WOULD AMOUNT TO
16 BE THE ISSUANCE OF A GLORIFIED ORDER TO SHOW CAUSE.

17 THE FACTS IN THE RECORD, AS DISCLOSED IN
18 THE HEARING OF MARCH 13, 2007, AND THE UNDERLYING MOVING
19 PAPERS RELATIVE TO THE NOTICE OF MOTION AND MOTION FOR
20 ASSIGNMENT OF RIGHT CONTAIN A VAST, FACTUAL RECORD,
21 WHICH SHOW THAT MR. SIMPSON HIMSELF RECEIVED ALL OF THE
22 MONEY TO PAY HIS BILLS, PAY DOWN HIS MORTGAGE AND FOR
23 HIS OTHER USE.

24 MR. SIMPSON ALSO STATED IN EVIDENCE, WHICH
25 WENT INTO THE RECORD, IN WHICH THE COURT DID NOT RENDER
26 OR DID NOT GRANT THE OBJECTION, EVIDENTIARY OBJECTION
27 SOUGHT BY MR. SIMPSON THAT HE WROTE THE BOOK, AND THAT
28 IT WAS HIS BOOK.

1 THAT IS WHAT HE TOLD EVERYBODY ON NATIONAL
2 T.V. WHICH I, AMONG OTHERS, PERSONALLY LISTENED TO.

3 SO, AS SUCH, THERE IS NOTHING IN THIS
4 RECORD WHICH WOULD DISPUTE ANY OF THESE FACTS.

5 AS TO THE MORE MUNDANE ISSUES HERE, AS I
6 TOLD OR WE TOLD MR. SLATES INDICATING TO THE COURT
7 REPEATEDLY THAT, TO THE EXTENT OF THE ENTITY CALLED LBA,
8 THEIR REMEDY IS ESSENTIALLY THE FOLLOWING:

9 THEY DO NOT HAVE RELIEF UNDER 1008. THAT
10 IS NOT APPLICABLE HERE. THEY MIGHT HAVE A REMEDY UNDER
11 473, WHICH IS NOT HERE.

12 THEY HAVE CLEARLY THE REMEDY OF AN APPEAL
13 WHICH IS THEIR CONSTITUTIONAL AND STATUTORY RIGHT. THEY
14 ALWAYS HAVE THE REMEDY OF A 3rd PARTY CLAIM UNDER CCP
15 720.010 ET SECT.

16 THE VALUE OF A THIRD PARTY CLAIM IS THAT
17 THE COURT IS BOUND TO SET A HEARING APPROXIMATELY 20
18 DAYS AFTER THE FILING OF A PETITION OF WHICH LBA WILL
19 ACHIEVE ITS DAY IN COURT AND IT WILL HAVE A TRIAL. IT
20 WILL HAVE EVIDENCE. IT WILL HAVE A JUDGE, SO TO SPEAK,
21 WHO WILL ADJUDICATE IT.

22 THE REASON WHY I RAISED THIS IS THAT WE
23 ARE HERE IN AN EX PARTE PROCEEDING BY WHICH LBA HAS
24 SOUGHT AN OPEN ENDED UNLIMITED STAY WHEN ITS TRUE REMEDY
25 WOULD BE TO PERMIT LBA TO OBTAIN THE ADJUDICATION WHICH
26 IT SEEKS BY THE FILING OF A THIRD PARTY CLAIM.

27 TO REPEAT WHAT YOUR HONOR SAID AND NOT
28 YOUR HONOR PERSONALLY SAID, BUT THE COURT IS OPEN TO

1 EVERYBODY. THE DOORS ARE OPEN TO EVERYBODY.

2 AND I REPEAT THAT. WE INVITE LBA TO FILE
3 ITS THIRD PARTY CLAIM. IT IS ACTUALLY THREE PIECES OF
4 PAPER, WHICH IS HANDED TO THE SACRAMENTO COUNTY
5 SHERIFF -- THREE OR FIVE OR WHATEVER -- STAPLED TO IT A
6 PREPRINTED FORM CALLED "NOTICE OF THIRD PARTY CLAIM."

7 IT IS SIGNED AND MAILED. NOT TO US. IT
8 IS MAILED TO THE JUDGMENT CREDITOR. AND THEN THERE IS A
9 VERY PRECISE MINUET OF THINGS THAT NEED TO BE DONE:
10 HEARING DATES, PETITIONS, RESTRAINING ORDERS, AND ALL
11 THE GRAND MACHINERY, BUT THAT IS NOT WHAT THEY ARE
12 SEEKING.

13 THE COURT, IN EVALUATING THIS EX PARTE
14 APPLICATION, SHOULD VIEW IT AS, ESSENTIALLY,
15 DISINGENUOUS AND ANOTHER ATTEMPT BY MR. SIMPSON THROUGH
16 A SURROGATE, NAMELY, MR. ZEE, MY COLLEAGUE, SO TO SPEAK,
17 WHO WE HAVE NO ANIMUS TOWARD, BUT ANOTHER ATTEMPT TO
18 DELAY JUSTICE FOR MR. GOLDMAN BY SEEKING TO FURTHER
19 DELAY THESE PROCEEDINGS WHEN, IN FACT, HE HAS A CLEAR
20 REMEDY TO GET THE JUSTICE HE WANTS IN ADJUDICATING THIS.

21 IN RESOLVING THE NEXT ISSUE, WHICH IS VERY
22 INTERESTING, THE COURT ISSUED TWO ORDERS ON MARCH 13.

23 THE FIRST ORDER WAS THE ASSIGNMENT ORDER,
24 WHICH REACHED ALL MONEY DUE SIMPSON THROUGH LBA AS A
25 CONDUIT.

26 THAT ORDER IS NOT BEING CHALLENGED HERE.
27 THAT ORDER IS NOT BEING CHALLENGED. THAT IS JUST THE
28 DEATH NAIL TO THIS EX PARTE APPLICATION, AND IF WE

1 REALLY WORKED THROUGH THIS, THEN WE SEE THE GROTESQUE
2 FRAUD, WHICH IS BEING PERPETRATED UPON ALL OF US.

3 THEY ARE SAYING, "WE REALLY DON'T CARE
4 ABOUT THE ASSIGNMENT ORDER BECAUSE, YOU KNOW, GUYS,
5 MR. SIMPSON GOT HIS MONEY AND MAYBE THERE IS MONEY
6 THERE; MAYBE THERE IS NOT. BUT, MY GOODNESS, YOU MIGHT
7 SELL THE PROPERTY."

8 SINCE THEY ARE NOT CHALLENGING THE FIRST
9 ORDER, THE ASSIGNMENT ORDER, THIS EX PARTE APPLICATION
10 DIES IN AND OF ITSELF. THERE IS NO CHALLENGING THAT
11 ORDER.

12 THAT IS A MAJOR ERROR BECAUSE, IN EFFECT,
13 THEY DON'T REALLY CARE ABOUT THE FIRST ONE. YOU CAN
14 HAVE ALL OF ABOUT LBA'S MONEY. THERE IS JUST NO MONEY
15 THERE. SIMPSON GOT IT.

16 THERE IS ANOTHER FUNDAMENTAL ERROR HERE.

17 THE COURT, UNDER FRAUDULENT CONVEYANCE
18 LAW, 3439.07 C, THE COURT -- A JUDGMENT CREDITOR, HAS
19 POWER TO LEVY UPON PROPERTY WHICH IS FRAUDULENTLY
20 CONVEYED. BY THE VERY NATURE MEANS THE PROPERTY IS IN
21 THE HANDS OF A THIRD PARTY.

22 THE PROPERTY IS CONVEYED FROM A TO B. YOU
23 CAN LEVY ON THE PROPERTY IN THE HANDS OF B. IT IS
24 EXACTLY WHAT WE DID. 3439.07 C GIVES US THAT POWER. .

25 THE FACT THAT THE COURT DENIED THE 187
26 MOTION DOES NOT NECESSARILY PREVENT OR PRECLUDE THE
27 JUDGMENT CREDITOR FROM REACHING SPECIFIC PROPERTY IN THE
28 HANDS OF A THIRD PARTY, WHICH IS EXACTLY WHAT THE COURT

1 DID IN FINDING WHAT APPEARS TO BE UNEQUIVOCAL,
2 UNDISPUTED AND VIRTUALLY ADMITTED EVIDENCE THAT LBA WAS
3 NOTHING MORE THAN A CONDUIT.

4 THE COURT, IN GRANTING THE ASSIGNMENT
5 ORDER AND THE SALE ORDER, ULTIMATELY WOULD, AS WE
6 PERCEIVE, CONCLUDE THAT CHANGING THE NAME OF THE
7 JUDGMENT DEBTOR WAS NOT NECESSARY.

8 THE COURT DIDN'T NEED TO GO THAT FAR.
9 THIS COURT CAN SAY, "YOU CAN GRAB THE PROPERTY. WE
10 DON'T HAVE THE CHANGE THE NAME, BECAUSE YOU HAVE A
11 REMEDY IN YOUR FAVOR."

12 THE NEXT ISSUE I WANT TO RAISE AND RESOLVE
13 IS WE SERVED LBA EXTENSIVELY. THE PROOFS OF SERVICE
14 BEFORE THE COURT WILL SHOW SERVICE AT THE ADDRESS OR
15 ADDRESSES OF MR. STARKE AT HIS BUSINESS ADDRESS, AT THE
16 ADDRESS WHICH WE HAVE IDENTIFIED AS THE ADDRESS FOR LBA.

17 WE HAVE WHAT IS CALLED A DROP SERVICE AT
18 HIS PLACE OF BUSINESS, AND IT IS ADMITTED BY MR. STARKE.
19 THE PAPERS GOT THERE. I CAN'T HELP WHETHER MR. STARKE
20 CHOOSES TO READ THE PAPERS OR NOT.

21 THIS CREDITOR HAS DONE EVERYTHING POSSIBLE
22 TO MAKE SURE ALL OF THE PAPERS GOT IN FRONT OF LBA. IN
23 FACT, THERE IS NOT THE SLIGHTEST DECLARATION FROM MR.
24 STARKE DISPUTING THE ADDRESSES OF SERVICE OF PROCESS.

25 SERVICE AT ALL TIMES WAS APPROPRIATE UNDER
26 CCP 684110, WHICH PERMITS A JUDGMENT CREDITOR POST
27 JUDGMENT -- AND I WILL READ IT FOR THE RECORD.

28 THE COURT: SLOWLY.

1 MR. COOK: (READING)

2
3 "SUBJECT TO SUBDIVISIONS B, C, AND D,
4 IF A WRIT, NOTICE, ORDER OR
5 OTHER PAPER IS REQUIRED TO BE
6 PERSONALLY SERVED UNDER THIS
7 TITLE, SERVICE SHALL BE MADE IN
8 THE SAME MANNER AS A SUMMONS IS
9 SERVED UNDER CHAPTER 4,
10 COMMENCING WITH SECTION 413.10
11 OF TITLE 5. "

12
13 THE NEXT PLACE WE GO IS UNDER CCP 415.20
14 A, WHICH IS TOO LONG TO READ, BUT DOES PERMIT WHAT WE
15 ESSENTIALLY CALLED SUBSTITUTED SERVICE UPON A
16 CORPORATION, WHICH MEANS LEAVING IT AT A PLACE AND THEN
17 MAILING IT, WHICH IS EXACTLY WHAT WE DID HERE.

18 SUMMARY: SERVICE WAS DONE. THE COURT DID
19 HAVE PROPER JURISDICTION ON LBA, AND THE FACT THAT
20 MR. STARKE, OR OTHERS ON HIS BEHALF, CHOSE NOT TO
21 RESPOND, THEY CHOSE NOT TO RESPOND.

22 I WILL ALSO INDICATE, AND MR. HAVEN IS
23 HERE, THAT WHEN WE APPEARED IN YOUR HONOR'S CHAMBERS
24 HERE AND YOUR HONOR WAS PRESENTED WITH THE SALE ORDER
25 RELATIVE TO THE HARPER/COLLINS CONTRACT, THAT MR. SLATES
26 SAID, "WE HAVE NO OBJECTION."

27 THERE IS VIRTUALLY A STIPULATED ORDER FOR
28 SALE. THE SOLE ISSUE IS SELLING THE INTEREST OF THE

1 PUNITIVE ENTITY CALLED LBA, AND AT THAT POINT, THE COURT
2 SAID, "NO. IT IS REALLY A FRAUDULENT CONVEYANCE OR
3 NOMINEE OR A SURROGATE."

4 THE RECORD IN THIS CASE IS EXTREMELY VAST,
5 BECAUSE I STOOD UP IN FRONT OF YOUR HONOR AT THE
6 HEARING, AND FOR THE RECORD HERE READING THE TRANSCRIPT
7 FROM THE COURT REPORTER. IT IS ON PAGE 3, LINES 20
8 THROUGH 26: (READING)

9
10 "MR. COOK: YOUR HONOR, WE HAVE A
11 NUMBER OF OTHER MATTERS ON OUR
12 CALENDAR TODAY RELATIVE TO --
13 WE HAVE THE ASSIGNMENT, WHICH
14 THE COURT HAS GRANTED, BUT WE
15 HAVE -- ALSO, WE WOULD LIKE
16 SOME CLARIFICATION WHETHER OR
17 NOT THE WORD 'SURROGATE' WOULD
18 INCLUDE LORRAINE BROOKE
19 ASSOCIATES.

20 THE COURT: YES."

21
22 ON TOP OF THAT, WITHOUT READING IT, GOING
23 THROUGH ON PAGES 7 TO 9, I READ INTO THE RECORD THE
24 STATEMENTS MADE BY YALE GALANTER RELATIVE TO THE
25 DISPOSITION OF MONEY FROM THE BOOK DEAL.

26 YALE GALANTER WAS IN STANDING IN OPEN
27 COURT NEXT TO ME AS I READ IT, AND MR. GALANTER DID NOT
28 OBJECT, DISPUTE, ARGUE OR CLAIM I MISREAD HIS WORDS OR

1 MISSTATED HIS WORDS AND TOOK NO ISSUE TO OBJECT TO ANY
2 OF THE STATEMENTS WHICH HE MADE.

3 THE COURT: WHAT MR. GALANTER SAID ON TELEVISION
4 WAS THAT THE MONIES FROM THE BOOK DEAL WENT TO
5 MR. SIMPSON.

6 MR. COOK: THAT'S CORRECT.

7 MR. ZEE: YOUR HONOR, IN THIS CASE, I NEED TO
8 OBJECT BECAUSE MR. GALANTER AND MR. SIMPSON DON'T SPEAK
9 FOR MY CLIENT, LBA.

10 MR. BINGMAN: I WOULD JOIN IN THAT OBJECTION,
11 YOUR HONOR.

12 THE COURT: I AM SAYING THAT IS WHAT TRANSPIRED
13 IN OPEN COURT ON THAT DAY.

14 THE FACT WAS THIS WAS READ INTO THE
15 RECORD. MR. GALANTER WAS PRESENT, AND THERE WAS NO
16 OBJECTION MADE BY ANYBODY, AND I REALIZE THAT YOU
17 WEREN'T THERE. I UNDERSTAND THAT. I AM JUST TELLING
18 YOU WHAT HAPPENED THAT DAY.

19 MR. ZEE: IT DOESN'T JUST PUT ME IN A DIFFICULT
20 POSITION BECAUSE I WASN'T THERE, BUT IT IS BECAUSE YOU
21 ARE TALKING ABOUT SOMEBODY WHO, OBVIOUSLY, HAS AN
22 INTEREST IN GETTING LBA TO PAY SOME OF THIS OFF.

23 LBA IS A SEPARATE COMPANY THAT I
24 REPRESENT, AND IF MR. COOK SAID LBA HAS 10 MILLION
25 DOLLARS AND SHOULD PAY, YOU KNOW, IT WOULDN'T REPRESENT
26 LBA'S POSITION JUST BECAUSE MR. GALANTER AND MR. SIMPSON
27 DOESN'T REPRESENT LBA'S POSITION EITHER.

28 I HAVE SEEN THE FILINGS THAT MR. COOK

1 SUBMITTED WITH HIS VERSION OF THE EVIDENCE, WHICH IS
2 NEWSPAPER CLIPPINGS AND TRANSCRIPTS FROM T.V. SHOWS,
3 WHICH, WHILE THEY MAY BE ENTERTAINING, ALSO GO BOTH
4 WAYS.

5 I HAVE SEEN TRANSCRIPTS FROM MR. SIMPSON
6 CLEARLY SAYING HE IS TRYING TO GIVE AS MUCH MONEY AS
7 POSSIBLE TO HIS KIDS. THAT THIS IS BLOOD MONEY. THIS
8 IS THE ONLY THING HE CAN DO FOR HIS CHILDREN.

9 I DON'T KNOW WHAT HIS INTENTIONS ARE.
10 QUITE FRANKLY, IT DOESN'T CONCERN ME. I AM COUNSEL FOR
11 LBA AS A SEPARATE LEGAL ENTITY THAT IS NOT EVEN IN THIS
12 JURISDICTION THAT IS NOT EVEN PART OF THIS CASE.

13 WHAT MR. COOK IS TRYING TO DO IS HAVE HIS
14 CAKE AND EAT IT, TOO, AND IN SO MANY DIFFERENT WAYS.

15 IN REGARD TO HIS DEL RICCIO ANALYSIS, I
16 AGREE THAT MAYBE HE WOULD HAVE AN ARGUMENT IF LBA HAD A
17 WRIT ISSUED AGAINST IT AND A SALE WAS PENDING.

18 IN THIS CASE, THERE IS NO WRIT ISSUED
19 AGAINST LBA. THAT IS ONE OF THE PROBLEMS THE SACRAMENTO
20 SHERIFF HAS WITH THIS PARTICULAR CASE.

21 I CITED YOU TO THE AMERISOURCE VS. --

22 THE COURT: WHAT IS THE CITE ON THAT CASE?

23 MR. ZEE: 465 F 3 D 546.

24 THE COURT: IS THERE A COPY OF THE CASE ATTACHED
25 TO THIS?

26 MR. ZEE: NO. MY APOLOGIES.

27 THE COURT: I DON'T HAVE -- WELL, IT IS A
28 FEDERAL CASE?

1 MR. ZEE: YES.

2 "THE COURT HAS DISCRETION TO GRANT A STAY
3 EVEN WHEN FINAL JUDGMENT HAS BEEN CERTIFIED."

4 AND IN ALL OF THE ANALYSIS --

5 THE COURT: EVEN WHEN FINAL JUDGMENT HAS BEEN
6 CERTIFIED?

7 MR. ZEE: IN ALL THE ANALYSIS THAT MR. COOK HAS
8 DONE, HE ASSUMES THAT LBA SHOULD BE TREATED LIKE ANY
9 OTHER JUDGEMENT DEBTOR, AND THAT IS THE MAIN PROBLEM
10 WITH LBA'S POSITION IN THIS CASE.

11 LBA CAN'T APPEAL. WHAT CAN THEY APPEAL
12 FROM?

13 THE COURT: LET ME ASK YOU SOMETHING. WELL,
14 FIRST OF ALL, LBA IS NOT WITHOUT REMEDY. THEY ARE NOT
15 WITHOUT A REMEDY.

16 IF THE SALE GOES FORWARD, THEY CAN
17 CERTAINLY FILE A THIRD PARTY CLAIM, AND THEN I HAVE TO
18 CALENDAR IT FOR A HEARING AND EVERYBODY COMES IN.

19 AT THAT POINT, THEY EXPLAIN TO ME WHY
20 THESE FUNDS SHOULD NOT BE PAID OVER TO MR. SIMPSON'S
21 CREDITOR.

22 MR. ZEE: THE REASON WHY MR. COOK IS SO KEEN ON
23 LBA COMING ON AS A THIRD PARTY CLAIM, IT DOES TWO
24 THINGS:

25 IT PUTS LBA IN THE JURISDICTION OF
26 CALIFORNIA COURTS AND THEN IT RELITIGATES AGAINST LBA.

27 HE HAS HAD HIS CHANCE AGAINST LBA. HE
28 TRIED TO GET THEM IN THE JUDGMENT ALREADY. HE HAS

1 ALREADY BROUGHT ALL OF HIS EVIDENCE.

2 THE COURT: THEY ARE NOT IN THE JUDGMENT, AS YOU
3 PUT IT.

4 MR. ZEE: I AGREE. YOU DENIED IT.

5 THE COURT: I DENIED IT. THAT IS NOT WHERE THEY
6 BELONG.

7 MR. ZEE: I AGREE.

8 SO IF THEY ARE NOT PART OF THE JUDGMENT,
9 AND EVEN WITHOUT LBA BRINGING IN ONE SHRED OF EVIDENCE,
10 YOU CAN SEE THAT THEY ARE TWO COMPLETELY SEPARATE
11 ENTITIES.

12 HE CAN'T MAKE THE SAME CLAIM, THAT WHEN
13 SIMPSON SAYS THAT -- IN ONE TALK SHOW, "OH, I HAVE GOT
14 SOME OF THE MONEY. I NEED TO LIVE."

15 GALANTER SAYS THEY ARE PAYING FOR KIDS'
16 TUITION AND SO FORTH.

17 AGAIN, NONE OF THESE PEOPLE REPRESENT LBA,
18 AND FROM A PROCEDURAL PROSPECTIVE, BECAUSE LBA IS NOT A
19 JUDGMENT DEBTOR, A WRIT CAN'T BE ISSUED, THEREFORE, NOT
20 TRIGGERING ANY OF THE OTHER PRODUCTION AND WITH REGARD
21 TO THIRD PARTY CLAIMS, THERE IS JUST A GENERAL FAIRNESS
22 ISSUE.

23 THE COURT: WE WILL GET TO THAT. THAT IS A
24 SEPARATE ISSUE FOR A MOMENT ABOUT THE WRIT BEING ISSUED
25 AGAINST LBA. LET'S HOLD THAT FOR A SECOND.

26 LET ME ADDRESS THIS ISSUE.

27 NUMBER ONE, MR. COOK SAYS I CAN'T EVEN
28 ISSUE A STAY IN THIS CASE. I CANNOT STAY THIS SALE,

1 CORRECT?

2 MR. COOK: THAT'S RIGHT.

3 THE COURT: AND YOUR RESPONSE TO THAT ISSUE IS,
4 "YES, YOU DO, BECAUSE," AND THAT FEDERAL CASE DOESN'T
5 HELP ME.

6 SO WHAT HELPS ME TO SHOW ME I CAN STAY IT?

7 BECAUSE IF YOUR INTENTION IS TO FILE SOME
8 MOTION -- I HAVE ASKED YOU ABOUT THIS A COUPLE OF
9 TIMES NOW -- DOWN THE LINE, AND I DO HAVE THE AUTHORITY
10 TO ISSUE A STAY, THEN I WILL LOOK AT THAT.

11 MR. ZEE: OKAY.

12 THE COURT: BUT I AM NOT AWARE THAT I CAN.

13 MR. ZEE: OKAY. MY CASE CITE IS IN HERE. I
14 WILL BE MORE THAN HAPPY TO FAX IT TO YOU. THE ACTUAL
15 CASE. WE HAVE IT IN OFFICE. MY APOLOGIES FOR NOT
16 BRINGING IT.

17 THE COURT: THAT IS A FEDERAL CASE. I NEED
18 SOMETHING A LITTLE CLOSER TO HOME UNDER CALIFORNIA LAW.

19 MR. ZEE: THERE IS NOTHING THAT SAYS YOU CAN'T
20 EXCEPT FOR MR. COOK'S CITATION TO DEL RICCIO.

21 WHAT DEL RICCIO SAYS IS ONCE THE WRIT HAS
22 BEEN ISSUED AGAINST THE JUDGMENT DEBTOR AND THE SALE IS
23 PENDING, THEN YOU CAN ISSUE THE STAY.

24 IN THIS CASE, THAT IS COMPLETELY
25 INAPPLICABLE, BECAUSE AS AGAINST LBA, THERE IS NO WRIT.

26 I WANT TO MAKE AGAIN CLEAR THAT I DON'T
27 WANT YOU TO STOP THE SALE. I JUST WANT A CLARIFICATION
28 THAT LBA NOT BE A JUDGMENT DEBTOR. IT IS NOT SUBJECT TO

1 THAT SALE.

2 IF WE HAD A PARCEL OF LAND AND ONE PARTNER
3 HAD IT SEIZED AND IT WAS A COMMON INTEREST AND SO FORTH,
4 THE OTHER PARTNER'S INTEREST WOULD BE SEIZED AS WELL.

5 THE COURT: IF YOU CAN GET ME SOME AUTHORITY,
6 AND YOU CAN THEN COME IN AND TELL ME WHAT IT IS YOU HAVE
7 IN MIND, THAT IS CERTAINLY SOMETHING I WILL CONSIDER.

8 THERE IS A SEPARATE ISSUE NOW WITH RESPECT
9 TO THE WRIT, AND WE WILL GET TO THAT IN A MINUTE.

10 MR. ZEE: COULD WE ADDRESS THE ISSUE IN REGARDS
11 TO, I GUESS, THE SALE, BECAUSE I THINK THAT MAY CLARIFY
12 OUR POSITION?

13 THE COURT: ALL RIGHT. LET'S GO OFF THE RECORD
14 FOR A MOMENT.

15 (DISCUSSION HELD OFF THE RECORD.)

16 THE COURT: LET'S GO BACK ON THE RECORD.

17 WE HAVE BEEN HAVING QUITE AN EXTENSIVE
18 DISCUSSION OFF THE RECORD RELATIVE TO LANGUAGE THAT
19 MR. COOK HAS REQUESTED TO CLEAR UP SOME UNCERTAINTIES
20 RAISED BY THE SHERIFF'S OFFICE UP IN SACRAMENTO COUNTY,
21 AND MR -- CAN I HAVE THE PROPOSED ORDER?

22 MR. COOK: YES, SIR.

23 THE COURT: ONE OF THE THINGS THAT HE HAS
24 PROPOSED IS THAT THERE BE A FURTHER ORDER THAT LORRAINE
25 BROOKE ASSOCIATES BE, AND THE SAME IS DEEMED ADJUDICATED
26 AND HELD TO BE A SURROGATE OF ORENTHAL JAMES SIMPSON ALL
27 AS MORE PARTICULARLY SET FORTH IN THE ORDER OF MARCH 13,
28 2007.

1 WHAT I INDICATED TO MR. COOK, OVER RAISED
2 BY OBJECTIONS BY COUNSELS FOR SIMPSON AND LBA, THAT THAT
3 FINDING IS LIMITED TO THE ASSET, WHICH WE HAVE
4 IDENTIFIED AS THAT CERTAIN CONTRACT DATED MAY 8, 2006,
5 BETWEEN LORRAINE BROOKE ASSOCIATES, INC. AND
6 HARPER/COLLINS PUBLISHERS, INC. AND THAT SHOULD BE
7 ADDED TO THE PROPOSED ORDER, SHOWN TO DEFENSE COUNSEL
8 AND THEN WILL CONSIDER SIGNING THAT.

9 MR. COOK: THANK YOU.

10 THE COURT: THAT IS THAT.

11 NOW, HARPER/COLLINS SAYS, "WELL, I AM
12 CONFUSED BECAUSE WE WERE HAVING A DISCUSSION OFF THE
13 RECORD THAT I NEED SOME CLARIFICATION OF, AND THAT IS
14 THIS:

15 IT WAS MY UNDERSTANDING AT THE TIME THAT I
16 SIGNED THE ORDER THAT WHAT THE CREDITOR WOULD BE BUYING,
17 IF THEY WERE THE SUCCESSFUL BIDDER AT A SALE OF THE
18 CONTRACT, IS, ESSENTIALLY, ANY MONIES THAT WOULD BE DUE
19 UNDER THAT CONTRACT FROM THE POINT THAT THEY BUY THE
20 CONTRACT UNTIL IT TERMINATES.

21 MY UNDERSTANDING IS THAT IT TERMINATES
22 SOME TIME FROM, ROUGHLY, MAY 8 TO AUGUST 8.

23 THERE ARE SOME THINGS THAT HAVE TO OCCUR,
24 BUT WE ARE TALKING ABOUT A CONTRACT, OBVIOUSLY, THAT
25 WOULD NOT BE IN EFFECT FOR A GREAT DEAL LONGER.

26 MR. COOK POINTS OUT TO ME NO, THERE ARE
27 OTHER RIGHTS THAT WE WOULD BE ACQUIRING, BECAUSE THE
28 SALE WOULD BE OF ANY RIGHT, TITLE OR INTEREST THAT MR.

1 SIMPSON OR LBA HAS IN THE REVERSIONARY RIGHTS --

2 MR. COOK: YES, SIR.

3 THE COURT: -- WHICH ARE SET FORTH IN PARAGRAPH
4 13, PAGE 14 OF THE CONTRACT.

5 MR. COOK: THAT IS CORRECT.

6 THAT IS THE ENTIRE PANOPLY OF RIGHTS,
7 WHICH WOULD BE A REVERSIONARY RIGHT, AND EVERYTHING ELSE
8 WOULD BE OR NOT BE, AS THE CASE WOULD BE.

9 WE, ESSENTIALLY, WOULD STAND IN THE SHOES
10 OF ORENTHAL JAMES SIMPSON AND LBA, EITHER WE AS A
11 POTENTIAL BUYER OR ANY BUYER OR ANY BUYER AT THE
12 SHERIFF'S SALE, AND THE TECHNICAL TERM WOULD BE, THEY
13 WOULD RECEIVE A SHERIFF'S BILL OF SALE, AND THE SHERIFF'S
14 BILL OF SALE SHOULD SAY, "IT WOULD BE I, THE SHERIFF OF
15 THE COUNTY OF SACRAMENTO, HEREBY SELL TO" -- WHOEVER IT
16 WOULD BE -- AND IT WOULD BE ALL OF THE PROPERTY THAT
17 WOULD BE DESCRIBED IN THE SHERIFF'S NOTICE OF SALE, AND
18 THE SHERIFF'S NOTICE OF SALE, WHICH I WILL BORROW FROM
19 YOUR HONOR HERE, AND JUST SO IT IS REALLY, REALLY CLEAR,
20 WHAT THE SHERIFF'S BILL OF SALE WOULD SAY WOULD BE THE
21 FOLLOWING:

22 (BRIEF PAUSE IN PROCEEDINGS.)

23 MR. COOK: WHAT THE SHERIFF'S BILL OF SALE WOULD
24 SAY WOULD BE, "I, SHERIFF OF THE COUNTY OF SACRAMENTO,
25 DO HEREBY SELL TO X, Y AND Z FOR X, Y AND Z
26 CONSIDERATION," AND IT WOULD BE THE SALE OF QUOTE ALL
27 RIGHT, TITLE AND INTEREST OF ORENTHAL JAMES SIMPSON AND
28 LORRAINE BROOKE ASSOCIATES IN AND TO THAT CERTAIN

1 CONTRACT DATED MAY 8, 2006, BY AND BETWEEN LORRAINE
2 BROOKE ASSOCIATES, INC. AND HARPER/COLLINS PUBLISHERS
3 INC. AND ALL RIGHTS THEREIN."

4 THAT WOULD APPEAR ON THE BILL OF SALE,
5 WHICH WOULD MIRROR THE PROPOSED SHERIFF'S NOTICE OF
6 SALE. ONE MUST FOLLOW THE OTHER HERE.

7 AS A MATTER OF JUST PROCESS AND PROCEDURE,
8 THE SHERIFF ACTUALLY READS THE BILL OF SALE WORD FOR
9 WORD, AND THEN CONDUCTS THE SALE THROUGH AN AUCTION, AND
10 THEN AT THE END SAYS, "WELL, THE WINNING BID IS" SO AND
11 SO, AND SELLS WHATEVER HAS BEEN LEVIED ON EXACTLY.

12 SO THE ANSWER TO THE COURTS INQUIRY,
13 PERHAPS, IS THE FOLLOWING:

14 WE ARE SEEKING A SALE OF THOSE RIGHTS,
15 WHICH I HAVE DESCRIBED IN THE PROPOSED NOTICE OF SALE,
16 WHICH WOULD BE ON THE BILL OF SALE, WHATEVER THOSE
17 RIGHTS ARE OR ARE NOT, WE WOULD ADVISE THAT THE
18 SHERIFF'S BILL OF SALE IS NOT IN THE FORM OF A GRANT
19 DEED. IT IS IN THE FORM OF A QUIT CLAIM FEED.

20 THE COURT: LET ME ASK YOU AGAIN, CAN POTENTIAL
21 BUYERS REVIEW THE CONTRACT?

22 MR. COOK: A POTENTIAL BUYER -- THE CONTRACT
23 ITSELF IS A MATTER OF PUBLIC RECORD, BUT IN THIS COURT
24 HERE, IT HAS ALSO BEEN PLASTERED ON THE INTERNET, AND WE
25 HAVE COPIES HERE. THERE IS NO CONFIDENTIALITY TO IT.

26 SO ANYBODY WHO WOULD BE A BUYER WOULD BE,
27 OBVIOUSLY, ENTITLED TO SEE AND REVIEW IT, AND THEN THEY
28 MAKE THEIR OWN BUSINESS JUDGMENT.

1 THE COURT: OKAY, WELL, THEN, GOING BACK TO
2 COUNSEL FOR HARPER/COLLINS, IF THEY ARE BUYING ALL THE
3 RIGHT, TITLE AND INTEREST IN THE CONTRACT, THEN,
4 APPARENTLY, THEY HAVE GOT THAT RIGHT TO ACQUIRE THE
5 RIGHTS OF PUBLICATION POST CONTRACT?

6 MR. O'HANLON: YES, YOUR HONOR, AND --

7 THE COURT: THAT WASN'T MY UNDERSTANDING, AND I
8 DIDN'T THINK OF IT IN THOSE TERMS INITIALLY, BUT,
9 APPARENTLY, THEY ACQUIRE THAT RIGHT.

10 MR. O'HANLON: RIGHT, YOUR HONOR.

11 YOUR HONOR, THE REASON I ASKED FOR THE
12 CLARIFICATION -- I DON'T THINK THIS PART WAS ON THE
13 RECORD -- WAS BECAUSE HARPER/COLLINS IS NOT ITSELF
14 INTENDING TO PUBLISH THE BOOK AND IT DOES NOT BELIEVE IT
15 OWES ANY OTHER MONIES UNDER THE CONTRACT.

16 IT IS SIMPLY LOOKING FOR CERTAINTY HERE
17 THAT IF THIS SALE DOES PROCEED AND SOMEONE ACQUIRES
18 THESE RIGHTS, IT NEEDS TO KNOW IT CANNOT BE SUBJECT TO
19 CONFLICTING CLAIMS.

20 THAT IS WHY WE ASKED FOR A CLARIFICATION
21 AS TO WHAT EXACTLY IS BEING SOLD.

22 MR. COOK: YOUR HONOR, ONE OTHER THING:

23 IN AN ENVIRONMENT LIKE THIS, IN DEALING
24 WITH THE LBA ENTITY, EITHER -- LBA CERTAINLY COULD FILE
25 A THIRD PARTY CLAIM, WHICH WE INVITE THEM TO DO IN AN
26 EXPEDITIOUS MANNER.

27 IN OUR EXPERIENCE HERE, IT IS NOT
28 UNLIKELY THAT IF WE ARE THE ACQUIRER AT A SHERIFFS SALE

1 OR A THIRD PARTY IS AN ACQUIRER, THAT PEOPLE GO OUT AND
2 DO FILE AN ACTION FOR DECLARATORY RELIEF TO, AS WE SAY,
3 SWEEP AWAY ALL THE PERIPHERAL CLAIMS AGAINST LBA.

4 WHO KNOWS WHAT MAY COME OUT OF THE
5 WOODWORK HERE?

6 THE COURT: OKAY.

7 MR. COOK: BUT WE WOULD ACQUIRE THAT NOW.

8 AGAIN, WE ARE ONLY ACQUIRING WHAT AMOUNTS
9 TO A QUIT CLAIM DEED VIS-A-VIS THE INTEREST OF THESE
10 PARTIES, WHATEVER THAT MAY BE, BUT THE LEVY ON THIS
11 PROPERLY, WHICH IS NOW AN ENORMOUS ISSUE HERE.

12 THE COURT: ANYTHING ELSE THAT ANYONE ELSE WANTS
13 TO PUT ON THE RECORD, AT THIS POINT?

14 MR. BINGMAN: I AM CURIOUS AS TO WHAT THE
15 LANGUAGE MR. COOK IS PROPOSING FOR THE LAST PARAGRAPH
16 SINCE WHAT HE JUST READ IS IN THE PRECEDING PARAGRAPH.

17 WHAT ELSE IS THERE TO ADD?

18 THE COURT: WELL, I WANT IT TO BE CLEAR WITH
19 RESPECT TO THE COURT FINDING THAT LBA IS THE SURROGATE
20 OF MR. SIMPSON.

21 LET'S IMAGINE, FOR A MOMENT, THAT THERE
22 ARE 10 OTHER CONTRACTS OUT THERE. I AM NOT MAKING ANY
23 FINDING WITH RESPECT TO ANY OTHER CONTRACTS THAT LBA
24 MIGHT BE ENGAGED IN SOME OTHER BUSINESS SOMEWHERE. IT
25 IS SOLELY WITH RESPECT TO THE HARPER/COLLINS CONTRACT.

26 MR. ZEE: JUST FOR CLARIFICATION, YOUR HONOR,
27 THAT IS THE INFORMATION -- THAT IS YOUR OPINION AS OF
28 TODAY WITH THE INFORMATION YOU HAVE BEFORE YOU SOLELY

1 PRESENTED BY OTHER PARTIES BESIDES LBA?

2 THE COURT: THAT IS THE INFORMATION THAT WAS
3 PRESENTED, NOT ONLY HERE TODAY, BUT, MORE IMPORTANTLY,
4 WHAT WAS PRESENTED ON MARCH 13.

5 MR. ZEE: BECAUSE, EVENTUALLY, WE WILL HAVE A
6 SECONDARY HEARING. I DON'T WANT THE RECORD TO REFLECT
7 THAT THIS IS YOUR OPINION ACROSS THE BOARD.

8 THE COURT: YOU KNOW, YOU MAY MAKE A MOTION TO
9 COME IN HERE WITH INFORMATION THAT WILL CLEAR A LOT OF
10 THIS UP AND SHED NEW LIGHT ON NEW THINGS.

11 MY MIND IS NOT CLOSED UP. I AM JUST
12 SAYING I LOOKED AT WHAT WAS PRESENTED TO ME ON THE
13 MARCH 13 HEARING AND PRETTY MUCH WHAT MR. COOK IS SAYING
14 HERE THIS MORNING, AND THAT IS ALL I HAVE HAD UP TO THIS
15 POINT.

16 ANYTHING ELSE, GENTLEMEN?

17 WE ARE OFF THE RECORD NOW.

18

19 (DISCUSSION HELD OFF THE RECORD.)

20

21 (END OF PROCEEDINGS.)

22

23

24

25

26

27

28