TAXPAYER EXHIBIT
B5
February 23, 2016
Edward Lavi
861784

ACTION INVESTMENT GROUP, INC.

807 E. 12th Street, Suite 401
Los Angeles, CA 90021

Telephone 213-387-2974
Fax 213-744-9965

FROM: MAYER SEPARZADEH

TO: EDWARD LAVI – VIA E-MAIL: [redacted]

RE: FRANCHISE TAX BOARD

DATE: DECEMBER 21, 2011

Dear Edward:

I am sure that you are aware that your ex-wife (Ms. Sigal Lavi) has filed a complaint with Franchise Tax Board (FTB) and that FTB has commenced an audit of Wilshire Ardmore (WA) books and records.

We have provided the FTB documents regarding WA's income and distributions, as well as copies of the court order.

I have enclosed a copy of an e-mail that my CPA received from the FTB auditor, Ms. Min that does not seem to be in your favor.

I strongly believe that you should engage your CPA and perhaps your attorney and start corresponding with the auditors before she finalizes her audit.

Meanwhile, if you need any information, please do not hesitate to contact us.

Sincerely,

Mayer Separzadeh

STATE BOARD OF EQUALIZATION
Appeal Name: Edward Lavi
Case ID: 861784 ITEM #. B5
Date: 2/23/16 Exhibit No: 27
TP FTB DEPT PUBLIC COMMENT

PM: ED LAVI ATT: ROBERTA MAXWELL

TAX CREDIT AGREEMENT

I, Carmen P. Wright, do hereby agree to give Edward Lavi the following Tax Credits and Deductions (already paid by me) for his sole use for the Tax Years of 2004 to 2007.

CPW
Initial

I will not utilize these Credits and Deductions for myself. I have provided all documentation to verify all amounts. (All 10 file folders with documents and the 4 page synopsis).

CPW
Initial

The Credits and Deductions are as follows:

2004: $ 76,876.04

2005: $150,612.07

2006: $ 99,928.50

2007: $174,696.91

Total: $514,113.09

I, Carmen P. Wright, do hereby agree to allow Edward Lavi to apply all the Credits & Deductions against my debt to Edward Lavi.

CPW
Initial

Carmen P. Wright
Carmen P. Wright

5-6-08
Date

Carmen P. Wright, did personally appear before me sign and notarize this document on this day of May 6th 2008.

NOTARY:

NOTARIAL SEAL
NOTARY PUBLIC
STATE OF NEVADA
APPT. NO. 99-[illegible]
MY APPT. EXPIRES [illegible]

Suzanne Dorfner

TAX CREDIT AGREEMENT

I, Carmen P. Wright, do hereby agree to give Edward Lavi the following Tax Credits and Deductions (already paid by me) for his sole use for the Tax Years of 2004 to 2007.

_____ Initial

I will not utilize these Credits and Deductions for myself. I have provided all documentation to verify all amounts.(All 10 file folders with documents and the 4 page synopsis).

_____ Initial

The Credits and Deductions are as follows:

2004: $ 78,676.04

2005: $180,612.57

2006: $ 99,928.56

2007: $174,895.91

Total: $514,113.08

I, Carmen P. Wright, do hereby agree to allow Edward Lavi to apply all the Credits & Deductions against my debt to Edward Lavi.

_____ Initial

_____ _____

Carmen P. Wright Date

Carmen P. Wright, did personally appear before me sign and notarize this document on this day of_____April, 2008.

NOTARY:

ATT: ROBERTA MAXWELL

THE 2006 EDWARD LAVI

IRREVOCABLE TRUST

THE 2006 EDWARD LAVI
IRREVOCABLE TRUST

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THE 2006 EDWARD LAVI IRREVOCABLE TRUST

ARTICLE ONE

CREATION OF TRUST

1.1. Parties. This trust agreement is made by Edward Lavi (the "Settlor") of 814 S. Wooster Street, #163, of the City of Los Angeles, County of Los Angeles, California, as Settlor, and Wells Fargo Bank, Los Angeles, located at _____, in the City of Los Angeles, County of Los Angeles, as trustee (the "Trustee"). The Settlor hereby transfers and assigns to the Trustee certain property (the "Trust Estate"), in trust, to be held, administered, and distributed as provided in this instrument.

1.2. Definition of Issue. As used in this instrument, the term "issue" refers to all persons referred to in California Probate Code Section 50, as in effect at the time of the execution of this instrument.

ARTICLE TWO

TRUST ESTATE

2.1. Definition of Trust Estate. All property subject to this instrument from time to time is referred to as the "Trust Estate" and shall be held, administered, and distributed as provided in this instrument. The Trustee shall hold, administer, and distribute the property described in **Schedule A** (which is attached and made a part of this trust instrument), any other property that may become subject to this trust (the "Trust"), and the income and proceeds attributable to all such property, in

accordance with the provisions of this instrument.

2.2. Additions to Trust. From time to time, the Trustee may accept additions to this Trust from any source or, in the Trustee's sole and absolute discretion, refuse or disclaim any additional property if the Trustee believes for any reason that the addition may not be in the best interest of the beneficiaries or of the Trust Estate or would unreasonably increase risks of liability to the Trustee. Any addition shall become a part of the Trust Estate only on written acceptance by the Trustee. From the time of the acceptance, the addition shall be held, administered, and distributed in accordance with the terms of this instrument.

ARTICLE THREE

RIGHTS AND POWERS OF SETTLOR

3.1. Irrevocability of Trust. This Trust is irrevocable. It may not be amended, revoked, or terminated, in whole or in part, except as otherwise specified in this instrument.

ARTICLE FOUR

PAYMENTS AND DISTRIBUTIONS

4.1. Purpose. This Trust is created for the benefit of Ariella Tehila Lavi ("Ariella"), the natural daughter of Edward Lavi, born on December 30, 2001, and Gabriel Benjamin Lavi ("Gabriel), the natural son of Edward Lavi, born October 1, 2001..

The primary purpose of this Trust is to create the means for Edward Lavi to provide child support for Ariella and Gabriel in the sum of $5,000.00 per month, and to provide funds for any child

support modifications thereafter, and to provide an inheritance fund for the children, as well as medical and dental insurance and costs for the children as ordered from the Judgment in the dissolution of the marriage of Edward Lavi and Sigal Lavi entered on July 22, 2004 in the Superior Court of California, North Valley District, under case number PD 032 664. A copy of the Judgment is attached hereto and shall shall be incorporated herewith as part of this Trust.

Additional purposes of this Trust is to provide the means for Edward Lavi to provide funds for Sigal Lavi, the ex-spouse of Edward Lavi, in the payment of medical and dental insurance and costs and provide payment to Sigal Lavi in the amount of $150,000.00 and payment to Isaac Firouzman, the father of Sigal Lavi, in the amount of $100,000.00 pursuant to the court ordered obligation as set forth in the Judgment entered on July 22, 2004.

The intention of the Settlor is that the assets of the Trust shall, to the fullest extent permitted by law, be free from assignment or collection for the satisfaction of the claims of any creditors or government agencies. If this Trust were to be invaded by creditors or subject to any liens or encumbrances, or if the terms of this Trust were to be applied so as to cause Ariella's and Gabriel's child support benefits and inheritance to be terminated, as well as debts owed to the other named beneficiaries, it is likely that the Trust assets would be depleted and the purpose of this Trust could not then be fulfilled.

4.2. Funds to Supplement Other Resources. It is the intention of Settlor that any payments or distributions from this Trust to or for the benefit of the Ariella and Gabriel shall supplement any other private resources available to them. The Trustee may, in the exercise of the Trustee's discretion shall segregate any private resources received by the Trustee and place it in a separate trust or

account and administer those resources it deems reasonable for the benefit of the Ariella and Gabriel. All funds received by the Trustee for the purpose of this Trust, together with any other resources available to Ariella and Gabriel that derive from this Trust, shall be taken into account by the Trustee in making payments or distributions of child support payments to or for the benefit of Ariella and Gabriel. The Trustee shall regularly consult with Sigal Lavi, the natural mother of Ariella and Gabriel, and any persons or entities providing care or assistance to Ariella and Gabriel for the purpose of determining Ariella's and Gabriel's needs and resources.

4.3. Restrictions on Use of Funds. The Trustee shall not exercise the Trustee's discretion to make any payments or distributions to or for the benefit of Ariella and Gabriel if the Trustee determines, in the Trustee's sole discretion, that said payments or distributions are not within the provisions set forth within the Judgment entered on July 22, 2004. No part of the funds of the Trust Estate shall be considered available to Sigal Lavi, the mother of Ariella and Gabriel, and she shall have no right to compel the Trustee to release any funds to her, or for her benefit, or otherwise to have any access to any of the Trust assets held for the benefit of the Ariella and Gabriel as set forth within the provisions of the Judgment entered on July 22, 2004, except for those funds that are available to Sigal Lavi set forth within this Trust, not withstanding those funds made available to Isaac Firouzman. In the event that the Trustee is requested to release the funds held in the Trust to or on behalf of Sigal Lavi, that are exclusively held for the benefit of Ariella and Gabriel to pay for needs that were it not for the existence of the Trust, or in the event that the Trustee is requested to petition any court or any administrative agency for authorization to release funds for any purpose of that kind, the Trustee shall deny the request and take whatever administrative or judicial steps that

may be necessary including obtaining a determination or declaration from a court of competent jurisdiction to preclude the release of the Trust funds. Any expenses of the Trustee in this regard, including reasonable attorneys' fees, shall be a proper charge against the Trust Estate.

4.4. Discretionary Payments and Distributions. The Trustee shall not make any discretionary payments or distributions of the Trust funds held for the benefit of Ariella and Gabriel other than pay those sums directed within the Judgment of July 22, 2004. For this purpose, "child support" refers to the requisites for maintaining the good health, comfort, safety, and welfare of both Ariella and Gabriel as funds to be used by any person or persons with a legal obligation to support Ariella and Gabriel. **"Child support" shall include, but not be limited to, medical and dental care, special equipment, programs of training, education, and rehabilitation, travel needs, and recreation. Any additional expenditure permitted by this section shall be made by court order.**

4.5. Other Beneficiaries. If any monthly payments or distributions from the Trust to or for the benefit of Ariella and Gabriel have been made for child support, and residual Trust funds are available, the Trustee, under its sole and absolute discretion, may distribute to Sigal Lavi and Isaac Firouzman, as much of the residual funds of the Trust as the Trustee authorizes for the reduction of the $150,000.00 obligation owed by Edward Lavi to Sigal Lavi, and for the reduction of the $100,000.00 obligation owed by Edward Lavi to Isaac Firouzman, until said obligations are paid in full. In making payments pursuant to this provision the Trustee may pay to or apply more for some beneficiaries than for others and may make payments to or for one or more beneficiaries to the exclusion of others.

4.6. Trustee's Discretion to Terminate Trust. Notwithstanding any other provision of this

instrument, if the existence of the Trust or any change in any law, regulation, or rule relating to the Trust or the administration of the Trust should adversely effect those benefits set forth for Ariella and Gabriel, or affect those benefits set forth for any named beneficiaries, the Trustee is authorized to obtain a court order to terminate the Trust. The Settlor requests that any person receiving property pursuant to such a termination conserve, manage, and distribute that property for the benefit of both Ariella and Gabriel to ensure that they receive sufficient funds for their support needs.

4.7. Payment of Trust Funds On Death of Ariella and Gabriel. If either Ariella or Gabriel are deceased prior to their 19th birthday, and neither leave issues of their own, all funds made available as child support benefits for Ariella or Gabriel shall revert back to Settlor, or if he deceased, to his heirs pursuant to a current written instrument or according to the applicable laws and statutes. The return of the funds are contingent upon the performance of all court ordered obligations owed by Settlor to Sigal Lavi and Isaac Firouzman.

4.8. Final Disposition. If the Trust property is not completely disposed of by the preceding provisions, the undisposed-of portion shall be distributed outright to the Settlor's heirs.

4.9. Spendthrift Clause. The interests of the beneficiaries under this instrument are not transferable by voluntary or involuntary assignment or by operation of law, and shall be free from the claims of creditors and from attachment, execution, bankruptcy, and other legal process, to the maximum extent permitted by law.

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ARTICLE FIVE

Trustee

5.1. Definition of Trustee. Reference in this instrument to "the Trustee" shall be deemed a reference to whoever is serving as Trustee or Co-Trustees, if applicable, and shall include alternate or successor Trustees or Co-Trustees, unless the context requires otherwise.

5.2. Ariella and Gabriel Not to Serve as Trustee. Notwithstanding any other provision of this instrument, Ariella Tehila Lavi and Gabriel Lavi shall not be appointed or serve as Trustee or a Co-Trustee of any trust created by this instrument at any time.

5.3. Neither Settlor, Sigal Lavi, Nor Other Beneficiaries May Not Serve as Trustee. Notwithstanding any other provision in this instrument, in no event shall the Settlor, Sigal Lavi, or other beneficiaries named herein, be appointed to serve as Trustee.

5.4. Compensation of Corporate Trustee. Any corporate Trustee serving under this Trust instrument shall be entitled to reasonable compensation for its services in accordance with its standard schedule of trust fees, as existing and modified from time to time.

5.5. General Powers of Trustee. To carry out the provisions created under this instrument; and subject to any limitations stated elsewhere in this instrument, the Trustee shall have all of the following powers, in addition to all of the powers now or hereafter conferred on Trustees by law:

> (a) With or without court authorization, sell (for cash or on deferred payments, and with or without security), convey, exchange, partition, and divide Trust property; grant options for the sale or exchange of Trust property for any purpose, whether the contract is to be performed or the option is to be exercised within or beyond the term of the Trust; and lease Trust property for any purpose, for terms within or extending beyond the expiration of the Trust, regardless of whether the leased property is commercial or residential and regardless of the number of units leased.

(b) Manage, control, improve, and maintain all real and personal Trust property.

(c) Subdivide or develop land; make or obtain the vacation of plats and adjust boundaries, or adjust differences in valuation on exchange or partition by giving or receiving consideration; and dedicate land or easements to public use with or without consideration.

(d) Make ordinary or extraordinary repairs or alterations in buildings or other Trust property, demolish any improvements, raze existing party walls or buildings, and erect new party walls or buildings, as the Trustee deems advisable.

(e) Enter into oil, gas, and other mineral leases, on terms deemed advisable by the Trustee; enter into any pooling, unitization, repressurization, community, or other types of agreements relating to the exploration, development, operation, and conservation of mineral properties; drill, mine, and otherwise operate for the development of oil, gas, and other minerals; contract for the installation and operation of absorption and repressuring plants; and install and maintain pipelines. Any such leases or agreements may be for a term within or extending beyond the term of the Trust.

(f) In the Trustee's discretion, abandon any unproductive or wasted Trust asset or interest therein.

(g) Employ and discharge agents and employees, including but not limited to attorneys, accountants, investment and other advisers, custodians of assets, property managers, real estate agents and brokers, and appraisers, to advise and assist the Trustees in the management of any trusts created under this Trust instrument, and compensate them from the Trust property.

(h) With respect to securities held in Trust, exercise all the rights, powers, and privileges of an owner, including, but not limited to, the power to vote, give proxies, and pay assessments and other sums deemed by the Trustee necessary for the protection of the Trust property; participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, and liquidations, and, in connection therewith, deposit securities with and transfer title to any protective or other committee under such terms as the Trustee deems advisable; exercise or sell stock subscription or conversion rights; and accept and retain as investments of the Trust any securities or other property received through the exercise of any of the foregoing powers.

(i) Hold securities or other Trust property in the Trustee's own name or in the name of a nominee, without disclosure of the Trust, or in unregistered form, so that title may pass by delivery.

(j) Deposit securities in a securities depository that is either licensed or exempt from licensing.

(k) Borrow money for any Trust purpose from any person or entity, on such terms and conditions as the Trustee deems advisable, and obligate the Trust for repayment; encumber any Trust property by mortgage, deed of trust, pledge, or otherwise, whether for terms within or extending beyond the term of the Trust, as the Trustee deems advisable, to secure repayment of any such loan; replace, renew, and extend any such loan or encumbrance; and pay loans or other obligations of the Trust deemed advisable by the Trustee.

(l) Procure and carry, at the expense of the Trust, insurance in such forms and in such amounts as the Trustee deems advisable to protect the Trust property against damage or loss, and to protect the Trustee against liability with respect to third persons.

(m) Enforce any obligation owing to the Trust, including any obligation secured by a deed of Trust, mortgage, or pledge held as Trust property, and purchase any property subject to a security instrument held as Trust property at any sale under that instrument.

(n) Extend the time for payment of any note or other obligation held as an asset of, and owing to, the Trust, including accrued or future interest, and extend the time for repayment beyond the term of the Trust.

(o) Pay or contest any claim against the Trust; release or prosecute any claim in favor of the Trust; or, in lieu of payment, contest, release, or prosecution, adjust, compromise, or settle any such claim, in whole or in part, and with or without consideration.

(p) At Trust expense, prosecute or defend actions, claims, or proceedings of whatever kind for the protection of the Trust property and of the Trustee in the performance of the Trustee's duties, and employ and compensate attorneys, advisers, and other agents as the Trustee deems advisable.

5.6. Power to Retain Trust Property. The Trustee shall have the power to retain property received into the Trust at its inception or later added to the Trust, without regard to whether the Trust investments are diversified, until, in the judgment of the Trustee, disposition of the property

should be made.

5.7. Trustee's Power to Invest Trust Property. The Trustee shall have the power to invest in and acquire every kind of property, real, personal, or mixed, including but not limited to improved and unimproved real property, corporate and government obligations of every kind, stocks (both preferred and common), shares of mutual funds of any character, shares of investment companies, interest-bearing accounts, and foreign assets. The Trustee is under no duty to diversify investments. This section of the Trust instrument shall be construed as allowing the Trustee a broader latitude with respect to Trust investments than would be permitted by the California Uniform Prudent Investor Act, as amended from time to time.

5.8. Division or Distribution in Cash or Kind. In order to distribute or divide Trust assets into shares or partial shares, the Trustee may distribute or divide those assets in kind, or divide undivided interests in those assets, or sell all or any part of those assets and distribute or divide the property in cash, in kind, or partly in cash and partly in kind.

5.9. Payments to Legally Incapacitated Persons. If at any time any Trust beneficiary is a minor, or it appears to the Trustee that any Trust beneficiary is incapacitated, incompetent, or for any other reason not able to receive payments or make intelligent or responsible use of the payments, then the Trustee, in lieu of making direct payments to the Trust beneficiary, may make payments to the beneficiary's conservator or guardian; to the beneficiary's custodian under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act of any state; to one or more suitable persons as the Trustee deems proper, such as a relative of or a person residing with the beneficiary, to be used for the beneficiary's benefit; to any other person, firm, or agency for services rendered or to be rendered

for the beneficiary's assistance or benefit; or to accounts in the beneficiary's name with financial institutions. The receipt of payments by any of the foregoing shall constitute a sufficient acquittance of the Trustee for all purposes.

5.10. Grant of Specific Powers Not to Limit Exercise of General Powers. The enumeration of specific powers under this Trust instrument shall not limit the Trustee from exercising any other power with respect to any Trusts created by this Trust instrument that may be necessary or appropriate for the Trustee to have and exercise in order to carry out the purposes of the Trusts or to permit the Trustee to fulfill the Trustee's responsibilities and duties with respect to the Trust.

5.11. Trust Distributions Shall Not Discharge Obligations of Support. Notwithstanding any other provision of this Trust instrument, no income or principal of the Trust shall be used to discharge, in whole or in part, the legal obligation of any person to support or educate any beneficiary of this Trust, where applicable. In determining the legal obligation of any person to support and educate a beneficiary of this Trust, the existence of this Trust and the funds made available under it shall not be taken into account.

5.12. Power to Disclaim or Release Powers. Any Trustee may disclaim, release, or restrict the scope of any power or discretion that the Trustee may hold in connection with any Trust created under this instrument, whether the power or discretion is expressly granted in this instrument or is implied by law. The Trustee shall disclaim a power in the manner required by applicable federal or California law. The Trustee shall release or restrict any power or discretion by giving written notice to the beneficiary or beneficiaries then entitled to current distribution of income from the Trust, specifying the power or discretion to be released or restricted, the nature of the restriction, and, if

appropriate, the person or persons to whom the released or restricted power shall pass and be exercisable. If a power is disclaimed, the power shall be available to and exercisable by any other Trustee, including any successor Trustee.

5.13. Trustee's Liability. No Trustee shall be liable to any interested party for acts or omissions of that Trustee, except those resulting from that Trustee's willful misconduct or gross negligence. This standard shall also apply regarding a Trustee's liability for the acts or omissions of any Co-Trustee, predecessor Trustee, or agent employed by the Trustee, if applicable.

5.14. Written Notice to Trustee. Until the Trustee receives written notice of any death or other event on which the right to payments from any Trust may depend, the Trustee shall incur no liability for disbursements made in good faith to persons whose interests may have been affected by that event.

5.15. Duty to Account. The Trustee shall have an accounting prepared at least annually to provide information required for income tax preparations, and more often in the event that such accounting is reasonable and/or required to adequately accommodate the need to properly administrate this Trust, or any additional Trusts springing from this Trust. Accounting shall also be prepared at the termination of a Trust and on a change of Trustees, to the persons and in the manner required by law.

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ARTICLE SIX

CONCLUDING PROVISIONS

6.1. Perpetuities Savings Clause. Notwithstanding any other provision of this instrument, every Trust created by this instrument shall terminate no later than twenty-one (21) years after the death of the last survivor of those issue of any noncharitable beneficiaries named or identified in this instrument who are alive at the creation of the Trust. For purposes of this perpetuities savings clause, a Trust shall be deemed to have been created on the date the Trust becomes irrevocable or the date of the death of the Settlor, whichever occurs first. If a Trust is terminated under this section, the Trustee shall distribute all of the principal and undistributed income of the Trust to the income beneficiaries of the Trust in the proportion in which they are entitled (or eligible, in the case of discretionary payments) to receive income immediately before the termination. If that proportion is not fixed by the terms of the Trust, the Trustee shall distribute all of the Trust property to the persons then entitled or eligible to receive income from the Trust outright in a manner that, in the Trustee's opinion, will give effect to the intent of the Settlor in creating the Trust. The Trustee's decision is to be final and incontestable by anyone.

6.2. Definition of Incapacity. As used in this instrument, "incapacity" or "incapacitated" means a person operating under a legal disability such as a duly established conservatorship, or a person who is unable to do either of the following:

(a) Provide properly for that person's own needs for physical health, food, clothing, or shelter; or

(b) Manage substantially that person's own financial resources, or resist fraud or undue influence.

6.3. Definition of Education. As used in this instrument, the term "education" refers to the

following:

(a) Education at public or private elementary, junior high, middle, or high schools, including boarding schools;

(b) Undergraduate, graduate, and postgraduate study in any field, whether or not of a professional character, in colleges, universities, or other institutions of higher learning;

(c) Specialized formal or informal training in music, the stage, the handicrafts, or the arts, whether by private instruction or otherwise; and

(d) Formal or informal vocational or technical training, whether through programs or institutions devoted solely to vocational or technical training, or otherwise.

6.4. Captions. The captions appearing in this instrument are for convenience of reference only, and shall be disregarded in determining the meaning and effect of the provisions of this instrument.

6.5. Severability Clause. If any provision of this instrument is invalid, that provision shall be disregarded, and the remainder of this instrument shall be construed as if the invalid provision had not been included.

6.6. California Law to Apply. All questions concerning the validity, interpretation, and administration of this instrument, including any trusts created under this instrument, shall be governed by the laws of the State of California, regardless of the domicile of any Trustee or beneficiary.

6.7. Gifts to "Heirs". For any gift to heirs of the Settlor that is made in this instrument, those heirs shall be determined as if the Settlor had died intestate at the time for distribution prescribed in this instrument, and the identity and shares of those heirs shall be determined according to the California laws of succession that concern separate property not acquired from a previously deceased spouse and that are in effect at the time the Settlor is deemed to have died.

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ARTICLE SEVEN

SIGNATURE AND EXECUTION

7.1. Execution. We certify that we have read the foregoing Trust agreement and that it correctly states the terms and conditions under which the Trust Estate is to be held, administered, and distributed. The Settlor approves this Trust agreement in all particulars. The Trustee approves and accepts the provisions provided for in this Trust agreement.

Executed on February ____, 2006 at _____, California.

Settlor

_____
EDWARD LAVI

WELLS FARGO BANK

by: _____
(print name)
Title of 1st Officer

by: _____
(print name)
Title of 2nd Officer

ACKNOWLEDGMENT

State of California)
) ss
County of Los Angeles)

On _____ before me, _____, a notary public in and for the State of California, personally appeared EDWARD LAVI, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (SEAL)

ACKNOWLEDGMENT

State of California)
) ss
County of Los Angeles)

On _____ before me, _____, a notary public in and for the state of California, personally appeared _____, as the _____, and _____, as the _____, of Wells Fargo Bank, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (SEAL)

THE 2006 EDWARD LAVI IRREVOCABLE TRUST

SCHEDULE A

TRUST ASSETS

CHILDRENS' TRUST OF

PARVIZ LAVI AND EDWARD LAVI

This Trust, which for reference purposes only is dated September 23, 2003, is created by and between Parviz Lavi and Edward Lavi [hereinafter collectively referred to as "Settlor"] pursuant to and in accordance with that certain Settlement and Mutual Release of Claims Concerning Wilshire-Ardmore Partnership, a California Limited Partnership , and that certain Order Setting Relationship and Duties of Parties After Interpleader, thereafter rendered dated November 25, 2003, in Los Angeles Superior Court Action, Case No. BC283851 ("the Legal Action") [hereinafter collectively referred to as the "Settlement Agreement and Order"]. A true and correct copy of the Settlement Agreement and Order is attached hereto as Exhibit "A" and incorporated herein by reference.

Section 1. Description of Beneficiaries, Trust, and Trustee

1.01 NAME OF TRUST. This Trust is known as the Childrens' Trust of Parviz Lavi and Edward Lavi.

1.02 BENEFICIARIES. The sole beneficiaries of this trust are the living children of Edward Lavi and Sigal Lavi, Ariella Tehila Lavi and Gabriel Benjamin Lavi ("children" collectively or "child" separately) for life.

1.03 TRUSTEE. The childrens' trust is to be managed as Trustee by the mother of Sigal Lavi, Genous Firouzman. In the alternative, if Genous Firouzman is unable or unwilling to serve as Trustee, the childrens' trust is to be managed as Trustee by second choice trustee, the father of Sigal Lavi, Isaac Firouzman. In the alternative, if Isaac Firouzman is unable or unwilling to serve as Trustee, the childrens' trust is to be managed as Trustee by third choice trustee, a trust division of any federally insured bank chosen by Genous Firouzman. In any event regardless of who is the Trustee, the funds of the childrens' trust are to be maintained separately from all other funds at all times within a federally insured bank account. If Genous Firouzman or Isaac Firouzman acts as Trustee, the Trustee shall not be entitled to any administration fee for performing trustee duties. If a trust division of a federally insured bank is Trustee, then that Trustee shall receive a customary administration fee consistent with its trustee contract with the childrens' trust.

1.04 TRUST ESTATE. The Trust Estate consists of the following:

A. The sum of $15,000.00 owed to the Trust for the months of October, November, and December, 2003. This arises from the October 2003 monthly dividend distribution and forward, of and from the Wilshire-Ardmore Partnership, a California Limited Partnership ("the Partnership"), which the Settlor has agreed in settlement of the Legal Action, be paid or deposited by the Partnership directly to the childrens' trust, at the same time that such monthly dividends are paid to limited partners, consisting of $2,500.00 of each month's monthly dividend that is earned by and payable to Parviz Lavi or successor arising from Parviz Lavi's 8.1 %

limited partner interest in the Partnership, and also consisting of $2,500.00 of each month's monthly dividend that is earned by and payable to Edward Lavi or successor arising from Edward Lavi's 8.1 % limited partner interest in the Partnership, for a total amount of $5,000.00 per month. If a particular monthly dividend arising from Parviz Lavi's or Edward Lavi's 8.1% limited partner interest is less than $2,500.00, then the entire amount of that month's dividend is to be paid into the children's trust. If a particular monthly dividend arising from Parviz Lavi's or Edward Lavi's 8.1% limited partner interest is greater than $2,500.00, then after the childrens' trust is paid its $2,500.00, respectively, the remainder is to be paid to Parviz Lavi and/or Edward Lavi, respectively.

B. All amounts payable to the Trust after payment of the sum of $15,000.00 owed to the Trust for the months of October, November, and December, 2003, shall be paid in accordance with Subparagraph A hereinabove.

C. Settlor hereby makes demand upon the general partner(s) of the Wilshire-Ardmore Partnership, a California Limited Partnership, to fully comply herewith.

1.05 IRREVOCABILITY OF TRUST. This Trust is irrevocable, and the settlor shall have no right or power, whether alone or in conjunction with others, in whatever capacity, to alter, amend, revoke or terminate it, or any of its terms, in whole or in part, or to designate the persons who shall possess or enjoy the trust estute, or the income from the trust estate. It is the settlor's intent that the trust principal and income shall not be considered the settlor's principal and income, and that no part of the trust estate shall be included in the settlor's gross estate(s) for estate or death tax purposes. In furtherance of the settlor's intent, the settlor shall have the right at any time

to release, renounce or disclaim any right, power or interest which might be construed or deemed to defeat this intent. Monthly dividend payments to the childrens' trust shall continue for so long as the interests exist and monthly dividends flow therefrom, even if Parviz Lavi and/or Edward Lavi no longer own their respective 8.1% interests. The childrens' trust shall terminate when the limited partner interests currently held by Parviz Lavi and Edward Lavi cease to exist under any ownership, or when the children are both deceased, whichever occurs first.

Section 2. Distributions of Trust Estate.

2.01 PURPOSES. The funds from the childrens' trust shall be used to pay for the following items, indivisibly for so long as the children live together and equally between them if and when the children live apart: The mortgage or rent of the childrens' place of primary residence, maintenance of the childrens' place of primary residence, health insurance and medical expenses of the children, education expenses of the children, necessary clothing expenses of the children, and necessary transportation expenses of the children. If the childrens' trust in any month has excess monies after payment of such expenses for the childrens' benefit, then such excess shall remain in the trust. The childrens' trust can be depleted to $0 in any month. The Trustee shall not be held accountable in any way for any decision made hereunder in good faith.

2.02 DEATH OF A BENEFICIARY. In the event of the death of a beneficiary of the Trust, the benefits of the Trust shall inure to the entire benefit of the surviving beneficiary.

2.03 DISTRIBUTIONS DURING MINORITY. Until a beneficiary attains the age of twenty-one years, the Trustee shall pay over to the beneficiary's mother and/or apply for the benefit of the said beneficiary so much of the net income and principal of the trust estate as in the sole and absolute discretion of the Trustee shall be desirable or appropriate for their welfare and support.

2.04 DISTRIBUTION AT AGE 21. At and after such time as a beneficiary shall have attained the age of twenty-one years, the Trustee shall make such trust distributions for the benefit of said beneficiary directly to the beneficiary.

Section 3. Trustee Provisions.

3.01 POWERS OF TRUSTEE. The Trustee serving under this Trust may perform every act reasonably necessary to administer the Trust. In addition to and not in limitation of the powers, authorities and discretions granted to the trustee by statute, common law or under any administrative or court rule, the trustee is hereby authorized and empowered to hold, retain. invest, reinvest and manage without diversification as to kind, amount, or risk of non-productivity in realty or personalty and without limitation by statute or rule of law, partition, sell, exchange, grant, convey, deliver assign, transfer, lease, option, mortgage, pledge, abandon, borrow, loan, contract, distribute in cash or kind or partly in each at fair market value on the date of distribution, without requiring pro rata distribution of specific assets and without requiring pro rata allocation of the tax bases of such assets, hold in nominee firmm, continue businesses, carry out agreements, deal with other fiduciaries and business organizations in which the trustee may have an interest, establish reserves, release powers, and abandon, settle or

contest claims; employ attorneys, accountants, custodians of the trust assets, other agents or assistants as deemed advisable to act with or without discretionary powers and compensate them and pay their expenses from income or principal or both.

3.02 METHOD OF PAYMENT. Subject to other provisions hereof, the Trustee may make any payments hereunder either (1) directly to the beneficiary, (2) in any form, allowed by applicable state law for gifts or transfers to minors or persons under disability, (3) to the beneficiary's guardian, conservator, or caregiver for the benefit of the beneficiary, or (4) by direct payment of the beneficiary's expenses.

3.03 LIABILITY OF SUCCESSOR TRUSTEE. No trustee shall be obligated to examine the accounts, records, or acts, or in any way or manner be responsible for any act or omission to act on the part of any previous trustee. No trustee shall be liable to any beneficiary for the consequences of any action taken by such trustee which would, but for the prior removal of such trustee have been a proper exercise by such trustee of the authority granted to the trustee hereunder, until actual receipt by such trustee of notice of such removal. Any trustee may acquire from the beneficiaries, or from their guardians or conservators, instruments in writing releasing such trustee from liability which may have arisen from the acts or omissions to act of such trustee, and indemnifying such trustee from liability therefor, and such instruments, if acquired from all then living beneficiaries, or from their guardians or conservators, shall be conclusive and binding upon all parties who may have an interest in the trust

3.04 POWERS OF SUCCESSOR TRUSTEE. Any successor trustee at any time serving hereunder, whether corporate or individual, shall have all the title, rights, powers and privileges, and be subject to all of the obligations and duties, both

discretionary and ministerial, as herein granted to the original trustee hereunder, and shall be subject to any restrictions herein imposed upon the original trustee. Any fiduciary succeeding to the trust business of any corporate trustee shall become a successor trustee with like powers, duties, and obligations.

3.05 RESIGNATION OF TRUSTEE. Any trustee may resign by giving written notice thereof to any adult beneficiary, or to the parents or guardians of any minor beneficiary then eligible to receive current income, and to any other trustee then serving. Such written notice shall be delivered by hand or by certified mail and shall become effective upon the acceptance of appointment by the successor trustee.

3.06 REMOVAL OF TRUSTEE. Any trustee may be removed, without cause, by the beneficiary, by giving written notice to such trustee and to any other trustee then serving, effective in accordance with the provisions of the notice. In the case of a minor or incapacitated beneficiary, the conservator of the estate or, if none, the guardian of the person of such beneficiary shall act on behalf of such beneficiary.

3.07 APPOINTMENT OF SUCCESSOR TRUSTEE. Subject to other provisions hereunder, if any trustee shall cease to serve, the beneficiary may designate a successor trustee. In the case of a minor or incapacitated beneficiary, the conservator of the estate or, if none, the guardian of the person of such beneficiary may act on behalf of such beneficiary. If any vacancy is not filled within thirty days after the vacancy arises, then the beneficiary or the beneficiary's legal guardian or conservator may petition a court of competent jurisdiction to designate a successor trustee to fill such vacancy, provided that the thirty day period may be waived by the court for good cause. By making such designation, such court shall not thereby acquire any jurisdiction over the trust, except to

the extent necessary for making such designation. Any successor trustee designated hereunder may be an individual or a bank or trust company authorized to serve in such capacity under applicable federal or state law.

Section 4. Administrative Provisions

4.01 NONSUPERVISION. This Trust shall be administered in a timely and efficient maner consistent with its terms, free of active judicial intervention and without order, approval or other action by any court, subject only to the jurisdiction of a court being invoked by the trustees or other interested parties or as otherwise provided by law.

4.02 BOND. No trustee shall be required to give any bond, and if notwithstanding this direction, any bond is required by any law, statute, or rule of court, no sureties shall be required.

4.03 NONALIENATION. No beneficiary shall have any right to anticipate, sell, assign, mortgage, pledge or otherwise dispose of or encumber all or any part of any trust estate established for his or her benefit hereunder, nor shall any part of such trust estate, including income, be liable for the debts or obligations of any beneficiary or be subject to attachment, garnishment, execution, creditor's bill or other legal or equitable process.

4.04 RULE AGAINST PERPETUITIES. This Trust shall in any event terminate no later than 21 years after the death of the last survivor of the group the settlor's issue living at the time of the settlor's death. The property held is trust shall be discharged free of any trust and shall immediately vest in and be distributed to the

persons then entitled in the proportions is which they are beneficiaries of the income, and for this purpose only, any person then eligible to receive discretionary payments of income shall be treated as being permitted to receive the income, and if more than one person is so treated, the group of such persons shall be treated as being entitled to receive such income as a class, to be distributed among them by representation.

4.05 MULTIPLE TRUSTEES. In all matters pertaining to the administration of the Trust, when more than two trustees are acting, the concurrence and joinder of a majority of such trustees shall control; but any trustee may dissent or abstain from a decision of the majority, and such trustee shall be absolved from personal liability by registering such dissent or abstention in the records of such trust, and shall thereafter act with the other trustees in any way necessary or appropriate to effectuate the decision of the majority. If two trustees are acting, however, the joinder of both of them shall be required.

4.06 CORPORATE TRUSTEE. At any time there is a corporate trustee acting, such corporate trustee shall be the custodian of the trust estate and of the books and records of the trust estate, and may perform all ministerial acts necessary for the acquisition and transfer of personal property and money, including the signing and endorsement of checks, receipts, stock certificates, amt other instruments, and no person need inquire into the propriety of any such act.

4.07 RELEASE OF POWER. Any trustee may release in whole or in part, temporarily or permanently, any power, authority, or discretion conferred hereby, by a writing delivered to any co-trustee, and to each beneficiary then eligible to receive income distributions from any trust or, if none, to all ascertainable beneficiaries.

Such renunciation or release shall not affect the grant of power, authority, or discretion renounced or released.

4.08 COUNTERPARTS. This Trust may be executed in counterparts, consisting of faxed and/or delivered original signature pages, all of which when taken together shall constitute an original of this trust agreement instrument.

4.09 CONSTRUCTION AND DEFINITIONS. All questions pertaining to the validity, construction, and administration of this Trust shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the Settlor and Trustee have acknowledged and executed this Trust as of December 5, 2003.

PARVIZ LAVI "Settlor"

EDWARD LAVI "Settlor"

GENOUS FIROUZMAN "Trustee"

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Edward Lavi

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EDWARD LAVI "Settlor"

Genous Firouzman

GENOUS FIROUZMAN "Trustee"

1801 Century Park East
Sixteenth Floor
Los Angeles, California 90067
Telephone: (310) 277-2588
Facsimile: (310) 277-2528

THE LAW OFFICES OF ROBERT C. WEISS, PC

FACSIMILE TRANSMITTAL

TO: JOHN F. NICHOLSON

FROM: ROBERT C. WEISS

DATE: MARCH 14, 2006

SUBJECT: LAVI CHILDRENS' TRUST

NUMBER: (818) 348-8331

PAGES: 14

COPIES: MAYER SEPARZADEH

Message: John: A copy of the "Children's Trust" that Parviz and Edward Lavi formed on September 23, 2003 is attached to this Transmittal. The provocative language we discussed in our telephone conversation this afternoon is underlined at the top of page four. When you discuss the language with Edward, please ask him to explain its intended purpose. Although it would be illogical, the language could be construed as an attempt by Parviz and Edward to separate their limited partnership interests in the Wilshire-Ardmore Partnership from the related "monthly dividend payments". There is also contradictory language in Paragraph 7 of the Settlement and Mutual Release of Claims among Parviz, Edward, and Sigal Levi.

Please call me tomorrow morning so we can continue our discussion.

This message is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the above address via the U.S. Postal Service. Thank You!

IF YOU DO NOT RECEIVE ALL OF THE PAGES DESIGNATED IN THIS TRANSMITTAL, PLEASE CALL (310) 277-2588.

Recording Requested By:

Mayer Separzadeh
Action Investment Group, Inc.

When Recorded Mail To:

Mayer Separzadeh
Action Investment Group, Inc.
3540 Wilshire Blvd., Suite 1215
Los Angeles, CA 90010

Mail Tax Statements To:

Mayer Separzadeh
3540 Wilshire Blvd., Suite 1215
Los Angeles, CA 90010

(Space above this line for recorder's use)

GRANT DEED

The undersigned grantor(s) declare(s):
Documentary transfer tax is $_ _ _ _ _ _
[ ] computed on full value of property conveyed, or
[ ] computed on full value less value of liens and encumbrances remaining at time of sale.
[ ] Unincorporated area:
[ ] City of _ _ _ _ _ _, and

FOR A $1.00 CONSIDERATION, receipt of which is hereby acknowledged,

Wilshire-Ardmore Partnership, a California limited partnership (Grantor)

hereby GRANT(S) to:

Namco Capital Group, Inc., a California corporation as to an undivided 23% interest, Edward Lavi and Sigal Lavi, husband and wife as to an undivided 16.20% interest, Edmond Lavi as his sole and separate property as to an undivided 10.80% interest, Behzad Kianmahd and Orna Kianmahd, husband and wife as to an undivided 11% interest, Mousa Yamini as his sole and separate property as to an undivided 11% interest, Mayer Separzadeh and Annette D. Separzadeh, husband and wife as to an undivided 10% interest, David York and Mojgan K. York, husband and wife as to an undivided 7% interest, Ramin Mehrara and Elham Mehrara, husband and wife as to an undivided 5% interest, Massoud Motavasell and Yafa Yamini, husband and wife as to an undivided 5% interest and Action Investment Group, Inc., a California corporation

LIMITED PARTNERSHIP AGREEMENT
OF
WILSHIRE-ARDMORE PARTNERSHIP
A CALIFORNIA LIMITED PARTNERSHIP

This LIMITED PARTNERSHIP AGREEMENT (the "Agreement") is made and entered into as of May 10, 1995, by and between ACTION INVESTMENT GROUP, INC., (referred to as the "General Partner"), and the persons and/or entities whose names are set forth in the attached Exhibit A (the "Limited Partners").

The General Partner and the Limited Partners hereby agree to form a limited partnership under the California Revised Limited Partnership Act, on the following terms and conditions:

SECTION 1. DEFINITIONS. Unless indicated otherwise, capitalized words and phrases used in this Agreement, shall have the meanings set forth in this section.

1.1 Act. The California Revised Limited Partnership Act, as from time to time in effect, or any corresponding provisions of any successor law.

1.2 Adjusted Invested Capital. The Invested Capital attributes to a Partner, reduced by the total distributions with respect to such Partner.

1.3 Affiliate. When used with reference to a specified person, (i) any person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with the specified person, (ii) any person which is an officer or director of, partner or trustee of, or serves in a similar capacity with respect to, the specified person or of which the specified person is an officer, partner or trustee, or with respect to which the specified person serves in a similar capacity, (iii) any person which, directly or indirectly, is the beneficial owner of 10% or more of any class of voting securities of, or other otherwise has a substantial beneficial interest in, the specified person or of which the specified person has a substantial beneficial interest and (iv) any relative or spouse of the specified person.

1.4 Assignee. A person who has acquired a beneficial interest in this Partnership from a Limited Partner but who is not a substantial Limited Partner.

1.5 Bankruptcy. The institution of any proceedings under federal or state laws for relief of debtors, including filing of a voluntary or involuntary petition in bankruptcy or the adjudication as insolvent or bankrupt, or the assignment of the person's property for the benefit of creditors, or the appointment of a receiver, trustee or a conservator of any substantial portion

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of the person's assets, or the seizure by a sheriff, receiver, trustee or conservator of any substantial portion of the person's assets, and the failure, in the case of any of these events, to obtain the dismissal of the proceeding or removal of the conservator, receiver or trustee within sixty (60) days of the event.

1.6 Capital Account. As defined in Section 6.1.

1.7 Cash Available for Distribution. Cash from operations of the Partnership, interest on Partnership cash, notes receivable and other short term investments, net cash proceeds from a sale, refinancing, or condemnation of the property, including casualty insurance proceeds not used to rebuild or replace the Property, less cash expenditures and reasonable working capital reserves. "Net cash proceeds" shall mean cash proceeds remaining after retirement of existing mortgage debt and the payment of all expenses related to the transaction.

1.8 Code. "Code" shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent revenue laws.

1.9 Construction Management Fee. As defined in Section 8.4.

1.10 Distributions. Any cash or property distributed to any Partner, arising from its interest in the Partnership other than payments for services or repayment of loans. If property is distributed, the amount of the distribution shall be the fair market value of the property less liabilities secured by such property that the distributee is considered to assume or take subject to under Section 752 of the Code.

1.11 General Partner. ACTION INVESTMENT GROUP, INC., or any person or entity succeeding it as a General Partner.

1.12 Gross Income. As defined in Section 8.5.

1.13 Initial Capital Contribution. As defined in Section 5.1.

1.14 Invested Capital. The value of money or property contributed to the Partnership as capital by any Partner, including contributions when this Partnership is formed and any and all later contributions.

1.15 Limited Partner. Any limited partner to this Agreement, including the original Limited Partners, persons subsequently admitted as limited partners and any person who becomes a limited partner by substitution after receiving an assignment from a limited partner, in accordance with the terms of

this Agreement.

1.16 Net Income and Net Loss. As defined in Section 6.3.

1.17 Partner. Any person who is a General Partner or a Limited Partner in this Partnership.

1.18 Partnership. The Partnership formed by this Agreement.

1.19 Property. The real property to be acquired by or contributed by the Partners to the Partnership, which real property is more particularly described in the attached Exhibit B.

1.20 Property Management Fee. As defined in Section 8.5.

1.21 Tax Item. The net income, net losses, gains and deductions of the Partnership for federal income tax purposes, as determined by the Partnership's accountants.

1.22 Treasury Regulations. Final, temporary and proposed income tax regulations issued by the Treasury Department, or any corresponding provisions of any succeeding regulations.

1.23 Voluntary Contribution Procedure. As defined in Section 5.3.

SECTION 2. FORMATION.

2.1 Certificate. A "Certificate of Limited Partnership" under California Corporations Code Section 15621 shall be prepared, signed by the General Partner, and filed in the Office of the California Secretary of State. Any amendments to the Certificate of Limited Partnership may be signed by any one general partner. The Partnership's agent for service of process shall be the General Partner.

2.2 Purpose. The purpose of the Partnership is to acquire own, develop, encumber, lease, sell, maintain, improve, alter, remodel, expand, manage, and otherwise operate the Property and any other Property acquired by the Partnership.

2.3 Name. The name of the Partnership shall be WISHIRE-ARDMORE PARTNERSHIP, A California Limited Partnership.

2.4 Place of Business. The Partnership's principal place of business shall be at 8323 Reseda Blvd., Suite 207, Northridge, CA 91324, or such other place of business as the General Partner may from time to time select.

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SECTION 3. TERM.

3.1 Commencement. The Partnership term shall begin on the date of filing of the Certificate of Limited Partnership.

3.2 Dissolution. The Partnership shall dissolve upon the earlier to occur of the following:

(a) The vote of Partners holding 51% of the outstanding interests in the Partnership to dissolve the Partnership;

(b) December 31, 2020

(c) Sale of all or substantially all of the assets of the Partnership and distribution of the proceeds to the partners; or

(d) The expiration of 90 days after notice to the Limited Partners of the retirement, Bankruptcy, withdrawal, removal, death, dissolution or legal incompetency of the last remaining General Partner.

3.3 Continuation. The occurrence of any of the events described in Section 3.2(d) shall cause dissolution of the Partnership and of the agency relationship between the Limited Partners and the General Partner unless the Partnership is continued as provided herein. The Limited Partners may, within a period of ninety (90) days from the occurrence of any of these events, continue the business of the Partnership on the same terms as this Agreement and with a new general partner elected by the affirmative vote of all of the Limited Partners; provided, however, if the last remaining General Partner is removed, then the vote of Limited Partners holding a majority of the interests held by Limited Partners and their Assignees shall be sufficient to elect a new General Partner and continue the business. Expenses incurred in the continuation, or attempted continuation, of the Partnership shall be deemed expenses of the Partnership.

3.4 Distribution on Dissolution. Upon dissolution, if the Partnership is not continued, the business of the Partnership shall be wound up by the General Partner, unless the dissolution is pursuant to Section 3.2(d) in which event the Limited Partner(s) shall wind up the Partnership's affairs, and the Partnership shall be liquidated in accordance with Section 7.3.

3.5 Recourse to Assets. The Limited Partners shall look solely to the assets of the Partnership for the return of their capital contributions or returns thereon. If the assets remaining after the payment or discharge of the debts and liabilities of the Partnership are insufficient to return the Limited Partner's capital contributions or returns thereon, the

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Limited Partners shall have no recourse against the General Partner.

SECTION 4. MANAGEMENT.

4.1 Control in General Partner. Except as otherwise expressly stated in this Agreement, the General Partner shall have exclusive control over the business of the Partnership, and shall have all rights, power and authority generally conferred by law or necessary, advisable or consistent with accomplishing the purpose of the Partnership. A third party may rely upon any document executed by the General Partner as authorized by the Partnership unless they have actual notice of any lack of authority. Without limiting the generality of the foregoing, the General Partner has the right, subject to applicable voting rights of the Limited Partners,

(a) To acquire, improve and own the Property and any other property or assets that the General Partner determines is necessary or appropriate or in the best interests of the business of the Partnership, and to acquire options for the purchase of any such property with the required vote of the Limited Partners;

(b) To supervise the development and construction of improvements to the Property;

(c) To borrow money and, to secure any such borrowing, to mortgage, pledge or otherwise encumber any and all assets of the Partnership, including the Property and the rights of the Partnership under any agreements;

(d) To cause to be paid all amounts due and payable by the Partnership to any person and to collect all amounts due to the Partnership;

(e) To employ such agents, employees, managers, accountants, attorneys, consultants and other persons, including itself and its Affiliates, necessary or appropriate to carry out the business and affairs of the Partnership, whether or not any such persons so employed are affiliated or related to any Partner, and to pay such fees, expenses, salaries, wages and other compensation to such persons as the General Partner shall in its sole discretion determine, except that any compensation paid to Affiliates of any Partner shall be as provided in Section 8 or shall be reasonable and on terms not less favorable to the Partnership than those available from persons who are not Affiliates of any Partner;

(f) To pay, extend, renew, modify, adjust, submit to arbitration, prosecute, defend or compromise, upon such terms as it may determine and upon such evidence as it may deem

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sufficient, any obligation, suit, liability, cause of action or claim, including taxes, either in favor of or against the Partnership;

(g) To pay any and all reasonable fees and to make any and all reasonable expenditures which the General Partner, in its sole discretion, deems necessary or appropriate in connection with the organization of the Partnership, the management of the affairs of the Partnership, and the carrying out of its obligations and responsibilities under this Agreement and the Act, and to enforce all rights of the Partnership;

(h) To sell, exchange, lease, or otherwise dispose of the Property and other assets owned by the Partnership, or any part thereof, or any interest therein subject to the required vote of the Limited Partners;

(i) To file applications, to communicate and otherwise deal with any and all governmental agencies having jurisdiction over, or in any way affecting, the Property or any part thereof or any other aspect of the Partnership business;

(j) To make or revoke any election afforded to the Partnership by any taxing authority;

(k) To maintain such insurance coverage for public liability, fire and casualty, and any and all other insurance necessary or appropriate to the business of the Partnership, in such amounts and of such types, as the General Partner shall determine from time to time, provided such insurance is available on terms which the General Partner deems reasonable;

(l) To apply, in accordance with the provisions of this Agreement, any insurance proceeds for the Property to the restoration of the Property or to distribute the same;

(m) To enter into listing agreements or other agreements with Affiliates or third party brokers with regard to the leasing, marketing and disposition of the Property or any other Partnership assets;

(n) To guarantee the payment of money or the performance of any contract or obligation by any person, firm or corporation on behalf of the Partnership;

(o) To admit an Assignee as Substituted Limited Partner, pursuant to and subject to the terms of Section 12.5;

(p) To cause to be paid any and all taxes, charges and assessments that may be levied, assessed or imposed

upon any of the assets of the Partnership, unless the same are contested by the General Partner in good faith;

(q) To establish and maintain, one or more accounts for the Partnership in such financial institutions as the General Partner may from time to time determine;

(r) To establish and maintain such reserves as the General Partner determines are reasonably necessary or appropriate;

(s) To make distributions periodically to the Partners in accordance with the provisions of this Agreement;

(t) To engage in any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with or convenient or incidental to the accomplishment of the purposes of the Partnership, so long as such activities and contracts may be lawfully carried on or performed by a partnership under applicable law;

(u) To refuse to consent to the transfer of a Partner's interest in the Partnership if such transfer would result in the termination of the Partnership under Section 708 of the Code, or if such transfer would constitute a violation of any rule, law, or securities regulation;

(v) To submit to the vote of the Partners any matter which the General Partner determines is appropriate for Partners' approval; and

(w) Upon the vote of the Partners as provided herein, to terminate and dissolve the Partnership.

(x) WITHOUT LIMITING THE RIGHTS OF THE GENERAL PARTNER OUTLINED IN THIS AGREEMENT, IT IS UNDERSTOOD AND AGREED BY ALL LIMITED PARTNERS OF THE PARTNERSHIP THAT THE GENERAL PARTNER HAS THE RIGHT WITHOUT CONSENT OR APPROVAL OF ANY LIMITED PARTNER TO SELL, EXCHANGE, OR OTHERWISE DISPOSE OF THE PROPERTY AND OTHER ASSETS OWNED BY THE PARTNERSHIP, OR ANY PART THEREOF, OR ANY INTEREST THEREIN WITHIN THE FIRST THREE YEARS OF THE EXECUTION OF THIS AGREEMENT.

4.2 Limitation on General Partner's Authority. The General Partner shall not have authority to:

(a) Do any act in contravention of this Agreement or knowingly refrain from doing any act required by this Agreement;

(b) Do any act which would make it impossible to carry on the business of the Partnership;

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(c) Possess Partnership assets or property, or assign the rights in specific Partnership assets or property, for other than a Partnership purpose;

(d) Perform any act that would subject the Limited Partners to liability as general partners in any jurisdiction, or knowingly refrain from performing any act if such failure would subject the Limited Partner to liability as general partners in any jurisdiction;

(e) Confess a judgment against the Partnership which would make it impossible to carry on the business of the Partnership; or

(f) Except as otherwise provided herein, amend this Agreement without the required approval of the Limited Partners.

(g) Acquire or sell any of Partnership's properties in any manner except as set forth in the above 4.1 (a) and 4.1 (h).

4.3 Duties of the General Partner.

(a) The General Partner shall take all actions which may be necessary or appropriate for the carrying out of the purposes of the Partnership, for the continuation of the Partnership's existence as a limited Partnership under the Act, and to preserve the limited liability of the Limited Partners.

(b) The General Partner shall prepare or cause to be prepared and shall file on or before the due date (or any extensions thereof) any and all federal, state and local tax returns required to be filed by the Partnership. The General Partner shall cause the Partnership to pay any taxes payable by the Partnership.

(c) The General Partner shall not be obligated to devote full time to the affairs of the Partnership, but shall devote a reasonable amount of time as necessary to managing the Partnership business and performing the General Partner's duties.

(d) If the Partnership has more than one General Partner and one of the General Partners retires, withdraws or dies, or becomes bankrupt, or is dissolved, the remaining General Partner(s) shall continue the business of the Partnership.

4.4 Indemnification of General Partner. The Partnership shall indemnify and save harmless the General Partner and its agents, from any liability, claims, judgments or damages incurred by reason of any act performed or omitted to be performed by the General Partner in connection with the business of the

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Partnership, including attorneys' fees incurred by the General Partner in connection with the business of the Partnership or with the defense of any action based on any such act or omission, including liabilities under federal and state securities laws if such indemnification is permitted by law. In the event of any action by a Limited Partner against the General Partner, including a partnership derivative suit, the Partnership will indemnify, save harmless and pay all expenses of the General Partner, and its agents, including attorneys' fees incurred in the defense of said action, if the General Partner is successful in said action. Notwithstanding the foregoing, neither the General Partner nor its agents shall be indemnified or relieved from any liability for fraud, bad faith or willful misconduct. All judgments against the Partnership and the General Partner, wherein the General Partner is entitled to indemnification, must first be satisfied from Partnership assets before the General Partner shall be responsible for these obligations.

4.5 Investment Opportunities. Neither the General Partner, the Limited Partners, nor any of their Affiliates shall be obligated to present any particular investment opportunity to the Partnership, even if the opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership, and each shall have the right to take for its own account or to recommend to others any investment opportunity. The General Partner may engage in or possess an interest in other ventures of every nature and description, independently or with others, including but not limited to development and sale of real or personal property which are in competition with the Partnership and neither the Partnership nor the Partners shall have any right by virtue of this Agreement or otherwise in and to such ventures or the income or profits therefrom.

SECTION 5. CAPITAL CONTRIBUTIONS.

5.1 Initial Capital Contributions. Within five (5) days after request of the General Partner, the Partners shall contribute to the Partnership the amount set forth below in cash and/or property in exchange for the Partnership interest set forth below:

Partner	Percentage Interest in the Partnership	Contribution
General Partner		
Action Investment Group, Inc.	1	$ 23,000.00
Limited Partners:		
The Continental Group	25	$ 575,000.00
Namvar, Bilal	25	575,000.00
Kianmahd, Behzad	11	253,000.00

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Yamini, Mousa	11	253,000.00
Separzadeh, Mayer	10	230,000.00
York, David	7	161,000.00
Mehrara, Ramin	5	115,000.00
Mottavasell, Masud	5	115,000.00
Total :	100%	$2,300,000.00

5.2 Loans. The General Partner, from time to time and in its reasonable judgment, may obtain loans from third parties to meet operating expenses and capital expenditures of the Partnership which loans may be unsecured or secured by all or a portion of Partnership assets.

5.3 Capital Calls.

(a) In addition to the Initial Capital Contribution, each Limited Partner agrees to contribute to the Partnership an amount not to exceed One Hundred and Fifty Percent of such Limited Partners Initial Capital Contribution, within thirty (30) days after the date of a written notice from the General Partner, if the General Partner, in its sole discretion, determines that such additional contribution is necessary to carry out the business of the Partnership. Notwithstanding any provision to the contrary, the Limited Partners shall not be required to contribute more than 200% of their initial capital contribution;

(b) If any Limited Partner fails to make the required additional capital contribution (the "Delinquent Partner") within 15 days of when due, the General Partner at its sole discretion and without vote or approval of the Limited Partners, may invoke the Voluntary Contribution Procedure as set forth herein. The General Partner shall invoke the Voluntary Contribution Procedure by giving notice (the "Voluntary Contribution Notice") to all Partners other than the Delinquent Partner (the Nondelinquent Partners"), with a copy to the delinquent Partner. The Voluntary Contribution Notice shall state the following: (i) the balance of the delinquent contribution on the date of such notice; and (ii) the portion of such delinquent contribution that each Nondelinquent Partner may contribute hereunder. Each Nondelinquent Partner shall be entitled to contribute an amount up to that portion of the delinquent contribution that corresponds to the ratio that its Partnership Interest bears to the Partnership Interest of all Nondelinquent Partners. In the event the Nondelinquent Partners do not elect to contribute the full amount of the delinquent contribution, then the General Partner may, in its sole discretion, permit other Nondelinquent Partners to contribute all or any portion of such remainder. Upon making of any voluntary contribution the Nondelinquent contributing Partner shall be entitled to an increase in its Partnership Interest and the Delinquent Partner's Partnership Interest shall be decreased by the exact same amount.

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By way of an example, assume the Partnership has four (4) partners each holding 25% interest in the total original capital contribution of $100,000. Assume further that an additional capital contribution of $100,000 is required of all Partners and Partner 1 refuses to make the contribution. None of the partners, other than Partner 2, are willing to voluntarily contribute the delinquent amount. Partner 2 agrees to contribute in place of Partner 1. After Partner 2 makes the additional contribution, his interest in the Partnership shall equal to 37.50% (($25,000.00 initial contribution plus $25,000 additional contribution plus $25,000.00 contribution made in place of Partner 1) divided by total contributions of $200,000). By failing to make the contribution, Partner 1's interest in the Partnership shall equal to 12.5%. Partner 3 and Partner 4 have maintained their 25% interest in the Partnership.

IF THE GENERAL PARTNER ELECTS THIS REMEDY, THE PARTNERS AGREE THAT THE REDUCTION IN INTEREST OF THE DELINQUENT LIMITED PARTNER IS AN APPROPRIATE AMOUNT OF LIQUIDATED DAMAGES FOR THE DELINQUENCY. THE PARTNERS ACKNOWLEDGE THAT DETERMINING THE ACTUAL DAMAGES NOW OR AT THE TIME OF DELINQUENCY WOULD BE EXTREMELY DIFFICULT, AND THE REMEDIES IN THIS SECTION REPRESENT A REASONABLE LIQUIDATED DAMAGE ALLOWANCE FOR THE FAILURE TO MAKE AN ADDITIONAL CAPITAL CONTRIBUTION WHEN REQUIRED, EVEN THOUGH THE FOREGOING REMEDY MAY RESULT IN THE DELINQUENT PARTNER'S DEPRIVATION OF PARTICIPATION IN ANY APPRECIATION OR DEPRECIATION, WHICHEVER AS THE CASE MAY BE.

(c) The Provisions set forth in Section 5.3 (a) and (b) shall be enforceable solely by and for the Partnership by the General Partner in its sole discretion and without vote or approval of the Limited Partners, and shall not be enforceable by or construed to confer any rights upon any third party or any successor in interest or trustee of the current General Partner.

SECTION 6. CAPITAL ACCOUNTS.

6.1 Capital Account. A Capital Account shall be maintained for the General Partner and each Limited Partner. In determining each person's Capital Account balance for purposes of this Agreement, the following rules shall apply:

(a) The Capital Account of the General Partner and each Limited Partner shall be increased by the amount of cash and the fair market value of any property contributed by such person to the Partnership (net of liabilities secured by such property that the Partnership is considered to assume or take subject to under Section 752 of the Code) and the amount of any Net Income allocated to such person, and shall be decreased by the amount of Distributions made to such person and the amount of any net Loss allocated to such person.

(b) To the extent that Partnership property is reflected in the Capital Accounts and on the books of the Partnership at a book value that differs from the adjusted tax basis of such property, the Capital Accounts shall be adjusted in accordance with Treasury Regulations section 1.704-1(b)(2)(iv)(g) for allocations to them of depreciation, depletion, amortization, and gain or loss, as computed for book purposes, with respect to such property.

(c) Each person's Capital Account shall be reduced to the extent of adjustments, allocations or distributions described in subparagraphs (4), (5) and (6) of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) which are reasonably expected as of the end of the taxable year.

(d) In the event any interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest, except as otherwise provided in Treasury Regulations Section 1.704-1(b)(2)(iv)(l) and (m).

(e) The foregoing provisions and any other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

6.2 Valuation of Partnership Assets. The book values of all Partnership assets shall be adjusted to equal their respective fair market values (taking Code Section 7701(g) into account), as reasonably determined by the General Partner, upon the occurrence of any of the following events: (i) a contribution of money or property (other than a de minimis amount) to the Partnership by a new or existing Partner as consideration for an interest in the Partnership; (ii) a distribution of money or property (other than a de minimis amount) by the Partnership to a Partner as consideration for an interest in the Partnership; and (iii) the liquidation of the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g). Any such adjustments shall be reflected by corresponding adjustments to the Capital Accounts which reflect the manner in which the unrealized income, gain, loss, or deduction inherent in such property (that has not been reflected in the Capital Accounts previously) would be allocated among the Partners if there were a taxable disposition of such assets for such fair market values.

6.3 Determining Net Income and Net Loss. For the purpose of maintaining the Capital Accounts, but not for computation of tax, "Net Income" and "Net Loss" shall mean, for each taxable year or other period, an amount equal to the Partnership's taxable income or loss for such year or period,

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determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income that is exempt from federal income tax shall be added to the Partnership's gross income;

(b) Any expenditures of the Partnership described in Code Section 705(a)(2)(b) (or treated by Treasury Regulations as if described in that section) shall be treated as a deduction of the Partnership;

(c) Gain or loss from any disposition of Partnership property shall be computed with reference to the book value of the property if its book value differs from its adjusted tax basis;

(d) If the book value of any Partnership property differs from its adjusted tax basis, depreciation, amortization, or other cost recovery deductions with respect to the property shall be computed with reference to the book value; and

(e) Such other adjustments which the General Partner determines are necessary to comply with Treasury Regulations Section 1.704-(b) shall be made.

SECTION 7. ALLOCATION OF NET INCOME, NET LOSS AND DISTRIBUTIONS.

7.1 Allocation of Net Income or Net Loss. Except as otherwise provided, Net Income or Net Loss for any fiscal year shall be allocated among the Partners in proportion to their Invested Capital in the Partnership at the time of allocation. Invested Capital is defined in Section 1.13.

7.2 Non-Liquidating Distributions. Except as otherwise provided in Section 7.3 hereof, Cash Available for Distribution shall be distributed, at such time as the General Partner shall determine, and in proportion to each Partner's Invested Capital in the Partnership.

7.3 Liquidating Distributions.

(a) Upon a dissolution of the Partnership pursuant to Section 3.2 of this Agreement, or upon liquidation of the Partnership as such term is defined in Treasury Regulations Section 1.704-1(b)(2)(ii)(g), the General Partner shall take full account of the Partnership's assets and liabilities and the assets shall be liquidated as promptly as is consistent with obtaining the fair market value thereof, and the proceeds therefrom, to the extent

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sufficient, shall be applied and distributed in the following order:

(i) To the payment and discharge of all the Partnership's debts including expenses of the liquidation, but excluding loans made by the General Partner to the Partnership and debts to secured creditors whose obligations will be assumed or otherwise transferred on the liquidation of such assets;

(ii) To a deposit in a trust account of a reasonable reserve for payment of contingent liabilities and expenses;

(iii) To the repayment of any outstanding loans made by the General Partner to the Partnership; and

(iv) The balance, if any, in proportion to the General Partner's positive Capital Account balances as of the date of such distribution, as determined after taking into account all Capital Account adjustments for the Partnership taxable year during which such liquidation occurs. Such distributions shall be made by the end of the taxable year in which the liquidation occurs or, if later, within 90 days after the date of such liquidation. After passage of a reasonable time and payment of any contingencies arising in that time, the balance remaining in the trust account shall be distributed to the General Partner and Limited Partner in the same manner.

(b) Upon the liquidation of a Partner's interest in the Partnership, liquidating Distributions to such person shall be in the amount equal to the positive balance in such person's Capital Account, as determined after taking into account all Capital Account adjustments for the Partnership taxable year during which such liquidation occurs, and such Distributions shall be made by the end of the taxable year in which such liquidation occurs or, if later, within 90 days after the date of such liquidation.

(c) If a Partner has a deficit balance in its Capital Account following the liquidation of its interest in the Partnership, as determined after taking into account all Capital Account adjustments for the Partnership taxable year during which such liquidation occurs (other than those made pursuant to this Section) the General Partner shall be unconditionally obligated to restore the amount of such deficit balance to the Partnership by the end of such taxable year (or, if later, within 90 days after the date of such liquidation), which amount shall, upon liquidation of the Partnership, be paid to creditors of the Partnership or distributed to other Partners in accordance with their positive Capital Account balances.

7.4 Distribution in Kind. If any asset of the Partnership is to be distributed in kind, such asset shall be valued at its fair market value (taking Code Section 7701 (g) into

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account on the date of distribution, and the Capital Accounts shall be adjusted to reflect the manner in which the unrealized income, gain, loss, or deduction inherent in such asset (that has not been reflected in the Capital Accounts previously) would be allocated among the Partners if there were a taxable disposition of such asset at its fair market value on the date of distribution. The persons entitled to interest in such asset shall receive such interests as tenants-in-common with all other persons so entitled. If assets to be distributed include a note or notes, such note or notes may be distributed to the Partners as tenants-in-common, and an installment collection account may be established with a financial intermediary for the collection of such note or notes and disbursement of the proceeds.

SECTION 8. COMPENSATION TO THE GENERAL PARTNER, AFFILIATES AND OTHERS.

8.1 Limits on Compensation. The General Partner and its Affiliates shall receive compensation only as specified in this Agreement.

8.2 Real Estate Sales Commission. As compensation for its efforts in connection with the disposition of any Partnership real property, including the Property, the General Partner shall receive one percent (1%) sales commission on the gross sales price of each property and/or any portion of the property sold.

8.3 Reimbursement of Organization Costs. The General Partner and its Affiliates shall be entitled to reimbursement for costs incurred by them in connection with the organization of the Partnership.

8.5 Property Management Fees. Upon consummation of this transaction, the General Partner shall then be entitled to a management fee equal to five percent (5%) of the Gross Income of such Property. "Gross Income" shall include, but shall not be limited to, rents, common area expense reimbursements, interest or dividend income, refunds from any utility company or the Assessor's Office, and all other income of every type and nature produced by such Property. From the Property Management Fees the General Partner shall pay for all office expenses related to the day-to-day management of the Partnership properties such as routine bookkeeping.

8.6 Lease or Rent Fees: The General Partner shall be entitled to a fee equivalent to one month rent per unit whether said unit is leased or rented through the efforts of General Partner or through any other source.

SECTION 9. PARTNERSHIP COSTS AND EXPENSES. The Partnership shall pay all costs and expenses of the Partnership and all

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expenses of the General Partner relating to the Partnership which may include, but are not limited to: (i) legal, audit, accounting, brokerage, and other fees; (ii) printing and other expenses and taxes incurred in connection with the issuance, distribution, transfer and recording of documents evidencing ownership of an interest in the Partnership or in connection with the business of the Partnership; (iii) fees and expenses paid to independent contractors, mortgage bankers, brokers and services, leasing agents and consultants; (iv) costs, expenses, taxes and assessments in connection with the development, construction, management, disposition, replacement, alteration, repair, remodeling, refurbishment, leasing, refinancing, ownership and operation of any Partnership Property including the Property; (v) the cost of insurance as required in connection with the business of the Partnership; (vi) expenses of converting or terminating the Partnership; (vii) expenses of revising, amending or modifying this Agreement; (viii) expenses in connection with preparing and mailing reports required to be furnished to Partners for tax reporting or other purposes, or which reports the General Partner deems to be in the best interests of the Partnership; (ix) legal fees, costs and expenses incurred in the preparation of this Agreement and the formation of the Partnership; (x) all charges in connection with advertising for leasing, sale, or promotion of the property; (xi) all postal services of any kind whatsoever; and (xii) the cost of hiring one secretary not to exceed $1,500.00 per month for the operation of the office of the property.

SECTION 10. BOOKS AND RECORDS.

10.1 Records. The General Partner shall keep at the Partnership's principal place of business the following Partnership documents:

(a) A current list of the full name and last known business or residence address of each Partner, set forth in alphabetical order, together with contribution and share in profits and losses of each Partner.

(b) A copy of the Certificate of Limited Partnership and all Certificates of Amendment, and executed copies of any powers of attorney pursuant to which any certificate has been executed.

(c) Copies of the Partnership's federal, state and local income tax or information returns and reports, if any for the six most recent taxable years.

(d) Copies of the original Agreement and all amendments to the Agreement.

(e) Financial statements of the Partnership for the six most recent fiscal years.

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(f) The Partnership's books and records as they relate to the internal affairs of the Partnership for at least the current and past three (3) fiscal years.

10.2 Delivery to Limited Partners and Inspection.

(a) Upon the request of a Limited Partner, the General Partner shall promptly deliver to the requesting Limited Partner, at the expense of the Partnership, a copy of the information required to be maintained by Subsection 9(a), (b) or (d).

(b) Each Limited Partner has the right, upon reasonable request, to each of the following:

(i) Inspect and copy during normal business hours any of the Partnership records required to be maintained by Section 10.2.

(ii) Obtain from the General Partner, promptly after becoming available, a copy of the Partnership's federal, state and local income tax or information returns for each year.

(c) The General Partner shall send to each Limited Partner within seventy-five (75) days after the end of each taxable year a copy of the Partnership's federal, state and local income tax or information returns for the year, a Schedule K-1 and California Schedule K-1 equivalent, together with a statement showing the Capital Account of the Limited Partner, the Distributions to the Limited Partner and the amount thereof reportable for state and federal income tax purposes.

(d) The General Partner shall promptly furnish to a Limited Partner a copy of any amendment to this Agreement that is executed by the General Partner pursuant to a power of attorney from the Limited Partners:

(e) If the Partnership has more than thirty-five (35) Limited Partners:

(i) The General Partner shall cause an annual financial report to be sent to each Limited Partner not later than one hundred twenty (120) days after the close of each fiscal year, and that financial report shall contain a balance sheet as of the end of the fiscal year, and an income statement, and statement of changes in financial position for the fiscal year;

(ii) Limited Partners representing at least five percent (5%) of the outstanding Partnership interests held by the Limited Partners may make a written request to the General Partner for an income statement of the Partnership for the initial three (3) month, six (6) month or nine (9) month period of the

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current fiscal year ended more than thirty (30) days after the request; and

(iii) The financial statements referred to in this Section shall be accompanied by a report, if any, from the independent accountant engaged by the Partnership. If there is no report, the financial statements shall be accompanied by the certificate of the General Partner stating that the financial statements were prepared without audit from the books and records of the Partnership.

10.3 Tax Returns. The Partnership's tax and fiscal year shall be the calendar year. The Partnership's accountant shall be instructed to prepare and file all required income tax returns for the Partnership. The General Partner shall be the Tax Matters Partner for purposes of Code Section 6231 (a) (7).

SECTION 11. RIGHTS OF THE LIMITED PARTNERS.

11.1 No Management and Control. Except as otherwise provided in Section 11.2, Limited Partners shall take no part in the control, conduct or operation of the Partnership and shall have no right or authority to act for or bind the Partnership including during the winding up period following dissolution of the Partnership. However, if no General Partner remains and the Partnership has been dissolved, the Limited Partners may act for and bind the Partnership during the winding up period.

11.2 Approval. Limited Partners shall have the right to approve or disapprove only the matters set forth in this Agreement, including the matters set forth below. Except as otherwise provided in this Agreement, matters on which the Limited Partners may vote shall require the approval of the Limited Partners holding a majority of the total outstanding interest in the Partnership.

(a) Election of a successor General Partner, which shall require the applicable percentage of the voting power set forth in Section 3.3;

(b) Amendment of the Partnership Agreement, which shall require the consent of the General Partner and the approval of a majority of the total outstanding interests held by the Limited Partners, provided, that the General Partner shall have the power to amend this Agreement in accordance with Section I2.4;

(c) Approval of the assignment of the General Partner's interest in the Partnership;

(d) The dissolution of the Partnership, which shall require the vote of the Partners set forth in Section 3.2(a).

(e) Removal of the General Partner, which shall

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require the vote of the Partners set forth in Section 13.

(f) Acquisition of any real property by the Partnership in accordance with Section 4.1(a), which shall require the consent and approval of the General Partner.

(g) Sale or other disposition of Partnerships real properties including the Property in accordance with Section 4.1(h), which shall require the consent and approval of the General Partner.

(h) Such other matters as the General Partner may from time to time elect to submit to the vote of the Limited Partners, provided, that the General Partner shall not be obligated to submit any matter to the vote of the Limited Partners except as otherwise provided in this Agreement.

11.3 Limitations. No Limited Partner shall have the right or power to: (i) withdraw or reduce its Invested Capital except as a result of the dissolution of the Partnership or as otherwise provided by law or as expressly provided in this Agreement; (ii) bring an action for partition against the Partnership; (iii) cause the termination and dissolution of the Partnership; (iv) demand or receive property other than cash in connection with any distribution (but nothing contained herein shall preclude the General Partner from distributing property other than cash so long as each Limited Partner receives no more than its pro rata share of the value of the property so distributed); or (v) receive interest on its Invested Capital during the term of the Partnership. No Limited Partner shall have priority over any other Limited Partner either as to the return of Invested Capital or as to Tax Items or Distributions. Other than upon dissolution of the Partnership as provided by this Agreement, there has been no time agreed upon when the contribution of each Limited Partner may be returned.

11.4 Meetings of Partners.

(a) The Partners hereby waive the provisions of Section 15637 of the Act, regarding meetings of partners, and agree that only the General Partner shall have the power to call a meeting. Should the General Partner elect to call a meeting, a written notice of the meeting shall be given not less than ten (10) nor more than (60) days before the date of the meeting to each Partner entitled to vote at the meeting. The notice shall state the place, date and hour of the meeting and the general nature of the business to be transacted, and no other business may be transacted.

(b) Any action which may be taken at any meeting of the Partners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by

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Partners having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all entitled to vote there on were present and voted. In the event the Limited Partners are required to consent on a matter without a meeting, each meeting, each Partner shall be given notice of the matter to be voted upon in the same manner as described in subdivision (a).

SECTION 12. TRANSFERS OF LIMITED PARTNERSHIP INTERESTS.

12.1 Assignment of Limited Partner Interest. Except as provided in this Section, a Limited Partner may not sell, transfer, pledge or otherwise dispose of all or any part of its interest in the Partnership, unless all of the conditions set forth in this Section have been satisfied.

(a) A Limited Partner may, without necessity of approval by the Partnership or the General Partner, assign all or any part of its Partnership interest (i) by will or intestate transfer (whether outright or in trust) to any person, (ii) to a trustee for the benefit of such Limited Partner or such Limited Partner and its spouse, or (iii) pursuant to a property settlement agreement or court order in connection with a dissolution of the marriage of such Limited. If a Limited Partner ("Offering Partner") desires to sell or offer to sell all or any part of its Partnership interest other than in a transaction permitted pursuant to the preceding sentence, such interest shall first be offered for sale in writing to all the Partners at the same price and other terms on which the Limited Partner is willing to sell such interest to a third party (whether or not such third party shall have been ascertained). The Offering Partner shall deliver to the General Partner, a notice containing a copy of the written agreement concerning the proposed transfer, and if not in writing, then a written notice identifying the proposed purchaser(s), and stating the price, terms, and conditions of such proposed sale or transfer, the percentage of interest to be sold or transferred, and its intention to sell or transfer such interest ("Notice of Sale"). The General Partner shall then offer the interest to all other Partners by forwarding a copy of the Notice of Sale to all other Partners. The Partners may accept the offer in proportion to their respective interests. If the Partners accept such offer, the sale of the interest offered to the Partners pursuant thereto shall be closed within thirty (30) days after such acceptance. If the Partners do not accept such offer, the interest offered to the Partners may be sold to any third party, but not at a price lower than the price offered to the Partners or on terms more favorable to the purchaser than those offered to the Partners.

(b) No assignment or transfer shall be made if, in the opinion of counsel to the Partnership, such assignment may (i) result in the termination of the Partnership for purposes of Section 708 of the Code, or any successor or similar provision, or

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jeopardize the status of the Partnership as a partnership for federal income tax purposes; or (ii) result in significant reassessment of the property taxes.

(c) No such assignment or transfer shall be made if, in the opinion of counsel to the Partnership, such assignment may not be effected without registration under the Securities Act of 1933, as amended, or would result in the violation of any applicable laws or governmental rules or regulations, including without limitation, federal or state securities laws.

(d) No interest in the Partnership may be sold, transferred or assigned to a qualified pension, profit sharing or stock bonus plan, a keogh plan, an individual retirement account, or any other trust or plan subject to Section 4975 of the Code.

(e) No such assignment or transfer shall become effective until the General partner has received all documents and instruments that the General Partner may deem necessary or desirable with respect to the assignment and the fee described in Section 12.5 (d).

12.2 Death or Incapacity of a Limited Partner. Upon the death or legal incompetency of an individual Limited Partner, its personal representative shall have all the rights of a Limited Partner (subject to any obligations of the Limited Partner to the Partnership) for the purpose of settling or managing its estate, and such power as the descendent or incompetent possessed to constitute a successor as an Assignee of its interest in the Partnership and to join with such Assignee in making application to substitute such Assignee as a Limited Partner.

12.3 Bankruptcy or Dissolution of a Limited Partner. Upon the bankruptcy, insolvency, dissolution or other cessation to exist as a legal entity of a Limited Partner not an individual, the authorized representative of such entity shall have all of the rights of a Limited Partner (subject to any obligation of the Limited Partner to the Partnership) for the purpose of effecting the orderly winding up and disposition of the business of such entity and such power as such entity possessed to constitute a successor as an Assignee of its interest in the Partnership and to join with such Assignee in making application to substitute such Assignee as a Limited Partner.

12.4 Assignee's Rights.

(a) An Assignee of a Limited Partner's interest shall be entitled to receive Distributions and allocations of Tax Items attributable to the interest after the effective date of the assignment. The effective date of an assignment shall be the later of (i) the date of receipt and acceptance by the General Partner of the written notice of the assignment and all other documents

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required under Section 11.1, or (ii) such later date as may be specified in the notice of assignment.

(b) An Assignee shall be entitled to become a substituted Limited Partner upon the terms and conditions set forth in Section 11.5. Unless and until an Assignee becomes a substituted Limited Partner in accordance with the provisions of Section 11.5, it shall not be entitled to any of the rights granted to a Limited Partner under this Agreement other than the rights granted to the Assignee under Subsection (a) of this Section 11.4.

(c) The Partnership and the General Partner shall be entitled to treat the record owner (as reflected on the books of the Partnership) of any Partnership interest as the absolute owner thereof in all respects, and shall incur no liability for Distributions made in good faith to such owner until such time as a written assignment of such interest has been received by the General Partner and recorded on the books of the Partnership. In no event shall any Partnership interest be sold, transferred or assigned to an incompetent or a minor (unless to a custodian or trustee or other fiduciary for the benefit of such minor).

(d) Any purported assignment of an interest in the Partnership which is not in compliance with this Agreement is hereby declared to be null and void and of no force or effect whatsoever. For purposes of this section, any transfer of an interest, whether voluntary or by operation of law, shall be considered an assignment.

(e) In no event shall the assignor of an interest be released from the assignor's liabilities to the Partnership, if any, under sections 15622(d), 15652 and 15666 of the Act.

12.5 Substitute Limited Partner. An Assignee of a Limited Partner's interest may become a Limited Partner on satisfaction of the following conditions:

(a) The filing with the Partnership of a duly executed written instrument of assignment in a form approved by the General Partner specifying the interest being assigned and setting forth the intention of the assignor that the Assignee succeed to the assignor's interest as a Limited Partner with respect to such interest;

(b) The execution and acknowledgment by the assignor (except in the case of an assignment occurring by will, intestate succession, or otherwise by operation of law) and Assignee of any other instruments reasonably required by the General Partner, including the acceptance and adoption by the Assignee of the provisions of this Partnership Agreement;

(c) The obtaining of the written consent of the

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General Partner, the granting or denial of which shall be within the absolute discretion of the General Partner; and

(d) The payment by the assignor or the Assignee of all reasonable expenses, including attorneys' fees, incurred by the Partnership in connection with the assignment and substitution, and a transfer fee of $ 2,000.00 per assignment payable to the General Partner for processing the assignment.

12.6 Section 754 Election. The General Partner shall not be obligated to file the election provided in Code Section 754 unless (i) the entire amount of a Partner's interest in the Partnership is assigned, (ii) the benefits to the Assignee of the election will be material, and (iii) the Assignee agrees to reimburse the Partnership for any additional accounting costs incurred by the Partnership in accounting for the basis adjustment of the Assignee's interest. The amount of such additional accounting costs shall be determined by the Partnership's accountants and their determination shall be conclusive.

SECTION 13. REMOVAL, BANKRUPTCY, DEATH OR DISSOLUTION OF THE GENERAL PARTNER.

13.1 Removal. A General Partner may be removed from the Partnership only upon the vote of Limited Partners holding Fifty-One percent (51%) of the outstanding interest in the Partnership held by persons other than the General Partner. Notice of removal shall be served on the General Partner either by certified or registered mail, return receipt requested, or by personal service. The notice shall set forth the effective date of the removal. This Section may not be amended without the written consent of the General Partner.

13.2 Conversion of Interest. Except as otherwise provided in Section 13.4, on the Bankruptcy, retirement, death, dissolution, withdrawal or legal incompetency of a General Partner (unless the Partnership is thereby dissolved), the interest of the General Partner in Tax Items and Distributions shall automatically be converted to a Limited Partner interest. In the event of such conversion, the General Partner's interest in Tax Items and Distributions shall be unchanged, but the General Partner shall lose the rights and obligations accorded a general partner under this Agreement and shall assume the rights and obligations of a limited partner hereunder.

13.3 Purchase of Interest Upon Removal. Upon the removal of a General Partner, the General Partner may elect to have its interest converted to a Limited Partner interest, as provided in Section 13.2, or the General Partner may elect to have its interest purchased by the Partnership. If the General Partner elects to have its interest purchased, it shall notify the other partners in writing not later than thirty (30) days following to vote to remove

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it as General Partner. The purchase price shall be equal to the balance of the General Partner's Capital Account, as adjusted to reflect the fair market value of Partnership assets on the date of such removal. Partnership assets shall be valued at their fair market value (taking Code Section 7701(g) into account) on the date of removal, and the Capital Account shall be adjusted to reflect the manner in which the unrealized income, gain, loss, or deduction inherent in such assets (that has not been reflected in the Capital Accounts previously) would be allocated if there were a taxable disposition of such assets for such fair market value on that date. Partnership assets shall be valued as of the date of removal, determined by agreement between the General Partner and Limited Partners holding a majority of the interests of the Limited Partners, or if they cannot agree, by arbitration in accordance with the then current Real Estate Valuation Arbitration Rules of the American Arbitration Association. Within Sixty (60) days after the determination of value of Partnership assets, the Partnership shall pay to the General Partner in cash an amount equal to its Capital Account, as adjusted in accordance with this Section 12.3.

13.4 Assignment by the General Partner. The General Partner's interest in the Partnership may be assigned only with the consent of Limited Partners holding a majority of the interests in the Partnership. Any person or entity to which the General Partner's interest in the Partnership is assigned in compliance with this Section 13.4 shall be substituted as the General Partner upon the execution of appropriate amendments to the Partnership Agreement and the filing of an appropriate amendment to the Certificate of Limited Partnership. The General Partner shall not assign or transfer its interest in the Partnership except as provided in this Section 13.4.

13.5 Liability of Former General Partner. A General Partner who has ceased to be a general Partner shall not be liable for any Partnership obligations incurred after the date of cessation. The successor General Partner(s), if any, shall take such steps as may be necessary to amend the Partnership's Certificate of Limited Partnership in order to reflect the cessation of such former General Partner's status as a general partner. The Partnership shall indemnify and hold such former General Partner harmless from any liabilities incurred after the date such former General Partner ceased to be a general partner.

SECTION 14. SPECIAL POWER OF ATTORNEY.

14.1 Attorney-in-Fact. Each Limited Partner grants to the General Partner a special power of attorney irrevocably making, constituting and appointing the General Partner as the Limited Partner's Attorney-in-Fact, with power and authority to act in its name and on its behalf to execute, acknowledge and swear to in the execution, acknowledgment and filing of documents relating to the Partnership, which shall include, by way of illustration but not of

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limitation, the following:

(a) This Agreement and any amendment to this Agreement, provided that such amendment has been approved in accordance with the terms of this Agreement;

(b) Any instrument or document required to be filed by the Partnership under the laws of any state or by any governmental agency, or which the General Partner elects to file; and

(c) Any instrument or document that may be required to effect the continuation of the Partnership, the admission of an additional or substituted Limited Partner, or the dissolution and termination of the Partnership (provided that the continuation, admission or dissolution and termination are in accordance with the terms of this Agreement).

(d) The General Partner may not use this special power of attorney for the purposes of voting on behalf of the Limited Partners or satisfying the quorum requirements at any meeting of the Partners. The preceding sentence shall not be deemed to limit the General Partner's right to act by proxy granted by any Limited Partner.

14.2 Special Provisions. The special power of attorney being granted by each Limited Partner (i) is a special power of attorney coupled with an interest, (ii) is irrevocable, (iii) shall survive the death or incapacity of the granting Limited Partner, and (iv) is limited to the matters set forth in Section 14.1.

14.3 Signatures. The General Partner may exercise the special power of attorney on behalf of each Limited Partner by a facsimile signature of a General Partner or one of its officers, or by signature of a General Partner or one of its officers acting as an attorney-in-fact for all of the Limited Partners.

SECTION 15. MISCELLANEOUS.

15.1 Amendments. Except as otherwise provided herein, this Agreement may be amended only in writing, approved and signed by the General Partner and approved by the percentage of Limited Partners as specified in this Agreement.

15.2 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The exclusive venue for any legal action concerning this Agreement shall be Los Angeles County, California.

15.3 Severability. If any part of this Agreement is determined to be illegal or unenforceable, all other parts shall be given effect separately and shall not be effected.

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15.4 Gender and Number. As used in this Agreement, the masculine, feminine, or neuter gender, and the singular or plural number, shall each include the others whenever the context so indicates.

15.5 Headings. The titles and headings of the various paragraphs of this Agreement are intended solely for convenience of reference and are not intended to explain, modify or place any interpretation upon any of the provisions of this Agreement.

15.6 Entire Agreement. This Agreement, which includes Exhibits, contains all representations and the entire understanding and agreement between the parties. Correspondence, memoranda or agreements, whether written or oral, originating before the date of this Agreement with respect to the Property, are replaced in total by this Agreement unless otherwise stated.

15.7 Enforcement by Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of any Partner or the Partnership.

15.8 Notices. Any notice to any of the Partners required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the second day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and addressed to the General Partner or to the Limited Partners at the addresses shown below their names, or such other addresses as may be provided pursuant to this Section 15.8 of this Agreement.

15.9 Counterpart Copies. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

IN WITNESS WHEREOF, the Partners have signed this Agreement effective as of the date set forth above.

GENERAL PARTNER:

ACTION INVESTMENT GROUP, INC.

By: _____
Mayer Separzadeh

LIMITED PARTNERS

THE CONTINENTAL GROUP

By: Edward Lavi
Edward Lavi

By: Edmond Lavi
Edmond Lavi

_____
Eilel Namvar

_____
Behzad Kianmahd

15.4 Gender and Number. As used in this Agreement, the masculine, feminine, or neuter gender, and the singular or plural number, shall each include the others whenever the context so indicates.

15.5 Headings. The titles and headings of the various paragraphs of this Agreement are intended solely for convenience of reference and are not intended to explain, modify or place any interpretation upon any of the provisions of this Agreement.

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15.9 Counterpart Copies. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

IN WITNESS WHEREOF, the Partners have signed this Agreement effective as of the date set forth above.

GENERAL PARTNER:

ACTION INVESTMENT GROUP, INC.

By: _____
Mayer Soparzadeh

LIMITED PARTNERS

THE CONTINENTAL GROUP

Edward Lavi

By: Edward Lavi

By: Edmond Lavi

_____
Behzad Kianmahd

Mousa Yamini

Mayer Separzadeh

David York

Ramin Mehrara

Ramin Mehrara

Masud Mottavasell

Masud Mottavasell

BK EL

EL R.M. M.M

Exhibit A

List of Limited Partners and their Successors

Limited Partner	S.S. #	Successor-in-interest	S.S. #
Kianmahd, Behzad	[redacted]	Kianmahd, Orna	[redacted]
Lavi, Edward		Lavi, Edmond	
Mehrara, Ramin		Mehrara, Elham	
Mottavaseli, Masud		Yamini, Yara	
Namvar, Eilel		Namvar, Houshang	
Separzadeh, Mayer		Separzadeh, Annette	
Yamini, Mousa		Yamini, Ebrahim	
York, David		York, Mojgan K.	

E.L.

Exhibit B

Legal Description

Lots, 68, 69, 70, 71, 72, 73, 74, 75, and the West half of Lot 76 of Wilshire-Harvard Heights Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 8, Page 113 of Maps, in the Office of the County Recorder of said county.

The property is commonly known as [redacted].

EL

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, state bar number, and address):

CAROL STERNBERG, ESQ., SBN 122078
LAW OFFICES OF CAROL STERNBERG
16530 VENTURA BOULEVARD, SUITE 605
ENCINO, CA 91436
TELEPHONE NO.: (818) 907-9924 FAX NO.: (818) 907-9620
ATTORNEY FOR (Name): Respondent, SIGAL LAVI

FOR COURT USE ONLY

FL-18

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
STREET ADDRESS: 900 THIRD STREET
MAILING ADDRESS: SAME
CITY AND ZIP CODE: SAN FERNANDO, CA 91340
BRANCH NAME: NORTH VALLEY

ORIGINAL FILED
JUL 22 2004
LOS ANGELES SUPERIOR COURT

MARRIAGE OF
PETITIONER: EDWARD LAVI
RESPONDENT: SIGAL LAVI

CASE NUMBER: PD 032664

JUDGMENT

[X] Dissolution [ ] Legal separation [ ] Nullity
[ ] Status only
[ ] Reserving jurisdiction over termination of marital status
[ ] Judgment on reserved issues

Date marital status ends: JUL 22 2004

1. [X] This judgment [X] contains personal conduct restraining orders [ ] modifies existing restraining orders. The restraining orders are contained on page(s) 11 & 12 of attachment. They expire on (date): 11/25/04

2. This proceeding was heard as follows: [X] default or uncontested [ ] by declaration under Fam. Code, § 2336
[ ] contested
a. Date: 12/17/02 Dept.: K Rm.:
b. Judicial officer (name): PATRICIA ITO
c. [X] Petitioner present in court [X] Temporary judge
d. [X] Respondent present in court [ ] Attorney present in court (name):
e. [ ] Claimant present in court (name): [X] Attorney present in court (name): CAROL STERNBERG, ESQ.
f. [ ] Other (specify name): [ ] Attorney present in court (name):

3. The court acquired jurisdiction of the respondent on (date): 12/02/02
[ ] Respondent was served with process [X] Respondent appeared

4. THE COURT ORDERS, GOOD CAUSE APPEARING:
a. [X] Judgment of dissolution be entered. Marital status is terminated and the parties are restored to the status of unmarried persons
(1) [X] on the following date (specify): JUL 22 2004
(2) [ ] on a date to be determined
b. [ ] Judgment of legal separation be entered.
c. [ ] Judgment of nullity be entered. The parties are declared to be unmarried persons on the ground of (specify):
d. [ ] This judgment will be entered nunc pro tunc as of (date):
e. [ ] Judgment on reserved issues.
f. [ ] Wife's [ ] Husband's former name be restored (specify):
g. [X] Jurisdiction is reserved over all other issues and all present orders remain in effect except as provided below.
h. [X] This judgment contains provisions for child support or family support. Both parties must complete and file with the court a Child Support Case Registry Form (form FL-191) within 10 days of the date of this judgment. The parents must notify the court of any change in the information submitted within 10 days of the change by filing an updated form. The form Notice of Rights and Responsibilities and Information Sheet on Changing a Child Support Order (form FL-192) is attached.

EXHIBIT
Respondent's
A
3-23-06
PENGAD 800-631-6989

MARRIAGE OF (last name, first name of parties):
EDWARD LAVI AND GAL LAVI

CASE NUMBER:
PD 032664

4. i. [ ] A marital settlement agreement between the parties is attached.
j. [X] A written stipulation for judgment between the parties is attached.
k. [X] Child custody and visitation is ordered as set forth in the attached

[X] Marital settlement agreement, stipulation for judgment, or other written agreement.
[ ] *Child Custody and Visitation Order Attachment* (form FL-341)
[ ] Other *(specify)*:

l. [X] Child support is ordered as set forth in the attached

[X] Marital settlement agreement, stipulation for judgment, or other written agreement.
[ ] *Child Support Information and Order Attachment* (form FL-342)
[ ] *Non-Guideline Child Support Findings Attachment* (form FL-342(A))
[ ] *Stipulation to Establish or Modify Child Support Order* (form FL-350)
[ ] Other *(specify)*:

m. [X] Spousal support is ordered as set forth in the attached

[X] Marital settlement agreement, stipulation for judgment, or other written agreement.
[ ] *Spousal or Family Support Order Attachment* (form FL-343)
[ ] Other *(specify)*:

[ ] NOTICE: It is the goal of this state that each party shall make reasonable good faith efforts to become self-supporting as provided for in Family Code section 4320. The failure to make reasonable good faith efforts may be one of the factors considered by the court as a basis for modifying or terminating spousal support.

n. [ ] Parentage is established for children of this relationship born prior to the marriage.
o. [ ] Other *(specify)*:

Each attachment to this judgment is incorporated into this judgment, and the parties are ordered to comply with each attachment's provisions.

Jurisdiction is reserved to make other orders necessary to carry out this judgment.

Date:

[X] SIGNATURE FOLLOWS LAST ATTACHMENT

NOTICE:

Dissolution or legal separation may automatically cancel the rights of a spouse under the other spouse's will, trust, retirement benefit plan, power of attorney, pay on death bank account, transfer on death vehicle registration, survivorship rights to any property owned in joint tenancy, and any other similar thing. It does not automatically cancel the rights of a spouse as beneficiary of the other spouse's life insurance policy. You should review these matters, as well as any credit cards, other credit accounts, insurance policies, retirement benefit plans, and credit reports to determine whether they should be changed or whether you should take any other actions.

A debt or obligation may be assigned to one party as part of the dissolution of property and debts, but if that party does not pay the debt or obligation, the creditor may be able to collect from the other party.

An earnings assignment will automatically be issued if child support, family support, or spousal support is ordered.

Party required to pay support must pay interest on overdue amounts at the "legal rate," which is currently 10 percent.

In re the Marriage of LAVI
Los Angeles Superior Court Case No. PD032664

CHILD CUSTODY AND VISITATION:

Based upon the Settlement Agreement at Time of Trial executed and filed by the Court on December 17, 2002 and testimony of the parties acknowledging their respective understanding of the Settlement Agreement to which they eac knowingly, intelligently, and voluntarily entered into, the Court makes the following orders:

6. Legal custody of the minor children, namely, Ariellah Tehila Lavi, born on December 30, 1999, and Gabrie Benyamin Lavi, born on October 1, 2001 is awarded jointly t Petitioner and Respondent.

7. In furtherance of joint legal custody:

a. All decisions regarding the children's health, and education shall be jointly made.

b. Neither party shall use nor make any disparaging or derogatory remarks about the absent parent or allow third parties to do so in the presence or within the children's hearing.

c. Each party shall keep the other party informed of his or her current residence and business address [illegible] and telephone number and shall notify the other two days prior to any change of address or telephone number or, if prior notice is impossible, within 24-hours of any change.

d. In emergency situations, each parent is authorized to take any and all actions necessary to protect

In re the Marriage of LAVI
Los Angeles Superior Court Case No. PD032664

CHILD CUSTODY AND VISITATION:

Based upon the Settlement Agreement at Time of Trial executed and filed by the Court on December 17, 2002 and testimony of the parties acknowledging their respective understanding of the Settlement Agreement to which they each knowingly, intelligently, and voluntarily entered into, the Court makes the following orders:

6. Legal custody of the minor children, namely, Ariellah Tehila Lavi, born on December 30, 1999, and Gabriel Benyamin Lavi, born on October 1, 2001 is awarded jointly to Petitioner and Respondent.

7. In furtherance of joint legal custody:

a. All decisions regarding the children's health, and education shall be jointly made.

b. Neither party shall use nor make any disparaging or derogatory remarks about the absent parent or allow third parties to do so in the presence or within the children's hearing.

c. Each party shall keep the other party informed of his or her current residence and business address (not [illegible]) and telephone number and shall notify the other two days prior to any change of address or telephone number or, if prior notice is impossible, within 24-hours of any change.

d. In emergency situations, each parent is authorized to take any and all actions necessary to protect

either child's health and welfare including, but not limited to, consent to emergency surgical procedures or treatment and to notify the other parent within two (2) hours of such emergency situation and of all procedures or treatment administered to either child.

e. Pursuant to California Family Code Section 3025, et seq., each party shall be listed as the children's parents on medical, dental, and school records. Further, each party shall have access to either child's medical, dental, and school records and each party may consult with any treating professional. The names of both parties shall be listed as emergency references with any health, dental, camp, school or child care facility.

f. Petitioner and Respondent shall not discuss any custodial issue or any issue of their divorce or any dispute between them with or within either child's hearing.

g. Petitioner and Respondent shall act in a peaceful and civil manner with each other in the children's presence.

h. Each party shall notify the other sufficiently in advance of any planned activity of the minor children in order to enable the other parent to attend.

i. Neither parent shall change the children's state of residence without prior written consent of the other party or by order of the Court.

j. Parents shall be responsible for ensuring that the children use age appropriate car seat restraints at all times while commuting in any mode of transportation as

provided by California law.

8. Respondent shall have sole legal custody of the minor children subject to Petitioner's visitation as follows:

a. Every Tuesday, Thursday and Friday for one hour from 4:00 p.m. to 5:00 p.m.

b. Any other mutually agreed to times.

CHILD SUPPORT

9. Petitioner shall continue to pay to Respondent as and for child support for the minor children the sum of $4,653.00 per month (designated as $2,326.50 for Ariellah Tehila Lavi and $2,326.50 for Gabriel Benyamin Lavi) payable as set forth below commencing January 5, 2003 and continuing on the 5th day of the each month thereafter until each child reaches majority, dies, marries, becomes, self-supporting, emancipated or until further order of Court, whichever first occurs. Child support shall continue set forth above and extend as to any unmarried child who has attained the age of 18, is a full-time high school student, and resides with a parent, until such time as he completes the 12th grade or attains the age of 19, whichever first occurs.

10. The parties acknowledge and, as such, the Court [illegible] the parties are fully informed of their rights under the California Child Support Guidelines, that the needs of their child shall be adequately met under the child support set forth herein and that the right to support has not been assigned to any county and no application for public assistance is pending. Further, each party

acknowledges that child support set forth herein is not based upon the California Child Support Guidelines, but is a negotiated figure between them. As such, California Child Support Guidelines may result in either higher or lower child support as set forth herein.

11. Petitioner shall pay child support to Respondent as follows:

a. Petitioner shall pay directly to Respondent the sum of $1,300.00 per month payable in full on the fifth day of each month commencing January 5, 2003.

b. In lieu of additional child support payment to Respondent, Petitioner shall pay $1,680.00, in a timely manner when due, the full mortgage payment due each month on the real property commonly known as 5151 Veloz Ave., Tarzana, Ca., directly to the mortgage holder, which amount includes principal, interest, property taxes and insurance, commencing January 5, 2003 and continuing so long as his obligation for child support exists or further order of Court. In the event Respondent sells or transfers the real property, Petitioner shall add $1,680.00 to the payment set forth in subparagraph a above which he pays directly to Respondent.

[illegible] payment directly to Respondent, Petitioner shall pay directly to the holder of the second trust deed on the family residence, the sum of $323.00 per month commencing on November 5, 2003 and continuing for so long as his obligation for child support exists or further order of Court.

d. In lieu of payment directly to Respondent, Petitioner shall pay the utility payments associated with the real property located at 5151 Veloz Ave., Tarzana, Ca. including, but not limited to gas, water, electricity, telephone, and cable, in an amount not less than $500.00, commencing January 5, 2003 and continuing for so long as his obligation for child support exists or further order of Court. In the event Respondent sells or transfers the real property, Petitioner shall add $500.00 per month to the payment set forth in subparagraph a above which he pays directly to Respondent.

e. In lieu of payment directly to Respondent, Petitioner shall pay directly to the gardener and pool service, $270.00 per month, for their services in connection with the real property located at 5151 Veloz Ave., Tarzana, Ca., commencing April 5, 2003 and continuing for so long as his obligation for child support exists or further order of Court. In the event Respondent sells or transfers the real property or not longer retains the services of a gardener or pool man, Petitioner shall add $270.00 per month to the payment set forth in subparagraph a above which he pays directly to Respondent.

[illegible] In lieu of payment directly to Respondent, Petitioner shall pay $560.00 per month directly to the automobile leasing company, the full lease and insurance payment associated with the ML320 Mercedes Benz in Respondent's possession commencing January 5, 2003 and continuing for the period set forth above. Upon completion

of the lease or in the event the vehicle is no longer in Respondent's possession, Petitioner shall add $560.00 per month to the payment set forth in subparagraph a above which he pays directly to Respondent. Petitioner shall also pay and be solely responsible for the cost of the annual registration for the vehicle until termination or completion of the lease.

12. As and for additional child support, Petitioner shall pay 100% of both children's child care, nursery school, pre-school, grammar school, middle school and high school tuition.

13. Child support is based upon the following findings based upon the stipulation of the parties:

a. Petitioner's monthly self employment income of $16,000.00 and/or imputed ability to earn based upon the marital standard of living.

b. Petitioner's minimal time share.

MEDICAL AND DENTAL INSURANCE

14. Petitioner shall continue to maintain medical, dental, vision, and hospital insurance for the children for so long as he is responsible for child support payments.

15. Any and all medical, dental, orthodontic, optometric, psychiatric, psychological expense of either child not otherwise covered by insurance shall be paid fully by Petitioner.

16. Petitioner shall continue to maintain medical, dental, vision, and hospital insurance for Respondent's benefit for so long as he is able to do so.

SPOUSAL SUPPORT

17. The Court retains jurisdiction over the issue of spousal support from Petitioner to Respondent.

18. Petitioner forever waives the right to receive spousal support from Respondent regardless of his needs or her ability to pay either now or anytime in the future. Petitioner acknowledges that this waiver is absolute and final.

PROPERTY DIVISION

19. The following property whether community or separate, is awarded/confirmed to the Petitioner as his sol and separate property along with any and all encumbrances thereon and Petitioner shall hold Respondent harmless therefrom:

a. Two sofas one stereo, a file cabinet, a bike, a motorcycle, his clothing and personal effects located at the family residence. Petitioner shall retrieve these it no later than December 31, 2002 upon 24-hours advance not to Respondent.

b. The interest in the real property located al 3540 Wilshire Blvd., Los Angeles, Ca.

c. One-half interest in the real property loca at 1880 Loma Vista Drive, Los Angeles. Petitioner guarantees and shall pay to Respondent a minimum of $150,000 from the proceeds of either the litigation or the sale of said property. However, Petitioner shall be solely responsible for the cost of litigation and/or judgment against Petitioner without credit, reimbursement or offset

from Respondent. Petitioner shall keep Respondent informed of the status of the litigation and/or settlement upon her request for information or at least once every 90 days commencing April 1, 2003.

d. Petitioner is assigned the debt (lease payment and annual registration) associated with the ML320 Mercedes Benz vehicle even though possession of the vehicle is assigned to Respondent.

e. Petitioner is assigned the $50,000 debt (the second mortgage in favor of the parties from which Petitioner and Respondent purchased 5151 Veloz Ave., Tarzana, Ca.) even though the real property has been assigned to Respondent. In the event Respondent sells or refinances the property which results in the remaining balance of the $50,000 debt being paid, Petitioner shall be indebted to and shall pay Respondent the amount that she paid to eliminate the debt at the rate of $1,000 per month plus interest at the legal rate commencing the month after the debt is paid and continuing until paid.

f. $100,000.00 debt to Respondent's father, Isaac Firouzman.

g. Any and all financial accounts in his name.

[illegible] The following property, whether community or separate, is awarded/confirmed to Respondent as her separate property:

a. The real property located at 5151 Veloz Ave., Tarzana, Ca., to which Respondent shall have exclusive use and possession pursuant to the Stipulation and Order Thereon

executed by the parties on November 13, 2002. The property is more specifically described below:

"LOT 2 OF TRACT NO. 17705, in the city of Los Angeles, County of Los Angeles, State of California. As per map Recorded in book 429 pages 45 and 46 of Maps, in the office of the County Recorder of said County"

b. The real property located in Rishon Lezion, Israel.

c. Possession of the leased ML320 Mercedes Benz.

d. The contents of the real property located at 5151 Veloz Ave., Tarzana, but for the items assigned to Petitioner above.

e. Her jewelry, clothing, and personal affects.

f. Any and all financial accounts in her name or the name of either child.

g. One-half interest in the real property located at 1880 Loma Vista Drive, Los Angeles. Petitioner guarantees and shall pay to Respondent a minimum of $150,(from the proceeds of either the litigation or the sale of said property. However, Petitioner shall be solely responsible for the cost of litigation and/or judgment against Petitioner without credit, reimbursement or offset from Respondent. Petitioner shall keep Respondent informe

of the status of the litigation and/or settlement upon her request for information or at least once every 90 days commencing April 1, 2003.

ATTORNEY FEES

21. Petitioner shall pay to Respondent the sum of $2,750.00 as and for a contribution to her reasonable attorney fees. Said amount shall be paid in full on or before May 15, 2003. If said amount is not paid, interest at the legal rate shall apply to the unpaid balance.

MISCELLANEOUS PROVISIONS

22. Petitioner and Respondent acknowledge and advised the Court that the provisions set forth herein reflects the negotiations and agreement of the parties which were reached without the advise of counsel. Respondent specifically acknowledges and agrees that against her counsel's advise, she advised her attorney, Carol Sternberg, not to propound discovery, hire accountants or appraisers, conduct investigation, etc. Therefore, Mrs. Sternberg has not provided any counsel or advise to Respondent on any issue set forth herein and specifically the property division, child support or spousal support.

23. Petitioner acknowledges that he was advised by Respondent's counsel and Respondent to retain an independent attorney of his choice prior to entering into the Settlement Agreement at Time of Trial or this Judgment, but he refused to do so.

24. The parties waive their rights to a trial and to notice of trial for the purpose of having the Court grant a

judgment pursuant to the terms of the Settlement Agreement at Time of Trial which terms are accurately reflected herein.

25. The parties executed a stipulation so that this matter may be heard by Commissioner Patricia Ito.

26. The parties waive the right to appeal, to request a statement of decision, and to move for a new trial.

27. The parties were married on April 13, 1997 and separated on January 1, 2002. Respondent's first appearance was on September 3, 2002.

28. The parties are the biological parents of the minor children named herein.

29. Attorney for Respondent shall, within 30-days, prepare a Judgment according to the Settlement Agreement at Time of Trial and submit it to Petitioner for approval as to the form and content thereof and then file it with the Court. If either party fails to prepare or approve the Judgment, or file objections within ten days of services, the other party may prepare and submit the Judgment to the Court with a proof of service on the other party.

30. The parties shall serve and file declarations of disclosures on or before January 17, 2003.

[illegible] ORDERS

31. The restraining orders issued on November 26, 2002 protecting Respondent from Petitioner shall remain in full force and effect until November 25, 2004.

32. Petitioner shall not contact, molest, harass, attack, strike, threaten, sexually assault, batter, follow,

stalk, destroy the personal property of, disturb the peace of, keep under surveillance, or block movements in public places or thoroughfares of Respondent. However, peaceful contact regarding Petitioner's visitation with the children set forth herein is allowed and an exception to this restraining order.

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A/14

PARENTING CLASS AND PACT

33. Petitioner shall enroll in an complete a series o parenting classes. He shall provide proof of completion t Respondent or her attorney. He shall enroll in the classe no later than February 1, 2003.

34. Both parties shall attend the PACT program, ser and file proof of completion before February 1, 2003.

APPROVED AS TO FORM AND CONTENT:

Dated: _____

EDWARD LAVI
Petitioner

Dated: 7-10-03

SIGAL LAVI
Respondent

APPROVED AS TO FORM

Dated: 7-11-03

CAROL STERNBERG
Attorney for Respondent

Dated: _____

Edward Lavi
Petitioner in Pro Per

IT IS SO ORDERED

DATED: JUL 22 2004

PATRICIA ITO
COMMISSIONER OF THE SUPERIOR COURT

PATRICIA M. ITO
JUDGE PRO TEM

4/15

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date 11-02-06
Honorable
Honorable PATRICIA M. ITO Judge | J. O'BRIEN Dept: NVK
13A D. SERRECCHIA Judge Pro Tem | Deputy Clerk
3:00 pm Deputy Sheriff | NONE Court Assistant
Reporter

PD032664

Edward Lavi (N/A)
VS.
Sigal Lavi (N/A)

Counsel For Petitioner: F. MOBLEY

Counsel For Respondent: S. MOKHTARZADEH

B. MENKE attorney for Gal Lipkin

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

RETAIN INDEPENDENT COUNSEL PRIOR TO ENTERING INTO THIS AGREEMENT BUT REFUSED TO DO SO.

PARTIES ACKNOWLEDGE (PARTICULARLY RESPONDENT) THAT THIS DOCUMENT REFLECTS THE NEGOTIATION & AGREEMENT OF THE PARTIES & WITHOUT ADVICE OF COUNSEL. RESPONDENT INSTRUCTED HER ATTORNEY NOT TO PROPOUND DISCOVERY. HIRE APPRAISALS,
INVESTIGATORS, ETC. THEREFORE COUNSEL CANNOT AND HAS NOT PROVIDED ANY COUNSEL ON THIS ISSUE OR ANY PROPERTY OR SUPPORT ISSUE HEREIN."

The written settlement agreement further provides at paragraph 990 as follows:

"PARTIES SHALL SERVE & FILE DECS (sic) OF DISCLOSURE."

The transcript of the December 17, 2002 hearing, in pertinent part, states on page 4, lines 15-28, as follows:

"MS. STERNBERG: YOU HAVE ALSO AGREED TO TRANSFER YOUR ENTIRE INTEREST TO THE FAMILY RESIDENCE TO RESPONDENT. CORRECT?

THE PETITIONER: YES.

DEPT: NVK

MINUTES ENTERED 11-02-06 COUNTY CLERK

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date	11-02-06		
Honorable			
Honorable	PATRICIA M. ITO	Judge	J. O'BRIEN
13	D. SERRECCHIA	Judge Pro Tem	
		Deputy Sheriff	NONE

			Dept: NVK	
			Deputy Clerk	
			Court Assistant	
3:00 pm	PD032664			Reporter
	Edward Lavi (N/A)	Counsel For Petitioner:	F. MOBLEY	
	VS.			
	Sigal Lavi (N/A)	Counsel For Respondent:	S. MOKHTARZADEH	
			B. MENKE attorney for Gal Lipkin	

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

Having taken the Order to Show Cause for Modification of Judgment filed by claimant Gal Lipkin ("Lipkin") on June 1, 2006 and the Order to Show Cause to Set Aside Martial Settlement Agreement and to Vacate Judgment of Dissolution filed by petitioner Edward Lavi on August 18, 2006 under submission on September 28, 2006, the Court now rules as follows:

Respondent's request for judicial notice is granted.

Both Orders to Show Cause are denied.

The Court finds that any discrepancy between the written settlement agreement signed by the parties and filed December 17, 2002 and the transcript of the same date reflects mistake rather than clerical error. On said date, petitioner represented himself. Respondent was represented by the Law Offices of Carol Sternberg.

In pertinent part, the written settlement agreement provides at paragraph 750 as follows:

> "PARTIES MAINTAIN AN EQUAL INTEREST IN THE REAL PROPERTY COMMONLY KNOWN AS 1880 LOMA VISTA DR, LOS ANGELES, CA. PETITIONER SHALL BE SOLELY RESPONSIBLE FOR & SHALL PAY ANY & ALL COSTS ASSOCIATED WITH THE PENDING LITIGATION. RESPONDENT SHALL BE ENTITLED TO A MINIMUM OF $150,000.00, POSSIBLY MORE, AT THE END OF THE LITIGATION. PETITIONER SHALL KEEP RESPONDENT INFORMED OF THE STATUS OF THE LITIGATION & SETTLEMENT.
>
> PETITIONER ACKNOWLEDGES THAT HE WAS ADVISED TO

Dept: NVK

Minutes Entered
11-02-06
County Clerk

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date	11-02-06		
Honorable			
Honorable	PATRICIA M. ITO	Judge	J. O'BRIEN
138	D. SERRECCHIA	Judge Pro Tem	
		Deputy Sheriff	NONE
3:00 pm	PD032664		
	Edward Lavi (N/A)	Counsel For Petitioner:	F. MOBLEY
	vs.		
	Sigal Lavi (N/A)	Counsel For Respondent:	S. MOKHTARZADEH
			B. MENKE attorney for Gal Lipkin

Dept: NVK
Deputy Clerk
Court Assistant
Reporter

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

MS. STERNBERG: AND THAT IS IN EXCHANGE FOR YOUR SEPARATE OR COMMUNITY INTEREST IN THE WILSHIRE BOULEVARD PROPERTY AND THE LOS ANGELES PROPERTY, CORRECT?

THE PETITIONER: THAT IS NOT INCLUDING, (sic)

MS. STERNBERG: NO, YOU WILL KEEP THE WILSHIRE BOULEVARD PROPERTY?

THE PETITIONER: YES.

MS. STERNBERG: AND YOU WILL KEEP THE LOMA VISTA PROPERTY?

THE PETITIONER: YES."

On July 22, 2004, respondent filed her proof of December 17, 2002 service on petitioner of respondent's declaration of disclosure.

On July 22, 2004, respondent filed her proofs of January 13, 2003, November 10, 2003, July 11, 2003 and May 24, 2004 service of the proposed judgment on petitioner.

Judgment based on the written settlement agreement was filed on July 22, 2004. Notice of Entry of Judgment was served the same date on petitioner and counsel for respondent.

DEPT: NVK

MINUTES ENTERED
11-02-06
COUNTY CLERK

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date	11-02-06		
Honorable		Judge	J. O'BRIEN
Honorable	PATRICIA M. ITO	Judge Pro Tem	
13c	D. SERRECCHIA	Deputy Sheriff	NONE
3:00 pm	PD032664		

Dept: NVK
Deputy Clerk
Court Assistant
Reporter

Edward Lavi (N/A)
VS.
Sigal Lavi (N/A)

Counsel For Petitioner: F. MOBLEY

Counsel For Respondent: S. MOKHTARZADEH

B. MENKE attorney for Gal Lipkin

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

Had petitioner promptly sought relief due to mistake, he might well have prevailed. The discrepancy between the written settlement agreement signed and filed on December 17, 2002 and the transcript of the same date is troubling and confusing.

In addition, the parties did not appear to have exchanged declarations of disclosure prior to entering into the written settlement agreement or the agreement recited on the record.

However, by his own admission, petitioner has known since before entry of the judgment of the discrepancy between the written settlement agreement and the transcript. As a result, petitioner refused to sign the judgment prepared in accordance with the written settlement agreement. He was served with a copy of the proposed judgment and respondent's declaration of disclosure and filed no objection to the proposed judgment with the Court.

Petitioner contends that he was not aware of his right to a declaration of disclosure but the written settlement agreement made reference to "decs of disclosure."

On March 10, 2005, petitioner appeared in Court with an attorney regarding an Order to Show Cause for modification of child custody filed by respondent. No objection to the judgment was made.

On October 7, 2005, respondent filed a motion to join Lipkin as a party. Respondent alleged that Lipkin had purchased the Loma Vista property from petitioner. Said motion was granted on November 18, 2005.

DEPT: NVK

MINUTES ENTERED
11-02-06
COUNTY CLERK

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date 11-02-06
Honorable
Honorable PATRICIA M. ITO Judge J. O'BRIEN Dept: NVK
13D D. SERRECCHIA Judge Pro Tem Deputy Clerk
3:03 pm Deputy Sheriff NONE Court Assistant
Reporter

PD032664

Edward Lavi (N/A) Counsel For Petitioner F. MOBLEY
VS.
Sigal Lavi (N/A) Counsel For Respondent: S. MOKHTARZADEH

B. MENKE attorney for Gal Lipkin

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

On February 24, 2006, Lipkin filed his answer.

In March 2006, petitioner was advised by attorney Joel Siedel of his right to a declaration of disclosure. However, petitioner was on notice of his right to same on December 17, 2002 since the written settlement agreement filed that date made reference to exchange of declarations of disclosure.

Petitioner filed the his Order to Show Cause on August 18, 2006. His long delay in seeking to set aside the settlement agreement and to vacate the judgment presents an insuperable bar under Family Code section 2122. Lipkin filed his Order to Show Cause for Modification of Judgment slightly earlier, on June 1, 2006; his rights are derivative of petitioner's rights. Petitioner and Lipkin each joined in the Order to Show Cause of the other.

At best, petitioner has known of the discrepancy between the judgment based on the written settlement agreement and the transcript since July 2004. At worst, petitioner has known of the discrepancy since January 2003. Petitioner has waited either approximately two years to seek relief from the judgment or three and one-half years.

Family Code section 2122 delineates the time limits for a motion to set aside a judgment. In the event of actual fraud, perjury, or failure to comply with disclosure requirements, the time limit is one year from the date a party discovers or should have discovered the actual fraud, perjury or failure to comply with disclosure requirements. In the event of a mistake with respect to a stipulated or uncontested judgment, the time limit is one year from entry

DEPT: NVK

MINUTES ENTERED
11-02-06
COUNTY CLERK

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date	11-02-06		Dept: NVK
Honorable		Judge	J. O'BRIEN — Deputy Clerk
Honorable	PATRICIA M. ITO	Judge Pro Tem	Court Assistant
13E	D. SERRECCHIA	Deputy Sheriff	NONE — Reporter

1:30 pm: PD032664

Edward Lavi (N/A) — Counsel For Petitioner: F. MOBLEY

VS.

Sigal Lavi (N/A) — Counsel For Respondent: S. MOKHTARZADEH

B. MENKE attorney for Gal Lipkin

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

of judgment. Petitioner does not allege duress or mental incapacity which have a two year time limit. The time has long passed for petitioner to seek relief.

Petitioner and Lipkin now declare that petitioner's interest in the Loma Vista property was a security interest and that security interest had been sold to Lipkin in 1998. Petitioner did not provide this information to respondent when entering into the settlement agreement. Any confusion in this regard is attributable to petitioner.

I, the below named Executive Officer/Clerk of the above entitled court, do hereby certify that I am not a party to the cause herein, and that this date I served Notice of Entry of the attached minute order of 11/02/06 upon each party or counsel named below by depositing in the United States mail at the courthouse in San Fernando. California, one copy of the original entered herein in a separate sealed envelope for the addressed as shown below with the postage thereon fully prepaid.

Dated: November 2, 2006

John A. Clarke, Executive Officer/Clerk

By: _____
John P. O'Brien

DEPT: NVK

MINUTES ENTERED
11-02-06
COUNTY CLERK

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Date 11-02-06

Honorable

Honorable PATRICIA M. ITO — Judge J. O'BRIEN — Dept: NVK

/3F D. SERRECCHIA — Judge Pro Tem — Deputy Clerk

3:00 pm — Deputy Sheriff NONE — Court Assistant — Reporter

PD032664

Edward Lavi (N/A)
VS.
Sigal Lavi (N/A)

Counsel For Petitioner: F. MOBLEY

Counsel For Respondent: S. MOKHTARZADEH

B. MENKE attorney for Gal Lipkin

Nature of Proceedings: RULING ON SUBMITTED MATTER (ORDER TO SHOW CAUSE RE MODIFICATION OF JUDGMENT FILED BY CLAIMANT)

SHAHROKH MOKHTARZADEH, ESQ.
LAW OFFICES OF SHAHROKH MOKHTARZADEH
A PROFESSIONAL LAW CORPORATION
2029 CENTURY PARK EAST, SUITE 2970
LOS ANGELES, CA 90067

MENKE LAW FIRM, APC
BRUCE R. MENKE, ESQ.
5000 EAST SPRING STREET, SUITE 405
LONG BEACH, CA 90815

FELICIA A. MOBLEY, ESQ.
MOBLEY LAW OFFICES
352 N. ROBERTSON BLVD.
LOS ANGELES, CA 90048

DEPT: NVK

MINUTES ENTERED
11-02-06
COUNTY CLERK

893-2481 BY

DV-110

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, state bar number, and address): ADDRESS WHERE YOU WANT MAIL SENT:	FOR COURT USE ONLY
CAROL STERNBERG, ESQ., SBN 122078 LAW OFFICES OF CAROL STERNBERG 5530 VENTURA BOULEVARD, SUITE 605 ENCINO, CA 91436 TELEPHONE NO. (Optional): (818)907-9924 FAX NO. (Optional): (818)907-9620 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name): Respondent, SIGAL LAVI	Very very busy Self-help legal center 14400 Delano St. 8:30 - 4:30
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES STREET ADDRESS: 900 THIRD STREET MAILING ADDRESS: SAME CITY AND ZIP CODE: SAN FERNANDO, CA 91340 BRANCH NAME: NORTH VALLEY	FILED LOS ANGELES SUPERIOR COURT NOV 26 2002 JOHN A. CLARKE, CLERK C. Monterroso BY C. MONTERROSO, DEPUTY
PERSON SEEKING ORDER: SIGAL LAVI, ARIELLAH TEHILA LAVI, GABRIEL BENYAMIN LAVI PERSON TO BE RESTRAINED: EDWARD LAVI	
TYPE OF ACTION (check all that apply) [ ] DISSOLUTION/LEGAL SEPARATION/NULLITY [ ] UNIFORM PARENTAGE ACT [X] DOMESTIC VIOLENCE PREVENTION ACT [ ] GOVERNMENTAL FAMILY SUPPORT [ ] JUVENILE [ ] OTHER (specify):	
ORDER TO SHOW CAUSE AND TEMPORARY RESTRAINING ORDER (CLETS) (Domestic Violence Prevention)	CASE NUMBER: PD 032664

THIS ORDER SHALL EXPIRE AT THE DATE AND TIME OF THE HEARING SHOWN IN THE BOX BELOW UNLESS EXTENDED BY THE COURT.

1. To (*name of person to be restrained*): EDWARD LAVI
2. *A court hearing has been set at the time and place indicated below. You may attend this hearing, with or without an attorney, to give any legal reason why the orders requested in the attached application should not be granted. If you do not appear at this court hearing, the court may grant the requested orders for up to three years without further notice to you.*

Date: DEC 17 2002	Time: 8:30 A.M.	Dept.: NVK	Room:

3. If child custody or visitation is an issue in this motion and in dispute, the parties are *ordered* to attend orientation and mandatory custody mediation services as follows:

2721 CONCILIATION COURT SET 12/11/02 @ 1:00 p.m.
893- LOCATED ON 4TH FLOOR, ROOM 4059

Date: NOV 26 2002

JUDICIAL OFFICER

TEMPORARY RESTRAINING ORDER

THE COURT FINDS:

4. a. The restrained person is (*name*): EDWARD LAVI

Sex: [X] M [ ] F	Ht.: 5'11	Wt.: 187	Hair color: BRWN	Eye color: BRWN	Race: W	Age: 43	Birth date: 04/14/59

b. The protected person(s) are (*list names of all persons to be protected by this order*): SIGAL LAVI, ARIELLAH TEHILA LAVI, GABRIEL BENYAMIN LAVI

UNTIL THE TIME OF HEARING, IT IS ORDERED:

5. RESTRAINING ORDERS The restrained person
   a. [X] shall not contact, molest, harass, attack, strike, threaten, sexually assault, batter, telephone, send any messages to, follow, stalk, destroy the personal property of, disturb the peace of, keep under surveillance, or block movements in public places or thoroughfares of:
      [X] the person seeking the order [ ] the other protected persons listed in item 4b

(Orders continued on reverse)

PERSON SEEKING ORDER *(name)*: TIGAL LAVI, ARIELLAH TEHILA LAVI, GABRIEL BENYAMIN LAVI PERSON TO BE RESTRAINED *(name)*: EDWARD LAVI	CASE NUMBER: PD 032664

5. b. [ ] must immediately move from *(address)*:

and take only personal clothing and effects needed until the hearing.

c. [X] The restrained person shall stay at least *(specify)*: 100 yards away from the following persons and places. (*Addresses not required.*)

(1) [X] Person seeking the order
(2) [X] The other protected persons listed in item 4b
(3) [X] Residence of person seeking the order
(4) [X] Place of work of person seeking the order
(5) [X] The children's school or place of child care
(6) [X] Protected person's vehicle
(7) [ ] Other *(specify)*:

d. [X] except for peaceful contacts related to court ordered visitation of the minor children.

6. [X] CUSTODY AND VISITATION ORDERS ARE SET FORTH IN *CHILD CUSTODY AND VISITATION ORDER ATTACHMENT* (FORM 1296.31A).

7. [ ] FIREARM RELINQUISHMENT

The restrained person must surrender to local law enforcement or sell to a licensed gun dealer any firearm in or subject to his or her immediate possession or control within

a. [ ] 24 hours after issuance of this order (if restrained person is present at hearing).
b. [ ] 48 hours after service of this order (if restrained person is not present at hearing).
c. [ ] other *(specify)*:

The restrained person shall file a receipt with the court showing compliance with this order within 72 hours of receiving this order.

8. [ ] PROPERTY CONTROL

a. [ ] The protected person is given exclusive temporary use, control, and possession of the following property pending the hearing:

b. [ ] The restrained person is ordered to make the following payments while the order is in effect:

Debt	Amount of payment	Pay to	Due date

c. [ ] The protected person [ ] The restrained person is restrained from transferring, borrowing against, selling, hiding, or in any way disposing of any real or personal property, whether community, quasi-community, or separate, except in the ordinary course of business or for the necessities of life.

d. [ ] The protected person [ ] The restrained person shall notify the other of any proposed extraordinary expenditures and shall account to the court for all extraordinary expenditures.

9. [ ] RECORDING OF PROHIBITED COMMUNICATIONS

The protected person may record any prohibited communications made to him or her by the restrained person.

10. [ ] OTHER ORDERS *(specify)*:

(Continued on page three)

PERSON SEEKING ORDER (name): SIGAL LAVI, ARIELLAH TEHILA LAVI, GABRIEL BENYAMIN LAVI PERSON TO BE RESTRAINED (name): EDWARD LAVI	CASE NUMBER: PD 032664

11. [X] LAW ENFORCEMENT

A copy of this order and any proof of service shall be given to the law enforcement agencies listed below as follows:

a. [X] Protected person shall deliver.

b. [X] Protected person's attorney shall deliver.

c. [ ] ~~The clerk of the court shall deliver.~~

Law enforcement agency	Address
VAN NUYS POLICE DEPARTMENT	

[ ] Governmental Family Support office.

(NOTE: All statewide restraining orders are entered in the state registry and must be delivered immediately to the law enforcement agencies.)

12. [ ] Fees for service of this order by law enforcement are waived.

13. [ ] Application for an order shortening time is granted, and the following documents shall be personally served on the restrained person no fewer than *(specify number)*: days before the time set for hearing. A responsive declaration shall be filed and served no fewer than *(specify number)*: days before the time set for hearing.

a. *Application and Declaration for Order (Domestic Violence Prevention)* (form DV-100)

b. *Order to Show Cause and Temporary Restraining Order (CLETS) (Domestic Violence Prevention)* (form DV-110)

c. Blank *Responsive Declaration to Order to Show Cause (Domestic Violence Prevention)* (form DV-120)

d. [ ] *Child Custody and Visitation Order* (form 1296.31A)

e. [ ] *Financial Statement (Simplified)* (form 1285.52) or *Income and Expense Declaration* (forms 1285.50, 1285.50a, 1285.50b, and 1285.50c)

f. [ ] *Declaration Under Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA)* (form MC-150)

g. [ ] *Child Custody, Visitation, and Support Attachment to Application and Declaration for Order (Domestic Violence Prevention)* (form DV-100A)

h. [ ] Other *(specify)*:

NOTICE REGARDING NON-APPEARANCE AT HEARING

IF YOU HAVE BEEN PERSONALLY SERVED WITH A TEMPORARY RESTRAINING ORDER AND NOTICE OF HEARING, BUT YOU DO NOT APPEAR AT THE HEARING EITHER IN PERSON OR BY COUNSEL, AND A RESTRAINING ORDER IS ISSUED AT THE HEARING WHICH DOES NOT DIFFER FROM THE PRIOR TEMPORARY RESTRAINING ORDER, A COPY OF THE ORDER WILL BE SERVED UPON YOU BY MAIL AT THE FOLLOWING ADDRESS:

IF THAT ADDRESS IS NOT CORRECT OR YOU WISH TO VERIFY THAT THE TEMPORARY ORDER WAS MADE PERMANENT WITHOUT SUBSTANTIVE CHANGE, CONTACT THE CLERK OF THE COURT.

Date: NOV 2 6 2008 NOV 2 6

JUDICIAL OFFICER

CERTIFICATE OF COMPLIANCE WITH VAWA This ex parte temporary protective order meets all Full Faith and Credit requirements of the Violence Against Women Act, 18 U.S.C. 2265 (1994) (VAWA). This court has jurisdiction over the parties and the subject matter; the restrained person has been afforded notice and a timely opportunity to be heard as provided by the laws of this jurisdiction. This order is valid and entitled to enforcement in this and all other jurisdictions.

PLEASE REVIEW IMPORTANT NOTICES AND WARNINGS ON THIS PAGE AND ON PAGE FOUR.

(Continued on reverse)

PERSON SEEKING ORDER (name): SIGAL LAVI, ARIELLAH TEHILA LAVI, GABRIEL BENYAMIN LAVI
PERSON TO BE RESTRAINED (name): EDWARD LAVI

CASE NUMBER: PD 032664

WHAT FORMS YOU SHOULD FILE IN RESPONSE AND WHEN TO FILE THEM

You do not have to pay any fee to file responsive declarations in response to this *Order to Show Cause* (including completed *Income and Expense Declaration* or *Financial Statement (Simplified)* that will show your finances). The original of the *Responsive Declaration* must be filed with the court and a copy served on the other party at least ten court days before the hearing date (unless the judge has shortened time; see item 13 above in this *Order to Show Cause and Temporary Restraining Order).*

NOTICE REGARDING CHILD SUPPORT

If you have children from this relationship, the court is required to order payment of child support based on the income of both parents. The amount of child support may be large and normally continues until the child is 18. You should supply the court with information about your finances. Otherwise the child support order will be made without your input.

NOTICE REGARDING ENFORCEMENT OF THIS ORDER

This order is effective when made. It is enforceable anywhere in California by any law enforcement agency that has received the order, is shown a copy of the order, or has verified its existence on the California Law Enforcement Telecommunications System (CLETS). If proof of service on the restrained person has not been received, and the restrained person was not present at the court hearing, the law enforcement agency shall advise the restrained person of the terms of the order and then shall enforce it.

Violation of this restraining order may be punished as a contempt of court; a misdemeanor, punishable by one year in jail, a $1,000 fine, or both; or a felony. Taking or concealing a child in violation of this order may be a felony and punishable by confinement in state prison, a fine, or both.

This order is enforceable in all 50 states, the District of Columbia, all tribal lands, and all U.S. territories and shall be enforced as if it were an order of that jurisdiction. Violations of this order are subject to state and federal criminal penalties.

If you travel across state or tribal boundaries with the intent to violate the order (including committing a crime of violence causing bodily injury), you may be convicted of a federal offense under VAWA (section 2261(a)(1)). You may also be convicted of a federal offense if you cause the protected person to cross a state or tribal boundary for this purpose (section 2262(a)(2)).

NOTICE REGARDING FIREARMS

Any person subject to a restraining order is prohibited from owning, possessing, purchasing or attempting to purchase, receiving or attempting to receive, or otherwise obtaining a firearm. Such conduct is subject to a $1,000 fine and imprisonment. At the hearing on this matter, the court will order that the person subject to these orders shall relinquish any firearms and not own or possess or purchase or receive or attempt to purchase or receive any firearms during the period of the restraining order. Under federal law, the issuance of a restraining order after hearing will generally prohibit the restrained person from owning, accepting, transporting, or possessing firearms or ammunition. A violation of this prohibition is a separate federal crime.

CLERK'S CERTIFICATE

[SEAL]

I certify that the foregoing *Order to Show Cause and Temporary Restraining Order (CLETS)* is a true and correct copy of the original on file in the court.

Date: Clerk, by _____, Deputy

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF CHILD SUPPORT SERVICES

MONTHLY BILLING STATEMENT

DCSS 0265 (12/29/06)

LCSA LOS ANGELES

STATEMENT DATE: 04/01/2010

PARTICIPANT ID NUMBER: 0370440966012

PARTICIPANT NAME: EDWARD LAVI

EDWARD LAVI

[redacted]

A9000000275280000971700301000000000020

SUMMARY OF AMOUNTS OWED

CASE AND COURT ORDER INFORMATION		CURRENT AND PAST DUE PAYMENT INFORMATION			ARREARS INFORMATION		
CASE NUMBER	PAYMENT FREQUENCY AND AMOUNT	MONTHLY PAYMENT DUE FOR CURRENT SUPPORT	MONTHLY PAYMENT DUE FOR PAST DUE SUPPORT	TOTAL MONTHLY PAYMENT DUE FOR CURRENT AND PAST DUE SUPPORT	INTEREST BALANCE	PRINCIPAL BALANCE	TOTAL INTEREST AND PRINCIPAL BALANCE
0370024235107	MONTHLY / 1000.00	1000.00	*	1000.00	230.09	7500.00	7730.09
	TOTALS	1000.00	*	1000.00	230.09	7500.00	7730.09

*** If there is an arrears balance and there is no court order for monthly payments toward arrears, arrears continue to be due and payable, unless and until you are notified otherwise.**

- Interest on past due support accrues at the legal rate.
- This balance may not reflect all interest or other charges you may owe.
- Support that has accrued and payments posted after the statement ending date will be reflected on your next statement.

COMMENTS/ SPECIAL INSTRUCTIONS:

Save time & effort- Pay your Child Support by credit card or by electronic fund transfers from your bank! Visit www.casdu.com or call 1-866-325-1010 to set up your payments.

If you feel this information is not correct, please contact us at (866) 901-3212 or the address provided on the Notice Regarding Monthly Billing Statement attached (DCSS 0274).

Please tear off payment coupon below and return it with your payment to ensure proper credit to your account.

PAYMENT COUPON

NOTE: If the total minimum payment due is automatically being deducted from your pay, you do not need to send in any additional payment.

PARTICIPANT NAME: EDWARD LAVI

PARTICIPANT ID NUMBER: 0370440966012

ENTER AMOUNT OF REMITTANCE: _____

Please make checks payable to:

CALIFORNIA STATE DISBURSEMENT UNIT

CALIFORNIA STATE DISBURSEMENT UNIT
PO BOX 989067 WEST SACRAMENTO CA
95798-9067

Please write your participant ID number on your check.

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 08-01-07
ACCOUNT NUMBER (PIN)

04.4096.6012

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 07-31-07

055581

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
07/31/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	.00

ALERT! EFFECTIVE OCTOBER 1, 2007, A CHANGE IN FEDERAL LAW REQUIRES ALL DELINQUENT CASES TO BE SUBMITTED TO THE IRS FOR COLLECTION. AVOID IRS COLLECTION, PAY ANY DELINQUENCY NOW!

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	133,685.48	.00	969.37	4,653.00	139,307.85	5,816.25
TOTALS	133,685.48	.00	969.37	4,653.00	139,307.85	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 08-01-07
Total Amount Owed: 139,307.85
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

044096601200139307850000581625LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 07-01-07
ACCOUNT NUMBER (PIN)

04.4096.6012

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 06-30-07

066022

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
06/30/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	.00

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	128,101.89	.00	930.59	4,653.00	133,685.48	5,816.25
TOTALS	128,101.89	.00	930.59	4,653.00	133,685.48	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 07-01-07
Total Amount Owed: 133,685.48
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

04409660120013368548000058162 5LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 06-01-07
ACCOUNT NUMBER (PIN)

04.4096.6012

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 05-31-07

068127

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
05/31/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	.00

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	122,557.06	.00	891.83	4,653.00	128,101.89	5,816.25
TOTALS	122,557.06	.00	891.83	4,653.00	128,101.89	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Enter Amount Paid: [ ]

Payment Due Date: 06-01-07
Total Amount Owed: 128,101.89
Monthly Amount Due: 5,816.25

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

0440966012001281018900005816 25LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 05-01-07
ACCOUNT NUMBER (PIN)

04.4096.6012

EDWARD LAVI
[redacted]

To inquire about this statement, please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 04-30-07

085332

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
04/27/07	Payment - Thank you			30.00
04/30/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	30.00

IMPORTANT NOTICE:
ALL MAILED PAYMENTS SENT BY YOU AND/OR YOUR EMPLOYER MUST BE SENT TO, CA SDU, PO BOX 989067, WEST SACRAMENTO, CA 95798-9067.
FAILURE TO DO SO MAY RESULT IN UP TO A 10-DAY DELAY IN PROCESSING.

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	117,081.01	30.00	853.05	4,653.00	122,557.06	5,816.25
TOTALS	117,081.01	30.00	853.05	4,653.00	122,557.06	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 05-01-07
Total Amount Owed: 122,557.06
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

04409660120012255706000058162 5LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 04-01-07
ACCOUNT NUMBER (PIN)

[redacted]

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 03-31-07

058432

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
03/31/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	.00

NOW AVAILABLE - MAKE A CHILD SUPPORT PAYMENT DIRECTLY FROM YOUR CHECKING/SAVINGS ACCOUNT OR USE YOUR DEBIT OR CREDIT CARD - VISIT WWW.CASDU.COM OR CALL 1(866)325-1010. FOR REGISTRATION PURPOSES, ADD 037 IN FRONT OF YOUR PARTICIPANT ID.

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	111,613.74	.00	814.27	4,653.00	117,081.01	5,816.25
TOTALS	111,613.74	.00	814.27	4,653.00	117,081.01	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 04-01-07
Total Amount Owed: 117,081.01
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

04409660120011708101000058162 5LAVI

NON-CU[illegible] DIAL PARENT'S BILLING STAT[illegible] NT (NCP)

STATEMENT DATE: 03-01-07
ACCOUNT NUMBER (PIN)

[redacted]

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 02-28-07

065289

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
02/28/07	Child support obligation	PD0032664	4,653.00	
		TOTALS	4,653.00	.00

PLEASE CALL US IF YOU DO NOT OWE CURRENT CHILD SUPPORT AND DO NOT HAVE A PAYMENT PLAN WITH US FOR YOUR BACK CHILD SUPPORT. YOUR CREDIT REPORT MAY BE AFFECTED AND YOUR LICENSE MAY BE SUSPENDED IF YOU DO NOT HAVE A PAYMENT PLAN. WE CAN HELP! CALL TODAY AND SPEAK WITH A CHILD SUPPORT OFFICER.

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
PD0032664	106,185.25	.00	775.49	4,653.00	111,613.74	5,816.25
TOTALS	106,185.25	.00	775.49	4,653.00	111,613.74	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 03-01-07
Total Amount Owed: 111,613.74
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

0440966012001116137400005816 25LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 01-01-07
ACCOUNT NUMBER (PIN)
[redacted]

EDWARD LAVI
[redacted]

To inquire about this statement,
please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 12-31-06

064023

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
12/12/06	Adjustment to account balance		65,142.00	
12/31/06	Child support obligation	PD0032664	4,653.00	
		TOTALS	69,795.00	.00

CASE WAS AUDITED AND BALANCES ADJUSTED.

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMEN NOW DUE
PD0032664	23,497.64	.00	7,502.88	69,795.00	100,795.52	5,816.25
TOTALS	23,497.64	.00	7,502.88	69,795.00	100,795.52	5,816.25

(please cut along dotted line)

(please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 01-01-07
Total Amount Owed: 100,795.52
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

0440966012001007955200005816 25LAVI

NON-CUSTODIAL PARENT'S BILLING STATEMENT (NCP)

STATEMENT DATE: 11-01-06
ACCOUNT NUMBER (PIN)
[redacted]

EDWARD LAVI
[redacted]

To inquire about this statement, please call: 800-615-8858
323-890-9800

TRANSACTIONS AFFECTING ACCOUNT THRU 10-31-06

067705

DATE	DESCRIPTION		CHARGES	PAYMENTS & CREDITS
10/31/06	Child support obligation	P00032664	4,653.00	
		TOTALS	4,653.00	.00

PLEASE CALL US IF YOU DO NOT OWE CURRENT CHILD SUPPORT AND DO NOT HAVE A PAYMENT PLAN WITH US FOR YOUR BACK CHILD SUPPORT. YOUR CREDIT REPORT MAY BE AFFECTED AND YOUR LICENSE MAY BE SUSPENDED IF YOU DO NOT HAVE A PAYMENT PLAN. WE CAN HELP! CALL TODAY AND SPEAK WITH A CHILD SUPPORT OFFICER.

COURT ORDER NUMBER	PREVIOUS BALANCE	PAYMENTS & CREDITS	INTEREST CHARGE	NEW CHARGES	NEW BALANCE	MONTHLY PAYMENT NOW DUE
P00032664	245,980.78	.00	1,744.88	4,653.00	252,378.66	5,816.25
TOTALS	245,980.78	.00	1,744.88	4,653.00	252,378.66	5,816.25

(please cut along dotted line) (please cut along dotted line)

Tear off this portion and return with your payment
Enter change of address, telephone or employer on the back of this coupon

PIN 04.4096.6012

Payment Due Date: 11-05-06
Total Amount Owed: 252,378.66
Monthly Amount Due: 5,816.25

Enter Amount Paid: [ ]

Make Check Payable to and Mail to:

EDWARD LAVI
[redacted]

STATE DISBURSEMENT UNIT
P.O. BOX 989067
WEST SACRAMENTO, CA 95798-9067

04409660120025237866000058162 5LAVI

ACTION INVESTMENT GROUP, INC.

COMMERCIAL REAL ESTATE

3540 WILSHIRE BLVD., SUITE 1215

LOS ANGELES, CA 90010

FAX

Date: 6/18/07

Number of pages including cover sheet: 3

FELICIA MOBLEY

To: ~~EDWARD~~

DIV I 3866633
818 805 1210

Phone:

Fax phone: (310) 360 9154

CC:

From: Ray

PD

Phone: 213-387-2974

Fax phone: 213-387-0163

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please comment

Attached herewith are Check #s 7738 & 7736 for Gerons Friedman per your request.

ACTION INVESTMENT GROUP, INC.

3540 Wilshire Blvd., Suite 1215
Los Angeles, CA 90010

Telephone (213) 387-2974
Fax (213) 387-0163

TO: Ms. Felicia Mobley – Via Fax (310) 652-4145 (attorney for Edward Lavi)

RE: Child Support – Edward Lavi vs. Sigal Lavi

DATE: July 12, 2007

To Whom It May Concern:

This is to acknowledge that on 5/17/07, the sum of $55,000.00 was paid to Ms. Genous Firouzman, via check #7736 (a copy of which is attached) from the account of Mr. Edward Lavi and the sum of $55,000.00 was paid to Ms. Genous Firouzman via check #7738 (a copy of which is attached) from the account of Mr. Parviz Lavi.

These payments, totaling $110,000.00, were paid to Ms. Genous Firouzman pursuant to court order and settlement agreement, per case #BC283851, dated November 25, 2003.

Should you have any further questions or concerns, please do not hesitate to contact the undersigned.

Sincerely,

Mayer Separzadeh

cc: District Attorney's Office – Child Support Enforcement

MS:aa

ARANI & MAYER INC TRUSTEE
WILSHIRE-ARDMORE PARTNERSHIP, L.P.
3540 WILSHIRE BLVD, SUITE 1215
LOS ANGELES, CA 90010

EASTWEST BANK
PALOS VERDES PENINSULA, CA 90274
16-7038/3220 11

7736

5/17/2007

PAY TO THE ORDER OF Genous Firouzman $ **55,000.00

Fifty-Five Thousand and 00/100********** DOLLARS

Genous Firouzman
5151 Veloz Ave.,
Tarzana, CA 91356

MEMO
Owner's Withdrawal - May 2007

[redacted]

05275562

05301810
Processed
Pisero-Walnut-Sorter 5
05232007

12820942

7530815632

Genous Firouzman
5345 Lindley Ave
Tarzana CA 91356

JS Bank N.A.
1600 Walnut St
Philadelphia PA 19103

ARANI & MAYER INC TRUSTEE
WILSHIRE-ARDMORE PARTNERSHIP, L.P.
3540 WILSHIRE BLVD, SUITE 1215
LOS ANGELES, CA 90010

EASTWEST BANK
PALOS VERDES PENINSULA, CA 90274
15-7038/1220 11

7738

5/17/2007

PAY TO THE ORDER OF ~~Genous Firouzman~~ $ **55,000 00

~~Fifty Five Thousand and 00/100~~ DOLLARS

Genous Firouzman
5151 Veloz Ave.,
Tarzana, CA 91356

MEMO

Owner's Withdrawal - May 2007

[redacted]

052755563

05301811
Processed
Fiserv-Walnut Center 5
05/30/2007

12392043

7538815633

Genous Firouzman
15345 Mulholland

MOBLEY LAW OFFICES

ATTORNEYS AT LAW

352 NORTH ROBERTSON BOULEVARD

LOS ANGELES, CALIFORNIA 90048

TEL (310) 652-4155 • FAX (310) 652-4145

SENT VIA MESSENGER

October 25, 2007

Mr. Mayer Separzadeh
General Partner
Wilshire Ardmore Partnership
c/o Action Investment Group, Inc.,
3540 Wilshire Blvd., Suite 1215
Los Angeles, California 90010

Re: Disbursement of Funds
Mr. Edward Lavi

Dear Mr. Separzadeh:

Pursuant to our conversation and your previous correspondence, I have enclosed the documents required to authorize the transfer of Edward Lavi's partnership interest and to release to Edward Lavi funds held in escrow or held with the accommodator.

Enclosed are the following documents:

- A certified copy of the court's order, which includes the executed settlement agreement between Sigal Lavi and Edward Lavi. The court has approved the agreement and the transfer of 4.05 of Edward Lavi's limited partnership interest to Sigal Lavi.

- The original indemnity agreement signed and notarized by Edward Lavi.

- Mr. Lavi's signed authorization and instructions for his funds to be disbursed to him via an electronic transfer to his bank account.

- Mr. Lavi's signed authorization and instruction for a portion of his funds to be disbursed to Mobley Law Offices via electronic transfer to my bank account if possible, otherwise by check.

Based upon our conversations of October 24, 2007 and October 19, 2007, Mr. Edward Lavi shall receive an estimated amount of $1,030,000.00, which shall be subject to a 3% withholding to be forwarded to the California Franchise Tax Board. In addition, you are withholding approximately $500,000.00 separate and apart from the $1,030,000.00 until the resolution of the lawsuit pending with Mr. Parviz Lavi.

Please inform me if any of the above information is not correct so I may advise Mr. Lavi. Should you need additional information or have any questions, please do not hesitate to contact me.

Sincerely,

Felicia A. Mobley

MOBLEY LAW OFFICES

ATTORNEYS AT LAW

352 NORTH ROBERTSON BOULEVARD

LOS ANGELES, CALIFORNIA 90048

TEL (310) 652-4155 • FAX (310) 652-4145

October 25, 2007

Mr. Edward Lavi
814 Wooster Street
Los Angeles, California 90035

Re: Attorney Fees

Dear Mr. Lavi:

You attorney fee bill is not complete at this time. The accounting up to July 2007, with all payments credited, is at $102,000.00. Therefore, I am estimating $125,000.00 be sent to me from your funds held by Wilshire Ardmore Partnership. If the $125,000.00 turns out to be an overpayment, I will tender the overpaid funds to you by Monday. If however, the $125,000.00 results in an underpayment, I will expect you to tender the additional funds to me within 3 days of receiving notice.

Thank you for your cooperation.

Sincerely,

Felicia A. Mobley

I have read the above, approved and agreed to the terms:

Edward Lavi

Edward Lavi

10/25/07

Date

MOBLEY LAW OFFICES
ATTORNEYS AT LAW
352 NORTH ROBERTSON BOULEVARD
LOS ANGELES, CALIFORNIA 90048
TEL (310) 652-4155 • FAX (310) 652-4145

Client Bill Invoice

April 20, 2010

Attorney: Felicia A. Mobley, Esq.
Client: Edward Lavi
Case: PD332664

Date	Service	Time	Rate	Amount
April 20, 2010	Research Re Change of Venue Pleadings; Draft Motion for Change of Venue, Application and Order for Reissuance of Order to Show Cause	2.75 hrs	$300.00	$825.00
April 20, 2010	Compiling and copying of Motion for Change of Venue and Application and Order for Reissuance of OSC	N/A	N/A	$0.00
	For Professional services rendered	2.75 hrs		**$825.00**

Balance Due for Attorney Services: $825.00

Expenses:

Copies: No charge.
Messenger Fees:
Service of Documents: Unknown – Client will be billed upon Mobley Law Offices' receipt of amount due.
Filing of Documents: Unknown – Client will be billed upon Mobley Law Offices' receipt of amount due.

Current invoice is for ***$825.00****. Costs for messenger fees will be billed to client at a later date.*

Paid
Check # 1103

450

EDWARD LAVI

[redacted]

94-7074/3212 2962
5025042275

2/6/08
Date

Pay to the Order of LAW OFFICES OF FELICIA MOBLEY TRUST ACT $ 15,000.00

FIFTEEN THOUSAND Dollars

Security Features Details on Back

WELLS FARGO
Wells Fargo Bank, N.A.
Nevada
wellsfargo.com

Edward Lavi

For 730 EVALUATION [redacted]

MOBLEY LAW OFFICES

ATTORNEYS AT LAW

352 NORTH ROBERTSON BOULEVARD

LOS ANGELES, CALIFORNIA 90048

TEL (310) 652-4155 • FAX (310) 652-4145

May 8, 2008

Mr. Edward Lavi

[redacted]

Matter : *Lavi v. Lavi*
PD 032664

FINAL STATEMENT OF CHARGES

Services Rendered From June 2006 through April 2008
Attorney Fees & Costs: $221,937.50

Thank you for your using my services.

Sincerely,

Felicia A. Mobley

MOBLEY LAW OFFICES

ATTORNEYS AT LAW

352 NORTH ROBERTSON BOULEVARD

LOS ANGELES, CALIFORNIA 90048

TEL (310) 652-4155 • FAX (310) 652-4145

May 8, 2008

Mr. Edward Lavi

[redacted]

Matter : *Lavi v. Lavi*
PD 032664

Services Rendered From June 2006 through October 2007
Attorney Fees: $207,007.50
Costs: $ 5,098.40

Services Rendered From November 2007 through April 2008
Attorney Fees: $ 9,675.00
Costs: $ 156.20

Total Payments: $147,050.00

Balance Due: $74,887.40

MOBLEY LAW OFFICES
ATTORNEYS AT LAW
352 NORTH ROBERTSON BOULEVARD
LOS ANGELES, CALIFORNIA 90048
TEL (310) 652-4155 • FAX (310) 652-4145

June 22, 2006

To: Mr. Ed Lavi

Receipt for amount of $100.00 check# 556 paid to Felicia Mobley.
This fee is for consultation appointment held on Thursday June 22, 2006.

Cynthia Kemp
Cynthia Kemp
Staff

MOBLEY LAW OFFICES
ATTORNEYS AT LAW
352 NORTH ROBERTSON BOULEVARD
LOS ANGELES, CALIFORNIA 90048
TEL (310) 652-4155 • FAX (310) 652-4145

June 22, 2006

To: Mr. Ed Lavi

Receipt for amount of $2000.00 check# 557 paid to Felicia Mobley.
This fee is for services re: contract established with consultation appointment held on Thursday June 22, 2006.

Cynthia Kemp
Staff

MOBLEY LAW OFFICES
ATTORNEYS AT LAW
352 NORTH ROBERTSON BOULEVARD
LOS ANGELES, CALIFORNIA 90048
TEL (310) 652-4155 • FAX (310) 652-4145

June 28, 2006

To: Mr. Ed Lavi

Receipt for the amount of $1,000.00, check #561, dated August 30, 2006, paid to Mobley Law Offices for legal services to be rendered in case #PD032664, Lavi v Lavi.

Aamina Mahir
Office Clerk

MOBLEY LAW OFFICES
ATTORNEYS AT LAW
352 NORTH ROBERTSON BOULEVARD
LOS ANGELES, CALIFORNIA 90048
TEL (310) 652-4155 • FAX (310) 652-4145

June 28, 2006

To: Mr. Ed Lavi

Receipt for the amount of $2,000.00, check #560, dated July 30, 2006, paid to Mobley Law Offices for legal services to be rendered in case #PD032664, Lavi v Lavi.

Aamina Mahir
Office Clerk

EDWARD LAVI
[redacted]

557

6/21/06 Date

94-7074/3212 2962
5025042275

Pay to the Order of MOBLEY LAW OFFICES $ 2,000.00

two thousand Dollars

WELLS FARGO
Wells Fargo Bank, N.A.
Nevada
wellsfargo.com

SET ASIDE JUDGEMENT

For RETAINER FOR HISTORY

Edward Lavi

[redacted]

EDWARD LAVI
[redacted]

561

Pay to the Order of MOBLEY LAW OFFICES 8/30/06 Date

$ 1,000.00

Dollars

WELLS FARGO

Wells Fargo Bank, N.A.
Nevada
wellsfargo.com

For PD03226 PHS1 ACCUSTODY & KIDS

Edward Lavi

[redacted]

EDWARD LAVI
[redacted]

560

Pay to the Order of MOBLEY LAW OFFICES 7/30/06 Date

$ 2,000.00

Dollars

WELLS FARGO

Wells Fargo Bank, N.A.
Nevada
wellsfargo.com

For PD03226 PHS2 ACCUSTODY & KIDS

Edward Lavi

[redacted]

Recd:
Samira Mahir

LAW OFFICES OF
JOHN F. NICHOLSON

21243 VENTURA BLVD. SUITE 226, WOODLAND HILLS, CALIFORNIA 91364 (818) 348-3806

May 14, 2008

Edward Lavi
[redacted]

INVOICE

Date	Activity	Time Billed	
2006			
Oct. 5:	Prep. email to client.	.1 hr	
Oct. 12:	Teleconf. with Mayer re: sale of WA partnership shares.	.1 hr	
Oct. 18:	Review client's email and prep. response.	.2 hr+	
Oct. 24:	Prep. email to client re: teleconf. with Mayer.	.2 hr	
Oct. 26:	Review client's email, prep. and forward response.	.2 hr	
Oct. 30:	Review client's email, prep. and forward response. (.2 hr)		n/c
	Prep. letter to Sue Arani, fax and mail.	.25 hr	
Oct. 31:	Rec'd, reviewed and sent response to client's email, confirming that $5,000 check was mailed to his new attorney, Sue Arani.	.1 hr	
Nov. 14:	Review client's email and provide response. (.2 hr)		n/c
Dec. 9:	Several emails to and from client re: pick-up WA partnership file. (.3 hr)		n/c
2007			
Jan. 8:	Prep. letter to client, check for $250 dated 3/30 is not a payment.	1 hr	
June 8:	Email from client; prep. Trust in Word and email to client	.2 hr	

June 18:	Reply to client's email re: payment arrangements.	.1 hr+
June 20:	Rec'd/review/respond to email from client which includes reviewing file docs. and invoices.]	.5 hr
Nov. 28:	Called client re payment he said that he will be sending in payment today.	

Subtotal: 2.05 hr

Charges this billing period: 2.05 hr @ $200.00/hr. = **$ 410.00**

Miscellaneous charges this period:

33 copies @ $.15 ea	$4.95
Postage	1.20
Subtotal:	**$5.15**

Total Charges this billing period: $ 415.15

Credits this period:
1/2/08 $1,000.00

Total Credits this period: <$1,000.00>

Previous Balance Forward: $1,041.05

BALANCE DUE: $ 456.20

Thank you,

LAW OFFICES OF JOHN F. NICHOLSON

John F. Nicholson, Esq.

OFFICE POLICY IS PAYMENT IS DUE UPON RECEIPT OF INVOICE; HOWEVER, IF YOU HAVE ANY QUESTIONS REGARDING YOUR INVOICE PLEASE CONTACT OUR OFFICE WITHIN 14 DAYS FROM DATE OF INVOICE. THANK YOU.

UNPAID BALANCES IN EXCESS OF 30 DAYS OVERDUE ARE SUBJECT TO AN INTEREST CHARGE OF 10% PER ANNUM. THANK YOU.

LAW OFFICES OF
JOHN F. NICHOLSON

21243 VENTURA BLVD. SUITE 226, WOODLAND HILLS, CALIFORNIA 91364 (818) 348-3806

June 23, 2008

Edward Lavi
[redacted]

INVOICE

Date	Activity	Time Billed

2006

No attorney charges this period.

Subtotal: 0.0 hr

Charges this billing period: 0.0 hr @ $200.00/hr. = **$ 0.00**

Miscellaneous charges this period:

Interest on past due balance (May)	$ 3.78
47 copies @ $.15 ea	7.05
Postage	.60
Subtotal:	**$11.43**

Total Charges this billing period: $ 11.43

Credits this period:
None

Total Credits this period: <$ 0.00>

Previous Balance Forward: $ 456.20

BALANCE DUE: $ 467.63

Thank you,

LAW OFFICES OF JOHN F. NICHOLSON

LAW OFFICES OF
JOHN F. NICHOLSON
21243 VENTURA BLVD., SUITE 226, WOODLAND HILLS, CALIFORNIA 91364 (818) 348-3806

October 10, 2008

Edward Lavi
[redacted]

INVOICE

Date	Activity	Time Billed
July 14:	Prep. letter to client and send with invoice.	.2 hr
	Subtotal:	**.2 hr**

Charges this billing period: .2 hr @ $275.00/hr. = **$ 55.00**

Miscellaneous charges this period:

Interest on past due bal. - June	$ 3.88
Interest on past due bal. - July	3.91
Interest on past due bal - Aug.	3.94
Interest on past due bal - Sept.	3.97
Subtotal:	**$15.70**

Total Charges this billing period: $ 70.70

Credits this period:
None **Total Credits this period:** **<$ 0.00>**

Previous Balance Forward: **$ 467.63**

BALANCE DUE: **$ 538.33**

Thank you,
LAW OFFICES OF JOHN F. NICHOLSON

John F. Nicholson, Esq.

Mr. Lavi: As previously stated, you received a substantial discount that was a courtesy; please pay the balance. I will accept a flat $500.00 now and will consider your account paid in full.

In the event I do not receive the payment within 30 days all discounts will be voided.

John F. Nicholson, Esq. (SBN# 204585)
LAW OFFICES OF JOHN F. NICHOLSON
21243 Ventura Blvd., Suite 226
Woodland Hills, California 91364
Telephone No.: (818) 348-3806

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

Marriage of Lavi:

EDWARD LAVI, Petitioner,
and
SIGAL LAVI, Respondent.

CASE NUMBER: PD 032 664

DECLARATION OF JOHN NICHOLSON

DECLARATION OF JOHN F. NICHOLSON

I, JOHN F. NICHOLSON, declare,

1. I am an attorney licensed to practice law in the State of California, and make declaration based upon my own personal knowledge.

2. If called upon as a witness I could and would competently testify to the truth of statements made herein, except as to those matters based upon information and belief and as to matters, I believe it to be true.

3. On or about January 18, 2006, I was retained by EDWARD LAVI, Petitioner in instant action, to prepare trust documents for the purpose of facilitating the payment of monthly support obligations in this family law action. The trust document was drafted in January and forwarded to M. Aardema, Esq., attorney for SIGAL LAVI, the Respondent.

4. The problem was being able to fund the trust. I was further retained by Mr. Lavi negotiate the sale of Mr. Lavi's interest in the Wilshire-Ardmore Partnership in order to fund the

to provide the required support. On or about February 13, 2006, I began to negotiate the sale Lavi's interest with Mr. Mayer Separazadeh, the General Partner of Action Investment Group, Inc limited partnership owner of the Wilshire-Ardmore building.

5. For the months of February, March, and one-half of April extensive negotiations ar between Robert C. Weiss, Esq., attorney for the Partnership, and myself, to draft a sale agreeme

6. Upon agreement of all terms, especially the price of $1.85 million, Mr. Separa decided that he wanted Mr. Lavi to pay a 20% to him on the purchase of Mr. Lavi's partnership into

7. Negotiations broke off until late May when it appeared that the 20% commission w the table; however, Mr. Separazadeh then wanted an additional $5,000.00 without providing reasonable basis for requesting that amount. Notwithstanding, Mr. Lavi agreed to allow $5,000 be retained from the sale price. Mr. Separazadeh, on the other hand, refused that offer and dem that the $5,000.00 be paid up front. The basis for this demand is still unknown.

8. A substantial amount of time was spent on negotiations through June until it bec apparent that Mr. Separazadeh was just no going to cooperate. He is difficult to work with at best, impossible at the worst. He even refused to provide me with a copy of the partnership agreement so I could determine what procedure was required to sell outside the partnership.

9. Mr. Lavi did not have a copy in his possession, and only recently was he able to ob a copy and provide it to me. A brief review of the partnership agreement indicates that Mr. Lavi offer the sale of his interest to a third party wherein the partners have a right of first refusal.

10. Although the opportunity to sell to third parties exists, there is no guarantee as to a potential buyer will appear and be ready, willing, and able to purchase Mr. Lavi's interest.

11. I have exerted considerable effort on Mr. Lavi's behalf to sell his partnership inter Mr. Lavi has paid me considerable fees for my efforts, but to date, a sale has not been consumma

12. It is my opinion that Mr. Lavi has done all in his power, and continues to do so liquidate his assets to provide the family support required pursuant to the judgment/order. I hop continue to assist him in this endeavor.

//

//

I declare under the penalty of perjury under the laws of the State of California that the stated matter is true and correct.

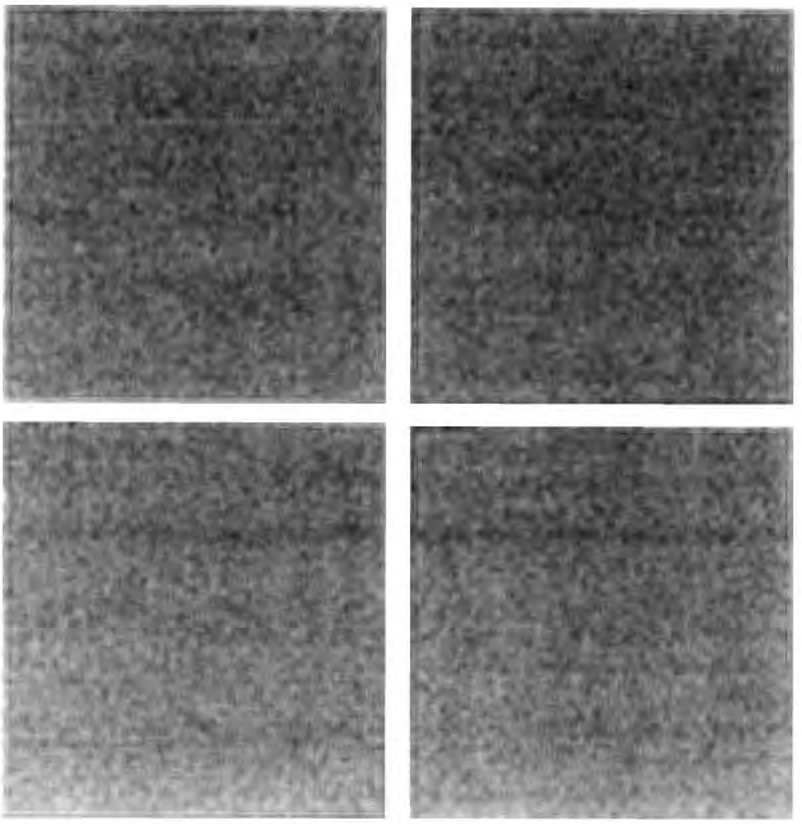
DATED: July 20, 2006

John F. Nicholson, Esq.

2007

Income Tax Return

You've got people.



For more information about tax and financial services, contact us year-round.

1-800-HRBLOCK hrblock.com

Form **1040** Department of the Treasury - Internal Revenue Service **U.S. Individual Income Tax Return 2007**

IRS Use Only - Do not write or staple in this space

For the year Jan. 1-Dec. 31, 2007, or other tax year beginning , 2007, ending , 20

OMB No. 1545-0074

Label Use the IRS label. Otherwise, please print or type. LABEL HERE

EDWARD M LAVI
[redacted]

Your social security number [redacted]

Spouse's social security number

▲ You MUST enter your SSN(s) above ▲

Checking a box below will not change your tax or refund.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 12) ▶ ☐ You ☐ Spouse

Filing Status Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name below. ▶
4 [ ] Head of household (with qualifying person). (See page 13.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 [ ] Qualifying widow(er) with dependent child (see page 14)

Exemptions

6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a
b [ ] Spouse

Boxes checked on 6a and 6b: 1

c Dependents:

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qual. child for child tax cr.
ARIELLA LAVI	612-19-9100	DAUGHTER	X
GABRIEL LAVI	620-29-3366	SON	X

If more than four dependents, see page 15.

No. of children on 6c who:
- lived with you: 2
- did not live with you due to divorce or separation:

Dependents on 6c not entered above:

d Total number of exemptions claimed ▶ 3

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 19.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	Taxable interest. Attach Schedule B if required	8a	21,358.
b	Tax-exempt interest. Do not include on line 8a — 8b 15,019.		
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (see page 19) — 9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	(559,032.)
13	Capital gain/(loss). Attach Sch D. If not required, check here ▶ ☐	13	971,305.
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions — 15a — b Taxable amt	15b	
16a	Pensions and annuities — 16a — b Taxable amt	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	(26,112.)
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits — 20a — b Taxable amt	20b	
21	Other income. List type and amount (see page 24) NOL (54,348.)	21	(54,348.)
22	Add the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	353,171.

Adjusted Gross Income

23	Educator expenses (see page 26)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see page 26)	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction (see page 27)	32	
33	Student loan interest deduction (see page 30)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 31a and 32 through 35	36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37	353,171.

KBA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 83.

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	353,171.
39a	Check if: ☐ You were born before January 2, 1943, ☐ Blind. ☐ Spouse was born before January 2, 1943, ☐ Blind. Total boxes checked ▶ 39a ☐		
b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 31 & check here ▶ 39b ☐		
40	**Itemized deductions** (from Schedule A) or your **standard deduction** (see left margin)	40	161,523.
41	Subtract line 40 from line 38	41	191,648.
42	If line 38 is $117,300 or less, multiply $3,400 by the total number of exemptions claimed on line 6d. If line 38 is over $117,300, see the worksheet on page 33	42	3,399.
43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	188,249.
44	Tax. Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972 c ☐ Form(s) 8889	44	25,053.
45	**Alternative minimum tax** (see page 36). Attach Form 6251	45	13,048.
46	Add lines 44 and 45 ▶	46	38,101.
47	Credit for child and dependent care expenses. Attach Form 2441 — 47		
48	Credit for the elderly or the disabled. Attach Schedule R — 48		
49	Education credits. Attach Form 8863 — 49		
50	Residential energy credits. Attach Form 5695 — 50		
51	Foreign tax credit. Attach Form 1116 if required — 51		
52	Child tax credit (see page 39). Attach Form 8901 if required — 52		
53	Retirement savings contributions credit. Attach Form 8880 — 53		
54	Credits from: a ☐ Form 8396 b ☐ Form 8859 c ☐ Form 8839 — 54		
55	Other credits: a ☐ Form 3800 b ☐ Form 8801 c ☐ Form ____ — 55		
56	Add lines 47 through 55. These are your total credits	56	
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ▶	57	38,101.

Standard Deduction for -

- People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 31.
- All others:

Single or Married filing separately, $5,350

Married filing jointly or Qualifying widow(er), $10,700

Head of household, $7,850

Other Taxes

58	Self-employment tax. Attach Schedule SE	58	
59	Unreported social security and Medicare tax from: a ☐ Form 4137 b ☐ Form 8919	59	
60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
61	Advance earned income credit payments from Form(s) W-2, box 9	61	
62	Household employment taxes. Attach Schedule H	62	
63	Add lines 57 through 62. This is your total tax ▶	63	38,101.

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099 — 64		
65	2007 estimated tax payments and amount applied from 2006 return — 65		
66a	**Earned income credit (EIC)** — 66a		
b	Nontaxable combat pay election ▶ 66b		
67	Excess social security and tier 1 RRTA tax withheld (see page 59) — 67		
68	Additional child tax credit. Attach Form 8812 — 68		
69	Amount paid with request for extension to file (see page 59) — 69		
70	Payments from: a ☐ Form 2439 b ☐ Form 4136 c ☐ Form 8885 — 70		
71	Refundable credit for prior year minimum tax from Form 8801, line 27 — 71		
72	Add lns 64, 65, 66a, & 67 through 71. These are your total payments ▶	72	0.

Refund

Direct deposit? See page 59 and fill in 74b, 74c, and 74d, or Form 8888.

73	If line 72 is more than line 63, subtract line 63 from line 72. This is the amount you **overpaid**	73	
74a	Amount of line 73 you **want refunded to you.** If Form 8888 is attached, check here ▶ ☐	74a	
▶ b	Routing number XXXXXXXXX ▶ c Type: ☐ Checking ☐ Savings		
▶ d	Account number XXXXXXXXXXXXXXXXXX		
75	Amount of line 73 you want **applied to your 2008 estimated tax** ▶ 75		

Amount You Owe

76	Amount you owe. Subtract line 72 from line 63. For details on how to pay, see page 60 ▶	76	38,101.
77	Estimated tax penalty (see page 61) — 77		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 61)? [X] Yes. Complete the following. ☐ No

Designee's name ▶ HR BLOCK — Phone no. ▶ (323) 634-9204 — Personal ID number (PIN) ▶ 03343

Sign Here

Joint return? See page 13. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
		INVESTMENTS	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	

Paid Preparer's Use Only

Preparer's signature ▶	Date 11/17/2008	Check if self-employed ☐	Preparer's SSN or PTIN P00376295
Firm's name (or yours if self-employed), address, and ZIP code ▶ H AND R BLOCK SERVICE INC, BEVERLY HILLS, CA 90211		EIN 43-1871840	Phone no. (310) 248-4902

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service

Schedule A - Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 07

Name(s) shown on Form 1040: EDWARD M LAVI

Your social security number: [redacted]

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.				
	1 Medical and dental expenses (see page A-1) DENTAL 6,000.		1	6,000.	
	2 Enter amount from Form 1040, line 38	2 353,171.			
	3 Multiply line 2 by 7.5% (.075)		3	26,488.	
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-				4 0.
Taxes You Paid (See page A-2.)	5 State and local (check only one box): a [ ] Income taxes, or b [X] General sales taxes		5	2,575.	
	6 Real estate taxes (see page A-5) NEVEDA PROPERTY TAXES 5,963.		6	5,963.	
	7 Personal property taxes		7		
	8 Other taxes. List type and amount ▶		8		
	9 Add lines 5 through 8				9 8,538.
Interest You Paid (See page A-5.)	10 Home mortgage interest and points reported to you on Form 1098		10	134,798.	
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶		11		
Note. Personal interest is not deductible.	12 Points not reported to you on Form 1098. See page A-6 for special rules.		12		
	13 Qualified mortgage insurance premiums (See page A-7)		13		
	14 Investment interest. Attach Form 4952 if required. (See page A-7.)		14		
	15 Add lines 10 through 14				15 134,798.
Gifts to Charity	16 Gifts by cash or check. If you made any gift of $250 or more, see page A-8 TEMPLE 22,122.		16	22,122.	
If you made a gift and got a benefit for it, see page A-8.	17 Other than by cash or check. If any gift of $250 or more, see page A-8. You must attach Form 8283 if over $500		17		
	18 Carryover from prior year		18		
	19 Add lines 16 through 18				19 22,122.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See page A-9.)				20
Job Expenses and Certain Miscellaneous Deductions (See page A-9.)	21 Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.) ▶		21		
	22 Tax preparation fees		22	275.	
	23 Other expenses - investment, safe deposit box, etc. List type and amount ▶		23		
	24 Add lines 21 through 23		24	275.	
	25 Enter amount from Form 1040, line 38	25 353,171.			
	26 Multiply line 25 by 2% (.02)		26	7,063.	
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-				27 0.
Other Miscellaneous Deductions	28 Other - from list on page A-10. List type and amount ▶				28
Total Itemized Deductions	29 Is Form 1040, line 38, over $156,400 (over $78,200 if married filing separately)? [ ] No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. [X] Yes. Your deduction may be limited. See page A-10 for the amount to enter. ▶				29 161,523.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ [ ]				

KBA For Paperwork Reduction Act Notice, see Form 1040 instructions.

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Schedule B (Form 1040) 2007 OMB No. 1545-0074

Name(s) shown on Form 1040: EDWARD M LAVI

Your social security number [redacted]

Schedule B - Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

			Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶		
	WELLS FARGO		29.
	WELLS FARGO		1,154.
	NAMCO		5,156.
	WILSHIRE ARDMORE PARTNERSHIP		15,019.
		1	
2	Add the amounts on line 1	2	21,358.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶	4	21,358.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See page B-1 and the instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

			Amount
5	List name of payer ▶	5	
6	Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See page B-2)

You must complete this part if you (a) had over $1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2007, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1		X
b	If "Yes," enter the name of the foreign country ▶		
8	During 2007, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2		X

KBA For Paperwork Reduction Act Notice, see Form 1040 instructions.

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

▶ Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

▶ Attach to Form 1040, 1040NR, or 1041. ▶ See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 09

Name of proprietor: EDWARD M LAVI

Social security number (SSN): [redacted]

A Principal business or profession, including product or service (see page C-2 of the instructions): REAL ESTATE : INVESTMENTS

B Enter code from pages C-8, 9, & 10 ▶ 999999

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), if any

E Business address (including suite or room no.) ▶ [redacted]

City, town or post office, state, and ZIP code

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ▶

G Did you "materially participate" in the operation of this business during 2007? If "No," see page C-3 for limit on losses . . . [ ] Yes [X] No

H If you started or acquired this business during 2007, check here ▶ [ ]

Part I Income

1	Gross receipts or sales. **Caution.** If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here ▶ [ ]	1	
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	
4	Cost of goods sold (from line 42 on page 2)	4	
5	**Gross profit.** Subtract line 4 from line 3	5	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see page C-3)	6	
7	**Gross income.** Add lines 5 and 6 ▶	7	0.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense	18	
9	Car and truck expenses (see page C-4)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see page C-5):		
11	Contract labor (see page C-4)	11		a	Vehicles, machinery, and equipment	20a	4,038.
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	18,185.
b	Other	16b		b	Deductible meals and entertainment (see page C-6)	24b	1,823.
17	Legal and professional services	17	523,000.	25	Utilities	25	215.
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	11,771.

28	Total expenses before expenses for business use of home. Add lines 8 through 27 in columns ▶	28	559,032.
29	Tentative profit (loss). Subtract line 28 from line 7	29	(559,032.)
30	Expenses for business use of your home. Attach Form 8829	30	
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-7). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	(559,032.)

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).

- If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-7). Estates and trusts, enter on Form 1041, line 3.
- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a [X] All investment is at risk.

32b [ ] Some investment is not at risk.

KBA For Paperwork Reduction Act Notice, see page C-8 of the Instructions.

Schedule C (Form 1040) 2007

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Part III Cost of Goods Sold (see page C-7)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . ☐ Yes ☐ No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs	39	
40	Add lines 35 through 39	40	
41	Inventory at end of year	41	
42	**Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on page 1, line 4	42	

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 on page C-4 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶ _____

44 Of the total number of miles you drove your vehicle during 2007, enter the number of miles you used your vehicle for:

a Business _____ b Commuting (see instructions) _____ c Other _____

45 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

46 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

47a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If "Yes," is the evidence written? ☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

WEBSITE DEVELOP	3,000.
LOCAL TRANS	3,684.
CELL PHONE USAGE	2,867.
INTERNET USAGE	2,220.

48 Total other expenses. Enter here and on page 1, line 27 . . . 48 11,771.

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SCHEDULE D (Form 1040)

Department of the Treasury Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1040 or Form 1040NR. ▶ See Instructions for Schedule D (Form 1040).

▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

2007

Attachment Sequence No. 12

Name(s) shown on return: EDWARD M LAVI

Your social security number: [redacted]

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)

2 Enter your short-term totals, if any, from Schedule D-1, line 2	2		
3 **Total short-term sales price amounts.** Add lines 1 and 2 in column (d)	3		
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	4		
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	5		
6 Short-term capital loss carryover. Enter the amount, if any, from line 10 of your Capital Loss Carryover Worksheet on page D-7 of the instructions	6	( )	
7 **Net short-term capital gain or (loss).** Combine lines 1 through 6 in column (f)	7		

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

8 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)

9 Enter your long-term totals, if any, from Schedule D-1, line 9	9		
10 **Total long-term sales price amounts.** Add lines 8 and 9 in column (d)	10		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824	11	1,171,999.	
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	12		
13 Capital gain distributions. See page D-2 of the instructions	13		
14 Long-term capital loss carryover. Enter the amount, if any, from line 15 of your Capital Loss Carryover Worksheet on page D-7 of the instructions	14	(200,694.)	
15 **Net long-term capital gain or (loss).** Combine lines 8 through 14 in column (f). Then go to Part III on page 2.	15	971,305.	

KBA For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.

Schedule D (Form 1040) 2007

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Part III Summary

16 Combine lines 7 and 15 and enter the result . . . . . 16 971,305.

If line 16 is:

- A gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below.
- A loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.
- Zero, skip lines 17 through 21 below and enter - 0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.

17 Are lines 15 and 16 both gains?

[X] Yes. Go to line 18.

[ ] No. Skip lines 18 through 21, and go to line 22.

18 Enter the amount, if any, from line 7 of the **28% Rate Gain Worksheet** on page D-8 of the instructions . . . . . ▶ 18

19 Enter the amount, if any, from line 18 of the **Unrecaptured Section 1250 Gain Worksheet** on page D-9 of the instructions . . . . . ▶ 19

20 Are lines 18 and 19 both zero or blank?

[X] Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). Do not complete lines 21 and 22 below.

[ ] No. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Schedule D Tax Worksheet** on page D-10 of the instructions. Do not complete lines 21 and 22 below.

21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:

- The loss on line 16 or
- ($3,000), or if married filing separately, ($1,500)

} . . . . . 21 ( )

Note. When figuring which amount is smaller, treat both amounts as positive numbers.

22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b?

[ ] Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR).

[ ] No. Complete the rest of Form 1040 or Form 1040NR

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 13

Name(s) shown on return: EDWARD M LAVI

Your social security number: [redacted]

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1 List the type and location of each rental real estate property:

A HOUSE [redacted]

B

C

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:
- 14 days or
- 10% of the total days rented at fair rental value? (See page E-3)

	Yes	No
A		X
B		
C		

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	10,800.			3	10,800.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5					
6 Auto and travel (see page E-4)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9	3,060.				
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc. (see page E-4)	12	11,451.			12	11,451.
13 Other interest	13					
14 Repairs	14					
15 Supplies	15					
16 Taxes	16					
17 Utilities	17					
18 Other (list) ▶ AMORTIZATION	18	1,672.				
19 Add lines 5 through 18	19	16,183.			19	16,183.
20 Depreciation expense or depletion (see page E-5)	20	5,999.			20	5,999.
21 Total expenses. Add lines 19 and 20	21	22,182.				
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198	22	(11,382.)				
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	(31,798.)	( )	( )		
24 Income. Add positive amounts shown on line 22. Do not include any losses					24	
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	(31,798.)
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	(31,798.)

KBA For Paperwork Reduction Act Notice, see page E-7 of the instructions.

Name(s) shown on return. EDWARD M LAVI

Your social security number [redacted]

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered "Yes," see page E-6 before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	[redacted]	P		[redacted]	
B					
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A		5,686.			
B					
C					
D					
29a Totals		5,686.			
b Totals					

30 Add columns (g) and (j) of line 29a	30	5,686.
31 Add columns (f), (h), and (i) of line 29b	31	( )
32 **Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	5,686.

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34a Totals				
b Totals				

35 Add columns (d) and (f) of line 34a	35	
36 Add columns (c) and (e) of line 34b	36	( )
37 **Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-7)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39 Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40 Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41 **Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ▶	41	(26,112.)
42 **Reconciliation of farming and fishing income.** Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see page E-7)	42	
43 **Reconciliation for real estate professionals.** If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

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Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

2007

Attachment Sequence No. **27**

Name(s) shown on return: EDWARD M LAVI

Identifying number: [redacted]

1 Enter the gross proceeds from sales or exchanges reported to you for 2007 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) . . . 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft — Most Property Held More Than 1 Year (see instructions)

2 (a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
FROM SCH K1						1,171,999

3	Gain, if any, from Form 4684, line 39	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6	Gain, if any, from line 32, from other than casualty or theft	6	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:	7	1,171,999

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8	Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	9	

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	Loss, if any, from line 7	11	( )
12	Gain, if any, from line 7 or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Combine lines 10 through 16	17	
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:		
a	If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions	18a	
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14	18b	

KBA For Paperwork Reduction Act Notice, see separate instructions.

Form 4797 (2007)

Form **5329**

Department of the Treasury
Internal Revenue Service (99)

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

▶ Attach to Form 1040 or Form 1040NR.
▶ See separate instructions.

OMB No. 1545-0074

2007

Attachment Sequence No. 29

Name of individual subject to additional tax. If married filing jointly, see instructions.	Your social security number
EDWARD M LAVI	[redacted]

Fill in Your Address Only If You Are Filing This Form by Itself and Not With Your Tax Return	Home address (number and street), or P.O. box if mail is not delivered to your home	Apt. no.
	City, town or post office, state, and ZIP code	If this is an amended return, check here ▶ ☐

If you only owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 60, or Form 1040NR, line 55, without filing Form 5329. See the instructions for Form 1040, line 60, or for Form 1040NR, line 55.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution, before you reached age 59½, from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040 or Form 1040NR- see above). You may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1	Early distributions included in income. For Roth IRA distributions, see instructions	1	
2	Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____	2	
3	Amount subject to additional tax. Subtract line 2 from line 1	3	
4	**Additional tax.** Enter 10% (.10) of line 3. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	4	
	Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).		

Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040 or Form 1040NR, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5	Distributions included in income from Coverdell ESAs and QTPs	5	
6	Distributions included on line 5 that are not subject to the additional tax (see instructions)	6	
7	Amount subject to additional tax. Subtract line 6 from line 5	7	
8	**Additional tax.** Enter 10% (.10) of line 7. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	8	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2007 than is allowable or you had an amount on line 17 of your 2006 Form 5329.

9	Enter your excess contributions from line 16 of your 2006 Form 5329 (see instructions). If zero, go to line 15			9	
10	If your traditional IRA contributions for 2007 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10			
11	2007 traditional IRA distributions included in income (see instructions)	11			
12	2007 distributions of prior year excess contributions (see instructions)	12			
13	Add lines 10, 11, and 12			13	
14	Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-			14	
15	Excess contributions for 2007 (see instructions)			15	100.
16	Total excess contributions. Add lines 14 and 15			16	100.
17	**Additional tax.** Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2007 (including 2007 contributions made in 2008). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			17	0.

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2007 than is allowable or you had an amount on line 25 of your 2006 Form 5329.

18	Enter your excess contributions from line 24 of your 2006 Form 5329 (see instructions). If zero, go to line 23			18	
19	If your Roth IRA contributions for 2007 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19			
20	2007 distributions from your Roth IRAs (see instructions)	20			
21	Add lines 19 and 20			21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-			22	
23	Excess contributions for 2007 (see instructions)			23	
24	Total excess contributions. Add lines 22 and 23			24	
25	**Additional tax.** Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2007 (including 2007 contributions made in 2008). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			25	

KBA For Privacy Act and Paperwork Reduction Act Notice, see page 6 of the instructions.

Form **6251**

Department of the Treasury
Internal Revenue Service (99)

Alternative Minimum Tax- Individuals

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2007

Attachment Sequence No. 32

Name(s) shown on Form 1040 or 1040NR: EDWARD M LAVI

Your social security number: [redacted]

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	191,648.
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2	
3	Taxes from Schedule A (Form 1040), line 9	3	8,538.
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If Form 1040, line 38, is over $156,400 (over $78,200 if married filing separately), enter the amount from line 11 of the **Itemized Deductions Worksheet** on page A-10 of the instructions for Schedule A (Form 1040)	6	(3,935.)
7	Tax refund from Form 1040, line 10 or line 21	7	( )
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	54,348.
11	Interest from specified private activity bonds exempt from the regular tax	11	
12	Qualified small business stock (7% of gain excluded under section 1202)	12	
13	Exercise of incentive stock options (excess of AMT income over regular tax income)	13	
14	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	14	
15	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	15	
16	Disposition of property (difference between AMT and regular tax gain or loss)	16	7,072.
17	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	17	
18	Passive activities (difference between AMT and regular tax income or loss)	18	20,497.
19	Loss limitations (difference between AMT and regular tax income or loss)	19	
20	Circulation costs (difference between regular tax and AMT)	20	
21	Long-term contracts (difference between AMT and regular tax income)	21	
22	Mining costs (difference between regular tax and AMT)	22	
23	Research and experimental costs (difference between regular tax and AMT)	23	
24	Income from certain installment sales before January 1, 1987	24	( )
25	Intangible drilling costs preference	25	
26	Other adjustments, including income-based related adjustments	26	
27	Alternative tax net operating loss deduction	27	( )
28	**Alternative minimum taxable income.** Combine lines 1 through 27. (If married filing separately and line 28 is more than $207,500, see page 7 of the instructions.)	28	278,168.

Part II Alternative Minimum Tax

29 Exemption. (If this form is for a child under age 18, see page 7 of the instructions.)

IF your filing status is ...	AND line 28 is not over ...	THEN enter on line 29 ...
Single or head of household	$112,500	$44,350
Married filing jointly or qualifying widow(er)	150,000	66,250
Married filing separately	75,000	33,125

If line 28 is over the amount shown above for your filing status, see page 7 of the instructions — 29: 2,933.

30	Subtract line 29 from line 28. If more than zero go to line 31. If zero or less, enter -0- here and on lines 33 and 35 and skip the rest of Part II	30	275,235.
31	• If you are filing Form 2555 or 2555-EZ, see page 8 of the instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on page 2 and enter the amount from line 55 here • All others: If line 30 is $175,000 or less ($87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract $3,500 ($1,750 if married filing separately) from the result.	31	38,101.
32	Alternative minimum tax foreign tax credit (see page 8 of the instructions)	32	
33	Tentative minimum tax. Subtract line 32 from line 31	33	38,101.
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 51). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see page 9 of the instructions)	34	25,053.
35	Alternative minimum tax. Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	13,048.

KBA For Paperwork Reduction Act Notice, see page 10 of the instructions

Part III Tax Computation Using Maximum Capital Gains Rates

36	Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet on page 8 of the instructions			36	275,235.
37	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see page 9 of the instructions). If you are filing Form 2555 or 2555-EZ, see page 10 of the instructions for the amount to enter	37	971,305.		
38	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see page 9 of the instructions). If you are filing Form 2555 or 2555-EZ, see page 10 of the instructions for the amount to enter	38			
39	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see page 10 of the instructions for the amount to enter	39	971,305.		
40	Enter the smaller of line 36 or line 39			40	275,235.
41	Subtract line 40 from line 36			41	
42	If line 41 is $175,000 or less ($87,500 or less if married filing separately), multiply line 41 by 26% (.26). Otherwise, multiply line 41 by 28% (.28) and subtract $3,500 ($1,750 if married filing separately) from the result ▶			42	
43	Enter: • $63,700 if married filing jointly or qualifying widow(er), • $31,850 if single or married filing separately, or • $42,650 if head of household.	43	31,850.		
44	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet on page D-10 of the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter -0-	44	0.		
45	Subtract line 44 from line 43. If zero or less, enter -0-	45	31,850.		
46	Enter the smaller of line 36 or line 37	46	275,235.		
47	Enter the smaller of line 45 or line 46	47	31,850.		
48	Multiply line 47 by 5% (.05) ▶			48	1,593.
49	Subtract line 47 from line 46	49	243,385.		
50	Multiply line 49 by 15% (.15) ▶			50	36,508.
	If line 38 is zero or blank, skip lines 51 and 52 and go to line 53. Otherwise, go to line 51.				
51	Subtract line 46 from line 40	51			
52	Multiply line 51 by 25% (.25) ▶			52	
53	Add lines 42, 48, 50, and 52			53	38,101.
54	If line 36 is $175,000 or less ($87,500 or less if married filing separately), multiply line 36 by 26% (.26). Otherwise, multiply line 36 by 28% (.28) and subtract $3,500 ($1,750 if married filing separately) from the result			54	73,566.
55	Enter the smaller of line 53 or line 54 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet on page 8 of the instructions			55	38,101.

Form **1040** Department of the Treasury - Internal Revenue Service

U.S. Individual Income Tax Return 2007

IRS Use Only - Do not write or staple in this space.

For the year Jan. 1- Dec. 31, 2007, or other tax year beginning , 2007, ending , 20

OMB No. 1545-0074

Label (Use the IRS label. Otherwise, please print or type.) LABEL HERE

EDWARD M LAVI
[redacted]

Your social security number [redacted]

Spouse's social security number

▲ You MUST enter your SSN(s) above. ▲

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund (see page 12) ▶ ☐ You ☐ Spouse

Checking a box below will not change your tax or refund.

Filing Status (Check only one box.)

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name below. ▶
4 [ ] Head of household (with qualifying person). (See page 13.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 [ ] Qualifying widow(er) with dependent child (see page 14)

Exemptions

6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a
b [ ] Spouse

Boxes checked on 6a and 6b: 1

c Dependents:

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qual. child for child tax cr.

If more than four dependents, see page 15.

No. of children on 6c who: • lived with you ____ • did not live with you due to divorce or separation ____

Dependents on 6c not entered above ____

d Total number of exemptions claimed — Add numbers on lines above ▶ 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 19.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	Taxable interest. Attach Schedule B if required		8a	21,358.
b	Tax-exempt interest. Do not include on line 8a	8b 15,019.		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends (see page 19)	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	(523,000.)
13	Capital gain/(loss). Attach Sch D. If not required, check here ▶ ☐		13	624,341.
14	Other gains or (losses). Attach Form 4797		14	
15a	IRA distributions	15a b Taxable amt	15b	
16a	Pensions and annuities	16a b Taxable amt	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	(26,112.)
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits	20a b Taxable amt	20b	
21	Other income. List type and amount (see page 24) NOL (54,348.)		21	(54,348.)
22	Add the amounts in the far right column for lines 7 through 21. This is your total income ▶		22	42,239.

Adjusted Gross Income

23	Educator expenses (see page 26)	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction (see page 26)	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction (see page 27)	32		
33	Student loan interest deduction (see page 30)	33		
34	Tuition and fees deduction. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 31a and 32 through 35		36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶		37	42,239.

KBA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 83. Form 1040 (2007)

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	42,239.
	39a	Check { ☐ You were born before January 2, 1943, ☐ Blind. / If: ☐ Spouse was born before January 2, 1943, ☐ Blind. } Total boxes checked ▶ 39a		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, see pg 31 & check here ▶ 39b ☐		
Standard Deduction for - • People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 31. • All others: Single or Married filing separately, $5,350 Married filing jointly or Qualifying widow(er), $10,700 Head of household, $7,850	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	165,459.
	41	Subtract line 40 from line 38	41	(123,220.)
	42	If line 38 is $117,300 or less, multiply $3,400 by the total number of exemptions claimed on line 6d. If line 38 is over $117,300, see the worksheet on page 33	42	3,400.
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	0.
	44	Tax. Check if any tax is from: a ☐ Form(s) 8814 b ☐ Form 4972 c ☐ Form(s) 8889	44	0.
	45	Alternative minimum tax (see page 36). Attach Form 6251	45	
	46	Add lines 44 and 45 ▶	46	0.
	47	Credit for child and dependent care expenses. Attach Form 2441 — 47		
	48	Credit for the elderly or the disabled. Attach Schedule R — 48		
	49	Education credits. Attach Form 8863 — 49		
	50	Residential energy credits. Attach Form 5695 — 50		
	51	Foreign tax credit. Attach Form 1116 if required — 51		
	52	Child tax credit (see page 39). Attach Form 8901 if required — 52		
	53	Retirement savings contributions credit. Attach Form 8880 — 53		
	54	Credits from: a ☐ Form 8396 b ☐ Form 8859 c ☐ Form 8839 — 54		
	55	Other credits: a ☐ Form 3800 b ☐ Form 8801 c ☐ Form ____ — 55		
	56	Add lines 47 through 55. These are your total credits	56	
	57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ▶	57	0.
Other Taxes	58	Self-employment tax. Attach Schedule SE	58	
	59	Unreported social security and Medicare tax from: a ☐ Form 4137 b ☐ Form 8919	59	
	60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
	61	Advance earned income credit payments from Form(s) W-2, box 9	61	
	62	Household employment taxes. Attach Schedule H	62	
	63	Add lines 57 through 62. This is your total tax ▶	63	0.
Payments If you have a qualifying child, attach Schedule EIC.	64	Federal income tax withheld from Forms W-2 and 1099 — 64		
	65	2007 estimated tax payments and amount applied from 2006 return — 65		
	66a	Earned income credit (EIC) — 66a		
	b	Nontaxable combat pay election ▶ 66b		
	67	Excess social security and tier 1 RRTA tax withheld (see page 59) — 67		
	68	Additional child tax credit. Attach Form 8812 — 68		
	69	Amount paid with request for extension to file (see page 59) — 69		
	70	Payments from: a ☐ Form 2439 b ☐ Form 4136 c ☐ Form 8885 — 70		
	71	Refundable credit for prior year minimum tax from Form 8801, line 27 — 71		
	72	Add lns 64, 65, 66a, & 67 through 71. These are your total payments ▶	72	0.
Refund Direct deposit? See page 59 and fill in 74b, 74c, and 74d, or Form 8888.	73	If line 72 is more than line 63, subtract line 63 from line 72. This is the amount you overpaid	73	0.
	74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ▶ ☐	74a	
	▶ b	Routing number XXXXXXXXX ▶ c Type: ☐ Checking ☐ Savings		
	▶ d	Account number XXXXXXXXXXXXXXXXXX		
	75	Amount of line 73 you want applied to your 2008 estimated tax ▶ 75		
Amount You Owe	76	Amount you owe. Subtract line 72 from line 63. For details on how to pay, see page 60 ▶	76	
	77	Estimated tax penalty (see page 61) — 77		

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see page 61)? [X] Yes. Complete the following. ☐ No

Designee's name ▶ HR BLOCK Phone no. ▶ (323) 634-9204 Personal ID number (PIN) ▶ 03343

Sign Here Joint return? See page 13. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
		INVESTMENTS	
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN
	3/25/2009		P00376295

Firm's name (or yours if self-employed), address, and ZIP code ▶ HRB TAX GROUP INC, BEVERLY HILLS, CA 90211 EIN 43-1871840 Phone no. (310) 248-4902

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service

Schedule A - Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 07

Name(s) shown on Form 1040: EDWARD M LAVI

Your social security number: [redacted]

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.				
	1 Medical and dental expenses (see page A-1) DENTAL 6,000.		1 6,000.		
	2 Enter amount from Form 1040, line 38	2 42,239.			
	3 Multiply line 2 by 7.5% (.075)		3 3,168.		
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	2,832.
Taxes You Paid (See page A-2.)	5 State and local (check only one box): a [ ] Income taxes, or b [X] General sales taxes		5 746.		
	6 Real estate taxes (see page A-5) NEVEDA PROPERTY TAXES 5,963.		6 5,963.		
	7 Personal property taxes		7		
	8 Other taxes. List type and amount ▶		8		
	9 Add lines 5 through 8			9	6,709.
Interest You Paid (See page A-5.)	10 Home mortgage interest and points reported to you on Form 1098		10 134,798.		
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶		11		
Note. Personal interest is not deductible.	12 Points not reported to you on Form 1098. See page A-6 for special rules		12		
	13 Qualified mortgage insurance premiums (See page A-7)		13		
	14 Investment interest. Attach Form 4952 if required. (See page A-7.)		14		
	15 Add lines 10 through 14			15	134,798.
Gifts to Charity If you made a gift and got a benefit for it, see page A-8.	16 Gifts by cash or check. If you made any gift of $250 or more, see page A-8 TEMPLE 22,122.		16 22,122.		
	17 Other than by cash or check. If any gift of $250 or more, see page A-8. You must attach Form 8283 if over $500		17		
	18 Carryover from prior year		18		
	19 Add lines 16 through 18			19	21,120.
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See page A-9.)			20	
Job Expenses and Certain Miscellaneous Deductions (See page A-9.)	21 Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.) ▶		21		
	22 Tax preparation fees		22 275.		
	23 Other expenses - investment, safe deposit box, etc. List type and amount ▶		23		
	24 Add lines 21 through 23		24 275.		
	25 Enter amount from Form 1040, line 38	25 42,239.			
	26 Multiply line 25 by 2% (.02)		26 845.		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27	0.
Other Miscellaneous Deductions	28 Other - from list on page A-10. List type and amount ▶			28	
Total Itemized Deductions	29 Is Form 1040, line 38, over $156,400 (over $78,200 if married filing separately)? [X] No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. [ ] Yes. Your deduction may be limited. See page A-10 for the amount to enter. ▶			29	165,459.
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ [ ]				

KBA For Paperwork Reduction Act Notice, see Form 1040 instructions.

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Schedule B (Form 1040) 2007 OMB No. 1545-0074

Name(s) shown on Form 1040: EDWARD M LAVI

Your social security number [redacted]

Schedule B - Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See page B-1 and the instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

			Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶		
	WELLS FARGO		29.
	WELLS FARGO		1,154.
	NAMCO		5,156.
	WILSHIRE ARDMORE PARTNERSHIP		15,019.
		1	
2	Add the amounts on line 1	2	21,358.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶	4	21,358.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See page B-1 and the instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

			Amount
5	List name of payer ▶	5	
6	Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See page B-2.)

You must complete this part if you (a) had over $1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2007, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1		X
b	If "Yes," enter the name of the foreign country ▶		
8	During 2007, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See page B-2		X

KBA For Paperwork Reduction Act Notice, see Form 1040 instructions.

SCHEDULE C (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

▶ Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

▶ Attach to Form 1040, 1040NR, or 1041. ▶ See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 09

Name of proprietor: EDWARD M LAVI

Social security number (SSN): [redacted]

A Principal business or profession, including product or service (see page C-2 of the instructions): REAL ESTATE : INVESTMENTS

B Enter code from pages C-8, 9, & 10 ▶ 999999

C Business name. If no separate business name, leave blank.: WILSHIRE ARDMORE PARTNERSHIP EXPENSES

D Employer ID number (EIN), if any

E Business address (including suite or room no.) ▶ [redacted]
City, town or post office, state, and ZIP code

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ▶

G Did you "materially participate" in the operation of this business during 2007? If "No," see page C-3 for limit on losses . . . [ ] Yes [X] No

H If you started or acquired this business during 2007, check here ▶ [ ]

Part I Income

1	Gross receipts or sales. Caution. If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see page C-3 and check here ▶ [ ]	1	
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	
4	Cost of goods sold (from line 42 on page 2)	4	
5	Gross profit. Subtract line 4 from line 3	5	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see page C-3)	6	
7	Gross income. Add lines 5 and 6 ▶	7	0.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense	18	
9	Car and truck expenses (see page C-4)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see page C-5):		
11	Contract labor (see page C-4)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see page C-4)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals and entertainment (see page C-6)	24b	
17	Legal and professional services	17	523,000.	25	Utilities	25	
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	

28	Total expenses before expenses for business use of home. Add lines 8 through 27 in columns ▶	28	523,000.
29	Tentative profit (loss). Subtract line 28 from line 7	29	(523,000.)
30	Expenses for business use of your home. Attach Form 8829	30	
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-7). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	(523,000.)

32 If you have a loss, check the box that describes your investment in this activity (see page C-7).
- If you checked 32a, enter the loss on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13 (statutory employees, see page C-7). Estates and trusts, enter on Form 1041, line 3.
- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a [X] All investment is at risk.
32b [ ] Some investment is not at risk.

KBA For Paperwork Reduction Act Notice, see page C-8 of the instructions.

Schedule C (Form 1040) 2007

SCHEDULE D (Form 1040)

Department of the Treasury Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1040 or Form 1040NR. ▶ See Instructions for Schedule D (Form 1040).

▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

Attachment Sequence No. 12

Name(s) shown on return: EDWARD M LAVI

Your social security number: [redacted]

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
CARMEN P WRIGHT STATEMENT ATTACHED			0.	346,964.	(346,964.)

2 Enter your short-term totals, if any, from Schedule D-1, line 2	2			
3 **Total short-term sales price amounts.** Add lines 1 and 2 in column (d)	3			
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824			4	
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1			5	
6 Short-term capital loss carryover. Enter the amount, if any, from line 10 of your **Capital Loss Carryover Worksheet** on page D-7 of the instructions			6	( )
7 **Net short-term capital gain or (loss).** Combine lines 1 through 6 in column (f)			7	(346,964.)

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

8 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)

9 Enter your long-term totals, if any, from Schedule D-1, line 9	9			
10 **Total long-term sales price amounts.** Add lines 8 and 9 in column (d)	10			
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824			11	1,171,999.
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1			12	
13 Capital gain distributions. See page D-2 of the instructions			13	
14 Long-term capital loss carryover. Enter the amount, if any, from line 15 of your **Capital Loss Carryover Worksheet** on page D-7 of the instructions			14	(200,694.)
15 **Net long-term capital gain or (loss).** Combine lines 8 through 14 in column (f). Then go to Part III on page 2.			15	971,305.

KBA For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.

Part III Summary

16 Combine lines 7 and 15 and enter the result	16	624,341.
If line 16 is: • **A gain**, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • **A loss**, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • **Zero**, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.		
17 Are lines 15 and 16 **both** gains? [X] **Yes.** Go to line 18. [ ] **No.** Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the **28% Rate Gain Worksheet** on page D- 8 of the instructions ▶	18	
19 Enter the amount, if any, from line 18 of the **Unrecaptured Section 1250 Gain Worksheet** on page D- 9 of the instructions ▶	19	
20 Are lines 18 and 19 **both** zero or blank? [X] **Yes.** Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). **Do not** complete lines 21 and 22 below. [ ] **No.** Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Schedule D Tax Worksheet** on page D- 10 of the instructions. **Do not** complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the **smaller** of: • The loss on line 16 or • ($3,000), or if married filing separately, ($1,500) Note. When figuring which amount is smaller, treat both amounts as positive numbers.	21	( )
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? [ ] **Yes.** Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the **Qualified Dividends and Capital Gain Tax Worksheet** on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). [ ] **No.** Complete the rest of Form 1040 or Form 1040NR.		

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

Attachment Sequence No. 13

Name(s) shown on return: EDWARD M LAVI

Your social security number: [redacted]

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1 List the type and location of each rental real estate property:

A HOUSE

B [redacted]

C

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:
- 14 days or
- 10% of the total days rented at fair rental value? (See page E-3)

	Yes	No
A		X
B		
C		

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	10,800.			3	10,800.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5					
6 Auto and travel (see page E-4)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9	3,060.				
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc. (see page E-4)	12	11,451.			12	11,451.
13 Other interest	13					
14 Repairs	14					
15 Supplies	15					
16 Taxes	16					
17 Utilities	17					
18 Other (list) ▶ AMORTIZATION	18	1,672.				
19 Add lines 5 through 18	19	16,183.			19	16,183.
20 Depreciation expense or depletion (see page E-5)	20	5,999.			20	5,999.
21 Total expenses. Add lines 19 and 20	21	22,182.				
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198	22	(11,382.)				
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	(31,798.)	( )	( )		
24 Income. Add positive amounts shown on line 22. Do not include any losses					24	
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	(31,798.)
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	(31,798.)

KBA For Paperwork Reduction Act Notice, see page E-7 of the instructions.

Schedule E (Form 1040) 2007

Name(s) shown on return. EDWARD M LAVI

Your social security number [redacted]

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered "Yes," see page E-6 before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A	WILSHIRE ARDMORE PARTNERSHIP	P		[redacted]	
B					
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A		5,686.			
B					
C					
D					
29a Totals		5,686.			
b Totals					

30	Add columns (g) and (j) of line 29a	30	5,686.
31	Add columns (f), (h), and (i) of line 29b	31	( )
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	5,686.

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34a Totals				
b Totals				

35	Add columns (d) and (f) of line 34a	35	
36	Add columns (c) and (e) of line 34b	36	( )
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see page E-7)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from Form 4835. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ▶	41	(26,112.)
42	**Reconciliation of farming and fishing income.** Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see page E-7)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see page E-2), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

Attachment Sequence No. **27**

Name(s) shown on return: EDWARD M LAVI

Identifying number: [redacted]

1 Enter the gross proceeds from sales or exchanges reported to you for 2007 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) . . . 1

Part I **Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft — Most Property Held More Than 1 Year (see instructions)**

2 (a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
FROM SCH K1						1,171,999

3	Gain, if any, from Form 4684, line 39	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6	Gain, if any, from line 32, from other than casualty or theft	6	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:	7	1,171,999

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.

Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8	Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	9	

Part II **Ordinary Gains and Losses** (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

11	Loss, if any, from line 7	11	( )
12	Gain, if any, from line 7 or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Combine lines 10 through 16	17	
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:		
a	If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions	18a	
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14	18b	

KBA For Paperwork Reduction Act Notice, see separate instructions.

Form **5329**

Department of the Treasury
Internal Revenue Service (99)

Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts

▶ Attach to Form 1040 or Form 1040NR.
▶ See separate instructions.

OMB No. 1545-0074

Attachment Sequence No. **29**

Name of individual subject to additional tax. If married filing jointly, see instructions.
EDWARD M LAVI

Your social security number
[redacted]

Fill in Your Address Only If You Are Filing This Form by Itself and Not With Your Tax Return

Home address (number and street), or P.O. box if mail is not delivered to your home | Apt. no.

City, town or post office, state, and ZIP code | If this is an amended return, check here ▶ ☐

If you only owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 60, or Form 1040NR, line 55, without filing Form 5329. See the instructions for Form 1040, line 60, or for Form 1040NR, line 55.

Part I Additional Tax on Early Distributions

Complete this part if you took a taxable distribution, before you reached age 59½, from a qualified retirement plan (including an IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040 or Form 1040NR- see above). You may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for certain Roth IRA distributions (see instructions).

1	Early distributions included in income. For Roth IRA distributions, see instructions	1	
2	Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____	2	
3	Amount subject to additional tax. Subtract line 2 from line 1	3	
4	**Additional tax.** Enter 10% (.10) of line 3. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	4	
	Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).		

Part II Additional Tax on Certain Distributions From Education Accounts

Complete this part if you included an amount in income, on Form 1040 or Form 1040NR, line 21, from a Coverdell education savings account (ESA) or a qualified tuition program (QTP).

5	Distributions included in income from Coverdell ESAs and QTPs	5	
6	Distributions included on line 5 that are not subject to the additional tax (see instructions)	6	
7	Amount subject to additional tax. Subtract line 6 from line 5	7	
8	**Additional tax.** Enter 10% (.10) of line 7. Include this amount on Form 1040, line 60, or Form 1040NR, line 55	8	

Part III Additional Tax on Excess Contributions to Traditional IRAs

Complete this part if you contributed more to your traditional IRAs for 2007 than is allowable or you had an amount on line 17 of your 2006 Form 5329.

9	Enter your excess contributions from line 16 of your 2006 Form 5329 (see instructions). If zero, go to line 15			9	
10	If your traditional IRA contributions for 2007 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10			
11	2007 traditional IRA distributions included in income (see instructions)	11			
12	2007 distributions of prior year excess contributions (see instructions)	12			
13	Add lines 10, 11, and 12			13	
14	Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-			14	
15	Excess contributions for 2007 (see instructions)			15	100.
16	Total excess contributions. Add lines 14 and 15			16	100.
17	**Additional tax.** Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2007 (including 2007 contributions made in 2008). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			17	0.

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2007 than is allowable or you had an amount on line 25 of your 2006 Form 5329.

18	Enter your excess contributions from line 24 of your 2006 Form 5329 (see instructions). If zero, go to line 23			18	
19	If your Roth IRA contributions for 2007 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19			
20	2007 distributions from your Roth IRAs (see instructions)	20			
21	Add lines 19 and 20			21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-			22	
23	Excess contributions for 2007 (see instructions)			23	
24	Total excess contributions. Add lines 22 and 23			24	
25	**Additional tax.** Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2007 (including 2007 contributions made in 2008). Include this amount on Form 1040, line 60, or Form 1040NR, line 55			25	

KBA For Privacy Act and Paperwork Reduction Act Notice, see page 6 of the instructions

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Schedule A - NOL (see page 6 of the instructions)

1	Enter the amount from your 2007 Form 1040, line 41, or Form 1040NR, line 38. Estates and trusts, enter taxable income increased by the total of the charitable deduction, income distribution deduction, and exemption amount					1	(123,220)
2	Nonbusiness capital losses before limitation. Enter as a positive number			2	547,658		
3	Nonbusiness capital gains (without regard to any section 1202 exclusion)			3	1,171,999		
4	If line 2 is more than line 3, enter the difference; otherwise, enter - 0-			4	0		
5	If line 3 is more than line 2, enter the difference; otherwise, enter - 0-	5	624,341				
6	Nonbusiness deductions (see page 6 of the instructions)			6	165,459		
7	Nonbusiness income other than capital gains (see page 6 of the instructions)	7	21,358				
8	Add lines 5 and 7			8	645,699		
9	If line 6 is more than line 8, enter the difference; otherwise, enter - 0-					9	0
10	If line 8 is more than line 6, enter the difference; otherwise, enter - 0- . But do not enter more than line 5	10	480,240				
11	Business capital losses before limitation. Enter as a positive number			11			
12	Business capital gains (without regard to any section 1202 exclusion)	12					
13	Add lines 10 and 12			13	480,240		
14	Subtract line 13 from line 11. If zero or less, enter - 0-			14	0		
15	Add lines 4 and 14			15	0		
16	Enter the loss, if any, from line 16 of Schedule D (Form 1040). (Estates and trusts, enter the loss, if any, from line 15, column (3), of Schedule D (Form 1041).) Enter as a positive number. If you do not have a loss on that line (and do not have a section 1202 exclusion), skip lines 16 through 21 and enter on line 22 the amount from line 15.			16			
17	Section 1202 exclusion. Enter as a positive number					17	
18	Subtract line 17 from line 16. If zero or less, enter - 0-			18	0		
19	Enter the loss, if any, from line 21 of Schedule D (Form 1040). (Estates and trusts, enter the loss, if any, from line 16 of Schedule D (Form 1041).) Enter as a positive number			19			
20	If line 18 is more than line 19, enter the difference; otherwise, enter - 0-			20	0		
21	If line 19 is more than line 18, enter the difference; otherwise, enter - 0-					21	0
22	Subtract line 20 from line 15. If zero or less, enter - 0-					22	0
23	Domestic production activities deduction from Form 1040, line 35, or Form 1040NR, line 33 (or included on Form 1041, line 15a)					23	
24	NOL deduction for losses from other years. Enter as a positive number					24	54,348
25	NOL. Combine lines 1, 9, 17, and 21 through 24. If the result is less than zero, enter it here and on page 1, line 1a. If the result is zero or more, you do not have an NOL					25	(68,872)

For Privacy Notice, get form FTB 1131.

California Resident Income Tax Return 2007

FORM **540** C1 Side 1

APE

ATTACH FEDERAL RETURN

[redacted] LAVI ** 07 PBA 999999 P

EDWARD M LAVI AC A R RP

[redacted]

01	1	37	0	58	0	APE	0
06	0	38	0	59	0	FS	0
09	0	39	0	60	0	3800	0
10	0	40	0	61	0	3803	0
12	0	41	0	62	0	SCHG1	0
14	0	42	0	63	0	5870A	0
16	69367	43	0	64	0	5805 5805F	0
17	111606	45	0	66	0	TPIDP 00376295	
18	164713	46	0	67	0	FN 431871840	
20	0	47	0	68	0		
23	0	48	0				
25	0	49	0				
26	0	50	0				
27	0	51	0				
28	0	52	0				
31	0	53	0				
32	0	54	0				
33	0	55	0				
34	0	56	0				
36	0	57	0				

FILING STATUS

1 [X] Single
2 [ ] Married/RDP filing jointly. (see page 3)
3 [ ] Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here
4 [ ] Head of household (with qualifying person). (see page 3)
5 [ ] Qualifying widow(er) with dependent child. Enter year spouse/RDP died.

If your California filing status is different from your federal filing status, check the box here

6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here (see page 9) • 6 [ ]

EXEMPTIONS

Whole dollars only

7 **Personal:** If you checked 1, 3, or 4 above, enter 1 in the box. If you checked 2 or 5, enter 2 in the box. If you checked the box on line 6, do not enter amount on line 7 . . . 7 [1] X $94 = $ 94.

8 **Blind:** If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2 8 [ ] X $94 = $

9 **Senior:** If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2 . . . • 9 [ ] X $94 = $

10 **Dependents:** Enter name and relationship. **Do not include yourself or your spouse/RDP.**

Total dependent exempts • 10 [ ] X $294 = $

11 **Exemption amount:** Add line 7 through line 10. Transfer this amount to line 21 . . . 11 $ 94.

TAXABLE INCOME

12 State wages from your Form(s) W-2, box 16, or CA Sch W-2 CG, line 3 . . . • 12

13 Enter federal adjusted gross income from Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4 . . . 13 42,239.

14 California adjustments - subtractions. Enter the amount from Schedule CA (540), line 37, column B . . . • 14 0.

15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses (see page 11) . . . 15 42,239.

16 California adjustments - additions. Enter the amount from Schedule CA (540), line 37, column C . . . • 16 69,367.

17 California adjusted gross income. Combine line 15 and line 16 . . . • 17 111,606.

18 Enter the larger of your CA standard deduction OR your CA itemized deductions . . . • 18 164,713.

19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0- . . . 19 0.

TAX

20 Tax. Check box if from: [X] Tax Table [ ] Tax Rate Schedule [ ] FTB 3800 or [ ] FTB 3803 . . . ◉ 20 0.

21 Exemption credits. Enter the amount from line 11. If your federal AGI is more than $155,416 (see page 13) . . . 21 94.

22 Subtract line 21 from line 20. If less than zero, enter -0- . . . 22 0.

23 Tax. (see page 13) Check box if from: [ ] Schedule G-1 [ ] Form FTB 5870A . . . ◉ 23

24 Add line 22 and line 23. Continue to Side 2 . . . 24 0.

Your name: EDWARD M LAVI Your SSN or ITIN: [redacted]

	Amount from Side 1, line 24		0.
SPECIAL CREDITS	25 Credit _____ Code _____ amount	► 25	
	26 Credit _____ Code _____ amount	► 26	
	27 To claim more than two credits (see page 14)	• 27	
	28 Nonrefundable renter's credit (see page 14)	• 28	
	29 Add line 25 through line 28. These are your total credits	29	
	30 Subtract line 29 from line 24. If less than zero, enter -0-	30	0.
OTHER TAXES	31 Alternative minimum tax. Attach Schedule P (540)	• 31	
	32 Mental Health Services Tax (see page 15)	• 32	
	33 Other taxes and credit recapture (see page 15)	• 33	
	34 Add line 30, line 31, line 32, and line 33. This is your total tax	• 34	0.
PAYMENTS	36 California income tax withheld (see page 15)	• 36	
	37 2007 CA estimated tax and other payments (see page 15)	• 37	
	38 Real estate withholding. (Form(s) 592-B, 593-B, and 594) (see page 15)	• 38	
	39 Excess SDI (see page 15)	• 39	
	Child and Dependent Care Expenses Credit. (see page 16). Attach form FTB 3506.		
	• 40 _____ • 41 _____ • 42 _____	• 43 _____	
	44 Add line 36, line 37, line 38, line 39, and line 43. These are your total payments (see page 16)	44	0.
OVERPAID TAX/TAX DUE	45 Overpaid tax. If line 44 is more than line 34, subtract line 34 from line 44	45	
	46 Amount of line 45 applied to 2008 estimated tax	• 46	
	47 Overpaid tax available this year. Subtract line 46 from line 45	• 47	
	48 Tax due. If line 44 is less than line 34, subtract line 44 from line 34	48	0.
USE TAX	49 Use Tax. **This is not a total line** (see page 16)	• 49	
CONTRIBUTIONS	CA Seniors Special Fund (see page 60)	• 50	
	Alzheimer's Disease/Related Disorders Fund	• 51	
	CA Fund for Senior Citizens	• 52	
	Rare & Endangered Species Preservation Program	• 53	
	St Children's Trust Fund for the Prev of Child Abuse	• 54	
	CA Breast Cancer Research Fund	• 55	
	CA Firefighters' Memorial Fund	• 56	
	Emergency Food Assistance Program Fund	• 57	
	CA Peace Officer Memorial Foundation Fund	• 58	
	CA Military Family Relief Fund	• 59	
	CA Sea Otter Fund	• 60	
	61 Add line 50 through line 60. These are your total contributions	• 61	0.
AMOUNT YOU OWE	62 **AMOUNT YOU OWE.** Add line 48, line 49, and line 61 (see page 17). Mail to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0009**	• 62	0.
INT & PENALTIES	63 Interest, late return penalties, and late payment penalties	63	
	64 Underpayment of estimated tax. Check box: ☐ FTB 5805 attached ☐ FTB 5805F attached	• 64	0.
	65 Total amount due (see page 18). Enclose, but do not staple, any payment	65	0.
REFUND AND DIRECT DEPOSIT	66 **REFUND OR NO AMOUNT DUE.** Subtract line 49 and line 61 from line 47 (see page 19). Mail to: **FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0009**	• 66	0.

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip (see page 19).

Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 66) is authorized for direct deposit into the account shown below:

☐ Checking ☐ Savings

• Routing number _____ • Type _____ • Account number _____ • 67 Direct deposit amount _____

The remaining amount of my refund (line 66) is authorized for direct deposit into the account shown below:

☐ Checking ☐ Savings

• Routing number _____ • Type _____ • Account number _____ • 68 Direct deposit amount _____

Sign Here

IMPORTANT: See the instructions to find out if you should attach a copy of your complete federal return. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

► Your signature _____ Spouse's/RDP's signature (if a joint return, both must sign) _____

It is unlawful to forge a spouse's/RDP's signature.

Daytime phone no. (optional) (818) 674-1418 Date _____

Joint return? (see page 19)

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) _____ • Paid preparer's SSN/PTIN P00376295

Firm's name (or yours if self-employed) HRB TAX GROUP IN BEVERLY HILLS CA 90211 Firm's address _____ • FEIN 43-1871840

TAXABLE YEAR SCHEDULE

2007 California Adjustments - Residents CA (540)

Important: Attach this schedule directly behind Form 540, Side 2.

Name(s) as shown on return: EDWARD M LAVI

SSN or ITIN: [redacted]

Part I Income Adjustment Schedule

Section A - Income

			A Federal Amounts (taxable amounts from your federal return)	B Subtractions See instructions	C Additions See instructions
7	Wages, salaries, tips, etc. See instructions before making an entry in column B or C	7			
8	Taxable interest income	8	21,358		15,019
9	Ordinary dividends. See instructions. (b)	9(a)			
10	Taxable refunds, credits, offsets of state and local income taxes	10			
11	Alimony received	11			
12	Business income or (loss)	12	(523,000)		
13	Capital gain or (loss). See instructions	13	624,341		
14	Other gains or (losses)	14			
15	Total IRA distributions. See instructions. (a)	15(b)			
16	Total pensions and annuities. See instructions. (a)	16(b)			
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc	17	(26,112)		
18	Farm income or (loss)	18			
19	Unemployment compensation. Enter the same amount in column A and column B	19			
20	Social security benefits (a)	20(b)			
21	Other income. a California lottery winnings; b Disaster loss carryover from FTB 3805V; c Federal NOL (Form 1040, line 21); d NOL carryover from FTB 3805V; e NOL from FTB 3805D, 3805Z, 3806, 3807, or 3809; f Other (describe):	21	(54348)	a / b / c / d / e / f	a / b / c 54,348 / d / e / f
22	Total. Combine line 7 through line 21 in column A. Add line 7 through line 21f in column B and column C. Go to Section B	22	42,239		69,367

Section B - Adjustments to Income

23	Educator expense	23			
24	Certain business expenses of reservists, performing artists, and fee-basis government officials	24			
25	Health savings account deduction	25			
26	Moving expenses	26			
27	One-half of self-employment tax	27			
28	Self-employed SEP, SIMPLE, and qualified plans	28			
29	Self-employed health insurance deduction	29			
30	Penalty on early withdrawal of savings	30			
31a	Alimony paid. (b) Recipient's SSN ____ Last name ____	31a			
32	IRA deduction	32			
33	Student loan interest deduction	33			
34	Tuition and fees deduction	34			
35	Domestic production activities deduction	35			
36	Add line 23 through line 31a and line 32 through line 35 in columns A, B, and C. See instructions	36			
37	Total. Subtract line 36 from line 22 in columns A, B, and C. See instructions	37	42,239		69,367

EDWARD M LAVI [redacted]

Part II Adjustments to Federal Itemized Deductions

38	Federal itemized deductions. Add the amounts on federal Schedule A (Form 1040), lines 4, 9, 15, 19, 20, 27, and 28	38	165,459
39	Enter total of federal Schedule A (Form 1040), line 5 (State Disability Insurance, and state and local income tax, or General Sales Tax) and line 8 (foreign taxes only). See instructions	39	746
40	Subtract line 39 from line 38	40	164,713
41	Other adjustments including California lottery losses. See instructions. Specify _____	41	
42	Combine line 40 and line 41	42	164,713

43 Is your federal AGI (Form 540, line 13) more than the amount shown below for your filing status?

Single or married/RDP filing separately $155,416

Head of household $233,129

Married/RDP filing jointly or qualifying widow(er) $310,837

No. Transfer the amount on line 42 to line 43

Yes. Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540), line 43 ..... 43 164,713

44 Enter the larger of the amount on line 43 or your standard deduction listed below

Single or married/RDP filing separately $3,516

Married/RDP filing jointly, head of household, or qualifying widow(er) $7,032

Transfer the amount on line 44 to Form 540, line 18 ..... 44 164,713

TAXABLE YEAR 2007

Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations - Individuals, Estates, and Trusts

CALIFORNIA FORM 3805V

Attach to your California tax return.

Name(s) as shown on return: EDWARD M LAVI

SSN or ITIN: [redacted]

FEIN

Part I Computation of Current Year NOL for Individuals, Estates, and Trusts. If you do not have a current year NOL, go to Part II.

Section A - California Residents Only (Nonresidents go to Section B).

1	Adjusted gross income from 2007 Form 540, line 17. If negative, use brackets. Estates and Trusts, begin on line 3			1 111,606.
2	Itemized deductions or standard deduction from 2007 Form 540, line 18			2 (164,713.)
3 a	Combine line 1 and line 2. (Estates and Trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 27. Do not complete the rest of Section A. You do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years			3a (53,107.)
b	2007 designated disaster loss included in line 3a. Enter as a positive number			3b
c	Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed			3c (53,107.)

Enter amounts on line 4 through line 26 as if they were all **positive** numbers. See instructions.

4	Nonbusiness capital losses	4			
5	Nonbusiness capital gains. See instructions	5			
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0-		6 0.		
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0-		7 0.		
8	Nonbusiness deductions	8			
9	Nonbusiness income other than capital gains	9			
10	Add line 7 and line 9		10		
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0-			11	0.
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12 0.			
13	Business capital losses	13			
14	Business capital gains. See instructions	14			
15	Add line 12 and line 14		15 0.		
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-		16 0.		
17	Add line 6 and line 16		17 0.		
18	Enter the loss, if any, from line 8 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 9, column (c), of Schedule D (541). If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17		18		
19	R&TC Section 18152.5 exclusion. Enter as a positive number			19	
20	Subtract line 19 from line 18. If zero or less, enter -0-		20 0.		
21	Enter the loss, if any, from line 9 of Schedule D (540). Estates and Trusts, enter the loss, if any, from line 10 of Schedule D (541). Enter as a positive number		21		
22	If line 20 is more than line 21, enter the difference; otherwise, enter -0-		22 0.		
23	If line 21 is more than line 20, enter the difference; otherwise, enter -0-			23	0.
24	Subtract line 22 from line 17. If zero or less, enter -0-			24	0.
25	NOL and disaster loss carryovers from prior years. See instructions			25	
26	Add lines 11, 19, 23, 24, and 25			26	
27	2007 NOL carryover. Combine line 3c and line 26. If more than zero, enter -0-. You do not have a current year NOL to carryover			27	(53,107.)

Section B - Nonresidents and Part-Year Residents Only- Computation of Current Year California NOL [redacted]

	A Enter total amounts as if you were a CA resident for entire year.	B Enter amounts earned or received from CA sources if you were a nonresident for the entire year.	C Enter amounts earned or received during the portion of the year you were a CA resident.	D Enter amounts earned or received from CA sources during the portion of the year you were a nonresident.	E Total Combine columns C and D.
1 Adjusted gross income. See instructions If negative, use brackets 1					
2 Itemized deductions or standard deduction. See instructions 2	( )	( )	( )	( )	( )
3 a Combine line 1 and line 2. If negative, use brackets. If positive, enter -0- here and on line 27. Complete Part II and Part III if you have a carryover from prior years 3a					
b 2007 designated disaster loss included in line 3a. Enter as a positive number 3b					
c Combine line 3a and line 3b. If negative, use brackets and continue to line 4 . . . . . 3c					
Enter amounts on line 4 through line 26 as if they were all positive numbers.					
4 Nonbusiness capital losses 4					
5 Nonbusiness capital gains. See instructions . . . 5					
6 If line 4 is more than line 5, enter the difference; otherwise, enter -0- 6					
7 If line 4 is less than line 5, enter the difference; otherwise, enter -0- 7					
8 Nonbusiness deductions 8					
9 Nonbusiness income other than capital gains . . 9					
10 Add line 7 and line 9 10					
11 If line 8 is more than line 10, enter the difference; otherwise, enter -0- 11					
12 If line 8 is less than line 10, enter the difference; otherwise, enter -0- 12					
13 Business capital losses 13					
14 Business capital gains. See instructions 14					
15 Add line 12 and line 14 15					
16 If line 13 is more than line 15, enter the difference; otherwise, enter -0- 16					
17 Add line 6 and line 16 17					
18 Enter the loss, if any, from line 4 of Schedule O (540NR) worksheet for nonresidents and part-year residents. If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17 18					
19 R&TC Section 18152.5 exclusion. Enter as a positive number 19					
20 Subtract line 19 from line 18. If zero or less, enter -0- 20					
21 Enter the loss, if any, from line 5 of Schedule D (540NR) worksheet for nonresidents and part-year residents. Enter as a positive number 21					
22 If line 20 is more than line 21, enter the difference; otherwise, enter -0- 22					
23 If line 21 is more than line 20, enter the difference; otherwise, enter -0- 23					
24 Subtract line 22 from line 17. If zero or less, enter -0- 24					
25 NOL and disaster loss carryovers from prior years. See instructions 25					
26 Add lines 11, 19, 23, 24, and 25 26					
27 2007 NOL carryover. Combine line 3c and line 26. If more than zero, enter -0- 27					

[redacted]

PART II Determine 2007 Modified Taxable Income (MTI). Be sure to read the instructions for Part II.

1 Taxable income. See instructions	1	(53,107.)
Enter amounts on line 2 through line 4 as if they were all positive numbers.		
2 Capital loss deduction included in line 1	2	
3 Disaster loss carryover included in line 1	3	
4 NOL carryover included in line 1	4	
5 MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0-	5	0.

PART III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

		(g) Available balance
1 MTI from Part II, line 5	1	0.

Prior Year NOLs

(a) Year of loss	(b) Code	(c) Type of NOL* See below	(d) Initial Loss	(e) Carryover from 2006	(f) Amount used in 2007		(h) Carryover to 2008 subtract column (f) from column (e)
2							

Current Year NOLs

3 2007		DIS					
4 2007							
2007							
2007							
2007							

* Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), Title 11 (T11), or Disaster (DIS).

5 NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss	5	
6 Disaster loss carryover. Enter the total loss carryover amounts in column (h) that are the result of disaster losses	6	

TAXABLE YEAR **2007**

California Capital Gain or Loss Adjustment

Do not complete this schedule if all of your California gains (losses) are the same as your federal gains (losses).

SCHEDULE **D (540)**

Name(s) as shown on return: EDWARD M LAVI

SSN or ITIN: [redacted]

	(a) Description of property (identify S corporation stock) Example 100 shares of "Z" (S stock)	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)
1a					
1b					

2	Net gain or (loss) shown on California Schedule(s) K-1 (541, 565, 568, and 100S)	2	
3	Capital gain distributions (federal Form 1099-DIV, box 2a minus box 2c)	3	
4	Total 2007 gains from all sources. Add column (e) amounts of line 1a, line 1b, line 2, and line 3	4	
5	2007 loss. Add column (d) amounts of line 1a, line 1b, and line 2. Enter as a negative amount	5	
6	California capital loss carryover from 2006, if any. See instructions. Enter as a negative amount	6	
7	Total 2007 loss. Add line 5 and line 6. Enter as a negative amount	7	
8	Combine line 4 and line 7. If a loss, go to line 9. If a gain, go to line 10	8	
9	If line 8 is a loss, enter the smaller of: (a) the loss on line 8 (b) $3,000 ($1,500 if married or an RDP filing a separate return). See instructions.	9	( )
10	Enter the gain or (loss) from federal Form 1040, line 13	10	
11	Enter the California gain from line 8 or (loss) from line 9	11	
12 a	If line 10 is more than line 11, enter the difference here and on Schedule CA (540) line 13, column B	12a	
b	If line 10 is less than line 11, enter the difference here and on Schedule CA (540), line 13, column C	12b	

TAXABLE YEAR **2007**

Depreciation and Amortization Adjustments

Do not complete this form if your California depreciation amounts are the same as federal amounts.

CALIFORNIA FORM **3885A**

Part I Identify the activity as passive or nonpassive. (See instructions.)

1 [X] This form is being completed for a passive activity.

[ ] This form is being completed for a nonpassive activity.

Business or activity to which form FTB 3885A relates: SCH E P1 HOUSE 4525 DENAL

Part II Election to Expense Certain Tangible Property (IRC Section 179).

2 Enter the amount from line 12 of the Tangible Property Expense Worksheet in the instructions 2

Part III Depreciation

	(a) Description of property placed in service	(b) Date placed in service	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) California depreciation deduction
3						

4	Add the amounts on line 3, column (f)	4	
5	California depreciation for assets placed in service prior to 2007	5	5,999.
6	Total California depreciation from this activity. Add the amounts on line 2, line 4, and line 5	6	5,999.
7	Total federal depreciation from this activity. Enter depreciation from federal Form 4562, line 22	7	5,999.
8 a	If line 6 is more than line 7, enter the difference here and see instructions	8a	
b	If line 6 is less than line 7, enter the difference here and see instructions	8b	

Part IV Amortization

	(a) Description of cost amortizable	(b) Date placed in service	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) California amortization deduction
9						

10	Total California amortization from this activity. Add the amounts on line 9, column (f)	10	
11	California amortization of costs that began before 2007	11	1,672.
12	Total California amortization from this activity. Add the amounts on line 10 and line 11	12	1,672.
13	Total federal amortization from this activity. Enter amortization from federal Form 4562, line 44	13	1,672.
14 a	If line 12 is more than line 13, enter the difference here and see instructions	14a	
b	If line 12 is less than line 13, enter the difference here and see instructions	14b	