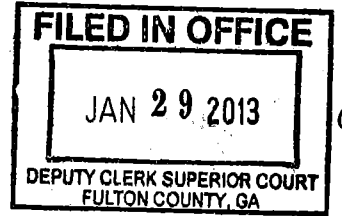


IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA



STATE OF GEORGIA *ex rel.* JOHN D.)
SOURS, Administrator of the Fair Business)
Practices Act,)
)
Plaintiff,)
)
v.)
)
INTERNATIONAL ESTATE BROKERS,)
LLC d/b/a WATCH BROKERS and d/b/a)
WEBUYWATCHES.COM; and RONALD)
L. BERGH, III, individually,)
)
Defendants.)
)

CIVIL ACTION FILE NO.
2012-CV-217825

**RECEIVER'S MOTION FOR INTERIM AND FINAL ORDERS
TO (I) GRANT RECEIVER AUTHORITY TO ENTER INTO AND
CONSUMMATE PURCHASE AND SALE AGREEMENT AND
(II) APPROVE ASSOCIATED NOTICE TO ALL AFFECTED PARTIES**

COMES NOW, Christopher J. Tierney, as receiver (the "*Receiver*") for International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a webuywatches.com (collectively, the "*Receivership Entities*"), and respectfully moves this Court for entry of two orders in aid of the disposition of certain assets of the Receivership Entities that are currently in the possession of the Receiver.

I. SHORT STATEMENT OF ORDERS REQUESTED

A. The Interim Noticing Order

First, the Receiver seeks the entry of an Order (the "*Interim Noticing Order*") that will provide notice to all parties in interest in this action with regarding the Receiver's intent to dispose of certain assets of the Receivership Entities (collectively, the "*Receivership Assets*"). The Interim Noticing Order, which will be sent to all identified individuals and entities that may

have a claim against the Receivership Estate, will provide that the Receiver will offer individuals who had previously consigned watches to the Receivership Entities (each a “*Consignor*”, and, collectively, the “*Consignors*”) and whose watches remain in the Receiver’s possession (each, a “*Consigned Watch*” and collectively, the “*Consigned Watches*”) the option to have the Receiver purchase their respective Consigned Watches, on terms set forth below, and remit the net proceeds to each Consignor. The notice will also provide that if such Consignor refuses the Receiver’s offer, the Receiver will return the Consigned Watch to the Consignor, less a small fee for the Receiver’s out-of-pocket costs. The Receiver believes the disposition outlined in this Motion (the “*Process*”) provides the Consignors with as close to the benefit of their original bargain as possible (*i.e.*, their choice of a cash payment or the return of their Consigned Watch). The proposed notice will give all parties with potential claims against the Receivership Estate a chance to appear and be heard by this Court if they feel another procedure is required under the law.

The Process will dispose of all or substantially all of the tangible assets of the Receivership Estate. The Process will result in payments to the Consignors (or a return of the Consigned Watches to them, if they wish). It will not, however, provide for payments to owners who tendered watches to the Receivership Entities and whose watches were *previously* disposed of by the wrongdoing of the Receivership Entities or their confederates (the “*Disposed Owners*”). Accordingly, the Disposed Owners will **not** share in the proceeds of the Process. Neither the Interim Noticing Order nor the proposed Sale Order, discussed below, will , however, preclude any Disposed Owner from pursuing claims against any wrongdoers. It is appropriate for the Disposed Owners to understand, however, that the sale proceeds from the Process will be paid to the Consignors of the Consigned Watches in the Receiver’s possession –

and **not** to the Disposed Owners who were victimized by the earlier sale of their watch and the waste or theft of the proceeds by wrongdoers. Thus, the Interim Noticing Order would call for notice of this Process to all affected parties, so they may also appear and be heard if they believe the law requires a different allocation of the value of the watches in the Receiver's possession.

B. The Sale Order

Second, once this Court has approved the Interim Noticing Order and the Receiver has served it in accordance therewith, the Receiver seeks the entry of an Order (the "***Sale Order***") authorizing the Receiver to enter into the attached Purchase and Sale Agreement (the "***Agreement***"). The Sale Order authorizes the Receiver to enter into the Agreement for the inspection and potential sale of the Receivership Entities' assets (which are the Consigned Watches, other watches and other miscellany). In cases where a Consignor authorizes the Receiver to sell a Consigned Watch, as noted above, the Receiver will consummate the sale and remit funds to the respective Consignors, which is one of the primary goals of this receivership action. If a Consignor rejects the proposed sale (or if a Consigned Watch is determined to be a counterfeit or replica), then the Consignor will receive a return of the Consigned Watch, less a small fee for the Receiver's handling and costs.

The Receiver has worked with the Governor's Office of Consumer Protection (the "***OCP***") regarding the terms and operation of this Process, and the OCP supports the Receiver's position in this Motion. In further support of this Motion, the Receiver states as follows:

II. FACTUAL BACKGROUND

A. The Administration of the Receivership Estate

1. On September 19, 2012, this Court entered an Order Appointing Receiver (the "***Appointment Order***") (Docket. No. E4) and appointed Christopher J. Tierney as Receiver over

all assets of the Receivership Entities. A copy of the Appointment Order is attached as **Exhibit A**.

2. The Receivership Assets consist of (i) over 500 luxury Consigned Watches, (ii) approximately 48 luxury watches owned directly by the Receivership Entities (each, an “*Owned Watch*,” and collectively the “*Owned Watches*”), and (iii) other tangible and intangible assets of the Receivership Entities (the “*Other Assets*”).

3. The Appointment Order authorizes the Receiver to, among other things, “take all actions as may be reasonable, necessary, or proper to manage [the Receivership Entities], to protect consumers and consignors, and to maximize the funds available to provide consumer restitution in the Receiver’s sole business judgment.” See Exhibit A, at ¶ 8. Pursuant to these responsibilities, the Receiver took control and possession of all assets owned by the Receivership Entities.

4. The Receiver has diligently worked with his attorneys and the OCP to determine the best course of action both to provide restitution to as many defrauded consumers as possible, and to pay the debts and costs of the Receivership Estate. Moreover, the Receiver made a diligent effort to monetize the assets under his purview, at the highest amount possible for the benefit of the owners of the Consigned Watches and the Receivership Estate.

5. To this end, the Receiver was contacted by numerous dealers and bulk buyers, and had discussions and negotiations with each of them. The Receiver ultimately feels that Windmill Acquisition Group, LLC (the “*Buyer*”) and the proffered Agreement, as described in detail below and attached as **Exhibit B**, will provide the best result for all parties involved. Moreover, in the Receiver’s business judgment, which is the standard set forth in the Appointment Order, the Process will avoid litigation over a relatively small pool of proceeds –

litigation which will only reduce proceeds to the detriment of most or all claimants against the Receivership Estate. Finally, the Receiver submits that no other buyer was willing to enter into a transaction in this fashion, which provides each Consignor with the option of selling their Consigned Watch or having their Consigned Watch returned to them.

B. The Proposed Purchase and Sale Agreement

6. The Agreement allows for the sale or return of all tangible assets of the Receivership Estate. Within sixty (60) days of the entry of the Sale Order, a proposed copy of which is attached as **Exhibit C**, the Buyer will inspect and make the Receiver a cash offer for each Owned Watch and each Consigned Watch. Any watch determined not to be authentic by the Buyer will be returned to its Consignor by the Receiver, or the Receiver will determine another appropriate means for its disposal, but only on notice to parties and after seeking further order of this Court.

1. Purchase of Consigned Watches by the Buyer

7. Within five (5) days of receiving the Buyer's offer for each Consigned Watch, the Receiver will send an offer letter (an "***Offer Letter***") to each Consignor. Each Offer Letter will provide each Consignor with two options:

- a) the Receiver could buy and immediately sell their Consigned Watch(es) for a certain price, less a twenty percent (20%) commission fee to be retained by the Receiver to pay the costs of the Receivership Estate; or
- b) the Receiver could return their Consigned Watch for a \$100.00 shipping and handling fee paid by the Consignor to the Receiver.

Each Consignor will have thirty (30) days to respond to the Offer Letter. If the Receiver does not receive a response to the Offer Letter from a Consignor within thirty (30) days, that

Consignor will be deemed to have agreed to the sale of his or her Consigned Watch(es). If the Consignor agrees to sell, the Buyer will tender a check for the purchase price to the Receiver, who will then send a certified check to the Consignor within five (5) business days.

8. The Process allows each Consignor to obtain the full benefit of their bargain, *i.e.*, a sale of the Consigned Watch, less a commission, or, if the Consignor believes the offer to be insufficient, a return of his or her Consigned Watch, less a small fee to cover the Receiver's approximate costs for returning the Consigned Watch.

9. The Agreement provides, and this Motion seeks, that if any Consignor of a Consigned Watch does not affirmatively respond to the Offer Letter one way or the other, the Consignor shall be deemed to have accepted the offer set forth in the Offer Letter. The Receiver and his Counsel will use all reasonable efforts to locate each Consignor, and apprise them of their right to accept the offer or obtain a return of the Consigned Watch, if they so choose.

10. All sales of Consigned Watches will be by a Receiver's Bill of Sale that contains the requisite releases and warranties. The Buyer will be a *bona fide* purchaser for value, and will purchase each Consigned Watch free and clear of all liens, claims, and encumbrances pursuant to O.C.G.A. § 9-3-6. The Receiver will transfer all purchased Consigned Watches to the Buyer within five (5) days of receipt of payment from the Buyer.

2. Purchase of Owned Watches by the Buyer

11. With regard to the Owned Watches, the Receiver will seek to sell them to the Buyer, and use the funds to administer this Receivership.

12. Under the Agreement, the Receiver will notify the Buyer of his acceptance or rejection of the Buyer's offer for each Owned Watch within ten (10) days of receiving the Buyer's offer. All sales of Owned Watches will be by a Receiver's Bill of Sale that contains the

requisite releases and warranties. The Buyer will be a *bona fide* purchaser for value, and will purchase each Consigned Watch free and clear of all liens, claims, and encumbrances pursuant to O.C.G.A. § 9-3-6. The Receiver will transfer all purchased Owned Watches to the Buyer within five (5) days of payment of funds to the Receiver by the Buyer. The Receiver is responsible for selling any Owned Watch for which he does not accept the Buyer's offer to purchase.

3. Purchase of Other Assets by the Buyer

13. Within ten (10) days from entry of a final, non-appealable Sale Order, Buyer will purchase all of the Other Assets, as a *bona fide* purchaser for value, for \$10,000.00 by Receiver's Bill of Sale, and remove the Other Assets at the Buyer's expense.

III. THE RECEIVER'S DESIRE TO SELL THE ASSETS IN THE RECEIVERSHIP ESTATE IMMEDIATELY

14. Having marketed the Receivership Assets, obtained a potential buyer for those assets, and negotiated and revised the Agreement (i) under the advice of Counsel, and (ii) by obtaining comments from the OCP and the Buyer, the Receiver believes it is now in the best interests of the Receivership Estate to enter into the Agreement. The Receiver believes that the Agreement and the Process specified therein set forth the most efficient manner for disposing of the Receivership Assets and generating proceeds for the Receivership Estate.

IV. THE PROPOSED NOTICE PROCEDURES

15. As noted in the introductory paragraphs of this Motion, all parties that provided watches to the Receivership Entities, or have claims against the Receivership Estate, are entitled to notice of this Motion. It is doubtful that the Consignors of the Consigned Watches will have any objection to this Motion, as they will receive a cash offer, which they will be free to accept or reject. The Process and the distribution of proceeds that the Receiver will collect through the Process should be explained, however, to all parties, including the Disposed Owners.

Accordingly, the Receiver requests that the Court approve the Interim Noticing Order, a proposed copy of which is attached as **Exhibit D**.

16. The cost of providing notice by regular or certified mail will be substantial. Accordingly, the Receiver requests that he be allowed to provide parties with the Interim Noticing Order via email to all parties where the Receiver or his staff have confirmed a working email address. *See, e.g., Broadfoot v. Diaz (In re International Telemedia Assocs.)*, 245 B.R. 713, 719-21 (Bankr. N.D. Ga. 2000) (service of process permitted by electronic mail, where the Trustee had reason to believe that the email address was valid for the person who was to receive the process). This should be sufficient notice to these parties, as all parties that have contacted the Receiver for information or status have been asked for, and provided, their email address for ease of future communication. For all other parties, the Receiver will serve them by United States First Class Mail. The Receiver will also post a copy of the Interim Noticing Order on the website: www.haysconsulting.net.

17. The Receiver submits that this noticing process is reasonably calculated to inform all affected parties of the relief sought herein, and will give them an opportunity to appear and be heard on this matter if they so choose.

V. ARGUMENT AND CITATION OF AUTHORITY

18. The law of the State of Georgia and the Appointment Order clearly allow the Receiver to sell the assets of the Receivership Estate, free and clear of liens, claims, and encumbrances, if sale is determined to be in the best interest of the Estate. Section 14-2-1432 of the Official Code of Georgia states that a Receiver “may dispose of all or any part of the assets of [a] corporation wherever located, at a public or private sale, if authorized by the court.” O.C.G.A. § 14-2-1432. *See also*, O.C.G.A. § 9-3-6. Additionally, and pursuant to Paragraph 8

of the Appointment Order, the Receiver may “take all actions as may be reasonable, necessary, or proper to manage [the Receivership Entities], to protect consumers and consignors, and to maximize the funds available to provide consumer restitution in the Receiver’s sole business judgment.” See Exhibit A, at ¶ 8. The Agreement is consistent with Georgia case law, which provides that the receiver has authority to dispose of property once a court orders and authorizes him to sell. *Gray v. Bradford*, 22 S.E.2d 43, 46 (Ga. 1942). Under the above authority, receivers appointed in Georgia have the power to sell tangible and intangible assets of the Receivership Entities.

19. The Agreement is reasonable and in the best interest of the Receivership Estate. The Receiver also requests that he be allowed to (i) sell the Owned Watches to the Buyer without further approval of this Court so long as the Receiver finds the sale price acceptable; and (ii) purchase and immediately sell the Consigned Watches, if the Consignor so agrees, per the terms of the Agreement.

20. The Receivership Entities appear to have previously complied with the timing requirements of Georgia and City of Atlanta statutes and regulations that govern the purchase and sale of goods containing precious metals and gems, as codified at O.C.G.A. § 43-37-1 *et seq.* and Atlanta City Code §§ 122-33, 122-110 (collectively, the “*Statutes*”). The Statutes provide certain waiting periods before which a purchaser of goods containing precious metals, such as the Owned and Consigned Watches, can sell such goods to the general public. The intent of the Statutes is to allow any victims of theft sufficient time to track down items such as valuable watches before they are further sold or melted for sale as a commodity. The Statutes could be construed to require the Buyer to hold the Owned and Consigned Watches for a **further** period of time before it could market the Owned and Consigned Watches to the general public. In light

of the fact that the Receivership Entities have held the Consigned Watches and the Owned Watches for more than sixty (60) days, however, and the Consigned Watches and the Owned Watches have not been offered for sale to the general public, the waiting period prescribed by the Statutes would serve no further purpose. Accordingly, the Receiver also requests, by this Motion, that the Buyer stand in the shoes of the Receivership Entities with regard to the requirements of the Statutes, such that the Buyer will be deemed to have fully complied with the Statutes, and will be allowed to make the Consigned Watches and the Owned Watches available for sale to the general public immediately upon the completion of the Buyer's purchase from the Receiver.

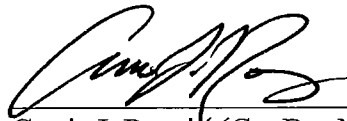
21. The Agreement provides the most likely and efficient manner for the Receiver to realize proceeds from the sale of the assets of the Receivership Estate. The Buyer will absorb all costs of inspecting the Consigned and Owned Watches. Furthermore, the Receiver believes that the Agreement will best serve the interests of the Consignors, as it allows each Consignor the option to sell their Consigned Watch at a fair price or have it returned. Any proceeds from the Process outlined in the Agreement will be remitted to the Receivership Estate and used to:

- a) Defray some of the expenses that the Receiver has incurred in administering the Receivership Estate; and
- b) To the extent that funds remain, distribute funds to the other creditors of the Receivership Entities, on a *pro rata* basis, in partial satisfaction of their claims, as determined once all claims are identified.

VI. CONCLUSION

The Receiver believes that the proposed notice and sale procedures outlined in this Motion are in the best interest of the Receivership Estate, and respectfully requests that the Court enter the proposed Interim Noticing Order, and then the proposed Sale Order, authorizing the Receiver to enter into and consummate the Agreement, and grant such other and further relief as the Court determines appropriate.

Dated: January 29, 2013.



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*Attorneys for Christopher Tierney as
Receiver*

EXHIBIT A

IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA

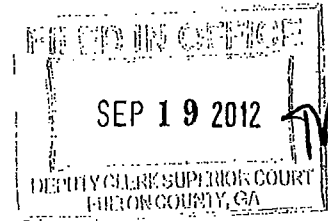
STATE OF GEORGIA *ex rel.* JOHN D. SOURS, Administrator of the Fair Business Practices Act,

Plaintiff,

v.

INTERNATIONAL ESTATE BROKERS, LLC d/b/a WATCH BROKERS and d/b/a WEBUYWATCHES.COM; and RONALD L. BERGH, III, individually,

Defendants.



CIVIL ACTION FILE NO.
2012-CV-217825

ORDER APPOINTING RECEIVER

This matter is before the Court on the Emergency Ex Parte Motion for Appointment of Receiver and for Injunctive Relief (the "Motion") and Supplemental Verified Complaint and Petition for Appointment of Receiver and Injunctive Relief ("Verified Complaint") filed by Plaintiff State of Georgia *ex rel.* John D. Sours, Administrator of the Fair Business Practices Act and the Governor's Office of Consumer Protection. Having determined that the legal and factual bases set forth in the Motion satisfy the standards established under the Fair Business Practices Act ("FBPA"), O.C.G.A. § 10-1-397, as well as the Court's inherent equitable authority, and that *ex parte* relief is warranted under the circumstances, the Court hereby ORDERS as follows:

A. Appointment and Authority of Receiver. Christopher J. Tierney (the "Receiver"), a Managing Director of Hays Financial Consulting, LLC, is appointed as receiver for International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a webuywatches.com ("Watch Brokers"), for the purpose of managing Watch Brokers and its assets in order to preserve and protect consumers' rights and property and to pay for the judgment previously entered, and

damages. In furtherance of this purpose, until further order from the Court or the final disposition of this action, whichever is earlier, the Receiver is hereby empowered, and has the authority of this Court to exercise his powers, to accomplish the following:

1. to take control over, manage and operate Watch Brokers;
2. to segregate, preserve, protect and account for all assets of Watch Brokers;
3. to sue for, collect, receive, and take into his possession all the goods and chattels, rights and credits, moneys and effects, lands and tenements, books, records, documents, papers, choses in action, bills, notes, and property of every description derived by means of any practice declared to be illegal and prohibited by the FBPA, including property with which such property has been mingled if it cannot be identified in kind because of such commingling, and to sell, convey, and assign the same and distribute the proceeds thereof to those consumers who are owed restitution or are owed payment under the terms of an agreement for brokerage services;
4. to take possession of all bank accounts or parts thereof containing funds associated with Watch Brokers and to open, transfer and change all bank and trade accounts relating to Watch Brokers, so that all such accounts are in the name of the Receiver;
5. to employ Hays Financial Consulting, LLC appraisers, legal counsel, or other service providers to assist the Receiver as may be necessary in the performance of his duties created hereunder, and to pay reasonable value for services rendered by such service providers, which expense shall be deemed to be expenses of the receivership;
6. to conduct any investigation and accounting that the Receiver believes is appropriate and reasonable with respect to any past or current financial, accounting or tax matters relating to Watch Brokers, including, but not limited to, an investigation of current and former employees and investors of Watch Brokers, for the purpose of determining acts or

omissions that have harmed consumers and locations or dispositions of assets that should have been used for restitution to consumers;

7. to take all actions deemed reasonably necessary and prudent to preserve and protect consumers' interests and rights in consigned watches, including, but not limited to, providing full restitution to consumers for watch sales (in accordance with the terms of any governing agreements) and returning consigned watches to consumers; and

8. to take all other actions as may be reasonable, necessary or proper to manage Watch Brokers, to protect consumers and consignors, and to maximize the funds available to provide consumer restitution in the Receiver's sole business judgment.

B. Preservation of Rights of the Parties. The appointment of the Receiver shall not affect the Parties' respective rights or positions in this case. Under no circumstances shall the Receiver be allowed to assist in or file a lawsuit against any of the Parties, their employees, representatives or officers, in regards to Watch Brokers, unless so directed by the Court.

C. Temporary Injunction of Parties. Until further order of this Court, or as otherwise provided herein, or until dissolution of the receivership established by this Order, Watch Brokers, Ronald L. Bergh, III ("Bergh") and Watch Brokers' officers, representatives, agents, servants, employees and anyone acting on behalf of or through or under Watch Brokers, directly or indirectly, and any persons receiving notice of this Order, are enjoined as follows:

1. from withdrawing, collecting, paying, spending or otherwise transferring any monies derived from the operation of Watch Brokers, including, but not limited to, any monies received from the sale of watches, except to the Receiver;

2. from removing or selling any watches or other assets of Watch Brokers without the express written consent of the Receiver;

3. from possessing, conveying, disposing, liquidating, assigning, encumbering, transferring and/or converting any personal property or fixtures located on or at the Watch Brokers showroom, located at 3073 Peachtree Rd. NE, Atlanta, Georgia 30305;

4. from entering into any agreement for brokerage or consignment services without the express written consent of the Receiver;

5. from removing, destroying, concealing, changing or altering in any manner any of the books or records relating to Watch Brokers, wherever they may be housed;

6. from interfering, directly or indirectly, in any way with the Receiver's management, operation and control over Watch Brokers; and

7. from taking any action with respect to the assets of Watch Brokers, and watches received by Watch Brokers from consumers, without the express written consent of the Receiver.

D. Items to Be Delivered to Receiver. Watch Brokers and Bergh are hereby ordered to immediately turn over to the Receiver, in an orderly fashion, the following:

1. possession of the Watch Brokers showroom, located at 3073 Peachtree Rd. NE, Atlanta, Georgia 30305, and all assets located therein and any keys, passwords, security codes or other access devices related to said premises;

2. any and all documents, instruments, files, books, and records relating to Watch Brokers, whether in electronic or hard copy, including, but not limited to, records of payments to consignors and any third-parties under any brokerage agreement;

3. any and all agreements, whether in electronic or hard copy, between Watch Brokers and any consumer relating to the sale, consignment or brokerage of any watch;

4. any and all payments made to Watch Brokers;

5. all business, financial, and accounting financial records relating to Watch Brokers, whether in electronic or hard copy;

6. a record of all consumer transactions and a record of all material consumer complaints from January 17, 2012 to the present, as required pursuant to Paragraph X.F. of the Assurance of Voluntary Compliance accepted by the Administrator on January 17, 2012;

7. all documents identifying any and all pending or potential litigation or claims relating to Watch Brokers; and

8. all other records pertaining to Watch Brokers and required by the Receiver in its sole judgment to perform its duties under this Order.

E. Waiver of Bond Requirement. The requirement of posting a bond pursuant to O.C.G.A. § 9-8-10 is hereby waived.

F. Cooperation with Receiver. Watch Brokers, Bergh, any agents or representatives of Watch Brokers or Bergh, and any other person currently in possession of or associated with Watch Brokers or its assets, shall cooperate fully with the Receiver in the conduct of its duties and shall immediately provide to the Receiver any and all such information and access to any and all such people and records as the Receiver shall request.

G. Violations. Interference with the above activities of the Receiver, or violation of the Injunction set forth in Paragraph C, may subject the violating party to contempt of court and make the violating party subject to such other sanctions as the Court may decide to impose.

H. Compensation of Receiver. The Receiver shall be compensated for its services provided pursuant to this Order as follows: The Receiver will bill for its services at its normal hourly rates, which range from \$50 to \$400 per hour depending on the employee's experience and level of responsibility. The Receiver agrees that his blended hourly rate each billable

calendar month, coupled with that of his firm, will be the lesser of \$250 per hour or the actual blended hourly rate.

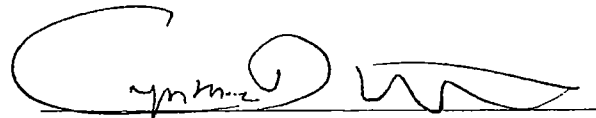
I. Limitation of Liability. Except for an act of gross negligence or willful misconduct, the Receiver and all persons engaged or employed by the Receiver shall not be liable for any loss or damage incurred by Watch Brokers, Bergh or any other person, by reason of any act performed or omitted to be performed by them in connection with the discharge of their duties and responsibilities in this matter.

J. Assistance of Marshall or Sheriff. It is Ordered that, upon the request of the Receiver, the Fulton County Sheriff and/or any appropriate county sheriff's office, shall assist the Receiver in carrying out its duties to take possession, custody or control of any assets, records or other materials or items relating to Watch Brokers.

K. Reports. Effective at the end of each calendar month beginning on October 30, 2012, the Receiver shall make a written report to this Court with respect to carrying out of his duties. The Parties shall be given access to these reports. In addition, the Parties shall be authorized to review the books and records of the Receiver upon twenty-four (24) hours' notice to the Receiver.

L. This Court will retain jurisdiction over this matter for all purposes and may order other and further relief as this Court deems appropriate under the circumstances. The Receiver and any of the Parties may at any time, on proper notice to the other Parties, apply to this Court for further or other instructions and for further power necessary to enable the Receiver to properly fulfill the duties hereunder, seek extension of the Receiver's powers, or seek dissolution of the receivership for good cause.

SO ORDERED this 19th day of September, 2012.



Honorable Cynthia D. Wright
Superior Court of Fulton County, Georgia

Prepared and Presented by:

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*As Special Assistant Attorney General for
the State of Georgia, Counsel for Plaintiff*

EXHIBIT B

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "**Agreement**") is entered into this 28th day of January, 2013 by and between PHC of Missouri, LLC ("**Buyer**") and Christopher Tierney, as Receiver for International Estate Brokers, LLC d/b/a Watch Brokers d/b/a webuywatches.com (the "**Receiver**," and collectively with Buyer, the "**Parties**").

WHEREAS, by order dated September 19, 2102, the Receiver has been appointed as receiver to liquidate the assets of International Estate Brokers, LLC d/b/a Watch Brokers d/b/a webuywatches.com ("**Watch Brokers**") and wind down the affairs of Watch Brokers by the Superior Court of Fulton County, Georgia (the "**Court**") in that certain Civil Action entitled State of Georgia ex rel John D. Sours v. International Estate Brokers, LLC d/b/a Watch Broker.com, et al., Civil Action File No. 2012CV217825 (the "**Receivership Action**"); and

WHEREAS, the Receiver currently holds an inventory of approximately five hundred (500) watches that were on consignment to Watch Brokers under some form of consignment arrangement, which may vary from watch to watch (each, with all of the boxes and manufacturer papers associated with each watch, a "**Consigned Watch**" and collectively the "**Consigned Watches**"); and

WHEREAS, the Receiver currently owns approximately forty-eight (48) watches (each, with all of the boxes and manufacturer papers associated with each watch, an "**Owned Watch**" and collectively the "**Owned Watches**"); and

WHEREAS, the Receiver is also in possession of certain assets of Watch Brokers, including, but not limited to, trademarks, tradenames, URL listings and sites, furniture, fixtures, equipment, leases, service contracts, customer lists, computer hardware and software, general intangibles, and other personal property (the "**Other Watch Brokers Assets**"); and

WHEREAS, Buyer is desirous of reaching an agreement with the Receiver wherein:

- (a) Buyer will assist the Receiver with the evaluation of the Consigned Watches;
- (b) The Receiver will make offers to the owners of the Consigned Watches (collectively, the "**Consignors**") to purchase the Consigned Watches on terms and for prices that Buyer shall provide to the Receiver, in accordance with the terms of this Agreement, and Buyer will then buy said Consigned Watches from the Receiver, free and clear of all liens, claims, and encumbrances whatsoever;
- (c) Buyer will make an offer to the Receiver in respect of the Owned Watches, to purchase the Owned Watches on terms and for prices that Buyer shall specify, in accordance with the terms of this Agreement, free and clear of all liens, claims, and encumbrances whatsoever; and
- (d) Buyer will purchase the Other Watch Brokers Assets from the Receiver, free and clear of all liens, claims, and encumbrances whatsoever.

NOW, THEREFORE, for and in consideration of the mutual promises and accommodations set forth herein, the adequacy and sufficiency of which is acknowledged by the Parties, the Parties herewith covenant and agree as follows:

1. **Approval of Agreement.** Before either party to this Agreement shall be obligated to perform any of the obligations specified by the terms and conditions of this Agreement, the following must occur:

- (a) the Receiver shall file a Motion in the Receivership Action that seeks the entry of an Order approving this Agreement with service by mail on all persons or entities that have asserted (or that the Receiver's books and records indicate may have), claims against Watch Brokers, the Consigned Watches, the Owned Watches or the Receivership Estate; and
- (b) the Court shall enter an Order (the "***Sale Order***") containing, among other things, the following specific provisions:
 - (i) That this Agreement and all of the obligations of the Receiver hereunder are specifically approved *in toto*, and the Receiver is authorized to consummate this Agreement, and carry out all steps necessary to complete the transactions contemplated herein;
 - (ii) That each conveyance of a Consigned Watch, an Owned Watch, or of the Other Watch Brokers Assets to Buyer shall be made free and clear of any claims, liens, encumbrances, obligations or other impediments, or impairments to ownership, such that Buyer's title ownership in each of the purchased Consigned Watches, Owned Watches, and the Other Watch Brokers Assets will be absolute as to all third parties;
 - (iii) That Buyer shall purchase any Consigned Watches, Owned Watches, or Other Watch Brokers Assets as a *bona fide* purchaser for value for resale;
 - (iv) That the entry of any subsequent order or decision overruling or remanding the Sale Order shall not effect Buyer's title to the Consigned Watches, Owned Watches, and the Other Watch Brokers Assets;
 - (v) That Buyer acted in good faith as an arm's-length purchaser for resale in connection with the purchase of any of the Consigned Watches, Owned Watches, and the Other Watch Brokers Assets;
 - (vi) That upon either:
 - (1) The purchase by the Receiver of a Consigned Watch; or
 - (2) The return of a Consigned Watch from the Receiver to the Consignor;

that both the Receiver and Buyer shall be fully and finally released from and against any claims, liabilities, obligations, setoffs, suits, demands, actions, or causes of action, whether choate or inchoate, sounding in tort or in contract, at law or in equity, that any Consignor has or could ever assert arising out of any action or omission prior to the date thereof; and

- (vii) That Buyer is deemed to be in full compliance of all applicable Georgia and City of Atlanta statutes and regulations governing the purchase and sale of precious metals and gems. The Buyer shall take all Consigned Watches and Owned Watches subject to the Receiver's prior compliance with the aforementioned Statutes and Regulations, and the Buyer will not be required to independently comply with the Statutes.
- (viii) That upon and after the entry of the Sale Order, Buyer shall have no liability whatsoever to any party arising out of, or connected with, the Consigned Watches, the Owned Watches the Other Watch Brokers Assets, the Inspections, the implementation and consummation of the sales of the Consigned Watches from the Receiver to the Consignor, or any other provision of this Agreement, save and except a breach of this Agreement by Buyer, in which case the Receiver shall be the sole party or party in interest that can hold, own, or prosecute such claims against Buyer.

The date on which the Sale Order is entered on the docket for the Superior Court of Fulton County, Georgia shall be hereinafter referred to as the "*Approval Date*".

2. **Inspection of the Consigned Watches.** Within five (5) business days from the Approval Date, the Receiver will tender to Buyer any and all information that the Receiver has in his custody regarding each Consigned Watch and each Owned Watch. Upon receipt of said information, Buyer and its agents or representatives will begin an inspection and evaluation of each Consigned Watch and each Owned Watch (the "*Inspection*"). Said Inspection shall be conducted in a professional and workmanlike manner utilizing Buyer's and its agents' or representatives' commercially reasonable professional judgment to determine:

- (a) whether each watch is genuine, in other words, produced by the manufacturer reflected on the face of the watch;
- (b) whether each watch is operable and performing in accordance with accepted industry norms for that type of timepiece;
- (c) whether each watch is complete and containing all parts necessary for it to be operable; and
- (d) The price at which Buyer would be willing to buy each Consigned Watch and each Owned Watch (the "*Purchase Price*").

The Inspection shall take place at a location or locations mutually agreed to by the Parties. In the event Buyer requires any Consigned Watch or Owned Watch to be transported to a site other than the Receiver's place of business or the location of the Consigned Watches or the Owned

Watches, Buyer shall be solely responsible for transporting such Consigned Watch or Owned Watch, with such transportation by way of common carrier reasonably acceptable to Receiver, and Buyer shall assume the risk of loss of all such Consigned Watches or Owned Watches. Prior to commencing the Inspection, Buyer shall furnish the Receiver with proof of insurance with such coverages, and in such amounts, as are acceptable for a similarly situated business enterprise.

Buyer will complete the Inspection within sixty (60) days from the Approval Date. Upon completion of the Inspection, Buyer will compile a summary list identifying each Consigned Watch and Owned Watch and all of the information set forth in this Section 2 (the "***Inspection Summary***"), and will tender same to the Receiver. While Buyer will use its best efforts to carefully and diligently complete the Inspection, Buyer makes no warranties or representations whatsoever as the accuracy of the information set forth on the Inspection Summary.

3. **Offers to Consignors.** Upon completion of the Inspection, and in no event later than five (5) business days after the tender of the Inspection Summary to the Receiver, the Receiver will tender an offer (the "***Offer Letter***") to each of the Consignors that will provide each Consignor with the option to either:

- (i) Sell the Consignor's Consigned Watch (or Consigned Watches, as the case may be) to the Receiver, for transfer to Buyer, at the Purchase Price specified in the Inspection Summary, subject to the Commission set forth below;
- (ii) Recover and secure a return of the Consignor's Consigned Watch (or Consigned Watches, as the case may be) from the Receiver, subject to the return fee set forth below.

Said Offer Letter shall be sent by email where the Receiver has, in his reasonable discretion, verified that the email address is correct, and if not, by a method of mailing that provides for record of delivery to each of the Consignors at the last known address indicated on the records of Watch Brokers, and shall contain a self-addressed envelope wherein each Consignor can tender his response to the Receiver.

Notwithstanding anything to the contrary contained herein, for any Consigned Watch that is, based on the Inspection Summary or the good faith belief of the Receiver, not genuine (that is, not produced by the manufacturer reflected on the face of the watch), the Receiver shall have no obligation to tender an Offer Letter or otherwise acquire such Consigned Watch or Consigned Watches. Instead, it is understood and agreed that the Receiver shall make other arrangements to return such Consigned Watch or Consigned Watches to the owner provided the owner pays the return fee.

The Offer Letter shall specify:

- (iii) The Purchase Price at which the Receiver shall buy the Consigned Watch from the Consignor;

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- (iv) A deadline of thirty (30) days from the date of the Offer Letter within which the Consignor must submit his or her response to the Receiver;
- (v) A statement that any purchase of a Consigned Watch by the Receiver will require the payment of a commission equal to twenty percent (20%) of the Purchase Price, which the Receiver will deduct from the Purchase Price prior to the Receiver's payment of the Purchase Price to the Consignor;
- (vi) A statement that if the Consignor wishes to have the Consigned Watch returned, he or she must first remit, along with the response, \$100.00 in certified funds per Consigned Watch to cover the costs of returning each Consigned Watch to the Consignor by appropriate delivery service;
- (vii) A statement that the sale is subject to the release arising out of the Sale Order and that the Consigned Watch will be sold to Receiver free and clear of claims, liens, and etc., as specified by the Sale Order;
- (viii) A statement, in language satisfactory to Buyer, that if there is no timely Consignor Response, that it shall be treated as an agreement by the Consignor to the sale of that Consignor's Consigned Watch or Consigned Watches (although the Receiver shall withhold applicable sales taxes, unless and until the Receiver obtains a certification from the Consignor that such sale is a casual sale or otherwise exempt from sales tax under applicable law);
- (ix) A statement informing each Consignor that:
 - (1) There is no guarantee that the Consigned Watch is in the original condition that it was in on the date of consignment; and
 - (2) The Consigned Watch may still have its box and papers but only if these items were originally sent with the watch.
 - (3) Sale is contingent upon the Buyer's delivery of funds to the Receiver. If the Buyer fails to deliver the required funds, the sale is void.
- (x) A statement that the Receiver's purchase of the Consigned Watch is contingent upon the Receiver subsequently receiving funds from Buyer for the purchase of the Consigned Watch. If Buyer fails to provide funds to the Receiver to purchase the Consigned Watch, the Receiver will return the Consigned Watch to the Consignor promptly after receipt of \$100.00 in certified funds by the Receiver to cover the costs of return.

The Offer Letter shall contain as an enclosure a Certification that is to be completed by each Consignor wherein that Consignor certifies:

- (xi) That their sale of the Consigned Watch constitutes a casual sale or is otherwise exempt from sales tax under applicable law; and
- (xii) That the Consignor has fully accepted, and agrees to, the terms of sale set forth in the Offer Letter.

4. **Responses to Offers.** Within fifteen (15) days from the receipt by the Receiver of a response from a Consignor (the "*Consignor Response*"), the Receiver shall notify Buyer of the response from that Consignor (the "*Response Notification*").

- (a) If the Consignor agrees to sell the Consigned Watch to the Receiver, within five (5) business days from receipt of the Response Notification, Buyer will remit to the Receiver a certified check for the Purchase Price (the "*Buyer Check*").
- (b) Within five (5) days from the Receiver's receipt of the Buyer Check from Buyer, the Receiver will prepare a check (a "*Purchase Check*") payable to each Consignor in the amount of
 - (i) the Purchase Price;
 - (ii) *minus* twenty percent (20%) of the Purchase Price, paid in full satisfaction of the Receiver's commission.

No sooner than ten (10) days after receipt of the Buyer Check, the Receiver will mail to the Consignor the Purchase Check and a Receiver's Bill of Sale, which shall contain releases of the Receiver and Buyer consistent with the terms of the Sale Order.

- (c) If the Consignor wishes to recover his Consigned Watch, then within thirty (30) days from the date on which the Receiver receives the Consignor Response, and required certified funds, the Receiver will send the Consignor his Consigned Watch.

5. **Transfer of Purchased Consigned Watches.** Within five (5) days after the tender to the Receiver of the Buyer Check, the Receiver shall transfer to Buyer the Consigned Watch connected with that Buyer Check, as well as (i) any and all manufacturer's certificates of origin or other paperwork, and (ii) a Receiver's Bill of Sale for each such Consigned Watch that contains:

- (a) Clear and appropriate releases of the Receiver and Buyer consistent with the terms of the Sale Order; and
- (b) Clear and appropriate warranties that the Consigned Watch is being sold by the Receiver free and clear of any claims or liens, all as provided in the Sale Order.

6. **Purchase of the Owned Watches.** Within ten (10) days from the delivery of the Inspection Summary, the Receiver shall respond in writing to the Buyer as to his acceptance or rejection of each proposed purchase price for each Owned Watch. For each Owned Watch

where the Receiver accepts the purchase price, Buyer and the Receiver shall complete such sale and purchase as soon as practicable, with the Receiver also transferring any and all manufacturer's certificates of origin or other paperwork for any Owned Watch that is being sold hereunder. Said sale and purchase shall be by a Receiver's Bill of Sale that contains releases of Buyer consistent with the terms of the Sale Order, and clear statements and warranties that the Owned Watches are being sold by the Receiver free and clear of any claims, liens, etc., all as provided in the Sale Order. For any Owned Watch where the Receiver does not accept the Buyer's offer, the Receiver shall retain such Owned Watch and dispose of in another manner.

7. **Purchase of the Other Watch Brokers Assets.** Within ten (10) days from the entry of a final, non-appealable Sale Order, Buyer shall pay to the Receiver the sum of \$10,000.00 for the purchase of all of the remaining Other Watch Brokers Assets, wherever situated and in whatever form. Said sale and purchase shall be by a Receiver's Bill of Sale that contains releases of Buyer consistent with the terms of the Sale Order, and clear statements and warranties that the Other Watch Brokers Assets are being sold by the Receiver free and clear of any claims, liens, etc., all as provided in the Sale Order. Buyer will remove all of the Other Watch Brokers Assets from the Receiver's premises at its own expense.

8. **Purchase for Resale.** Buyer hereby represents and warrants to the Receiver that Buyer is purchasing the Consigned Watches and Owned Watches for resale and has completed all documents required by the Streamlined Sales and Use Tax Agreement, O.C.G.A. § 48-8-38(f). Buyer hereby agrees to defend, indemnify, and hold harmless the Receiver from any claims resulting from a determination by the Georgia Department of Revenue or any similar agency with taxing authority over the transactions contemplated herein that the transactions contemplated herein are otherwise not exempt from taxation. Upon the written request of the Receiver, Buyer shall provide all documents reasonably necessary to evidence Buyer's compliance with this Section 9, including Buyer's Form ST-5 as such form is filed with the Georgia Department of Revenue.

9. **Miscellaneous.**

(a) **Notices.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient or (d) on the third business day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section:

If to the Receiver: CHRISTOPHER TIERNEY,
Receiver for International Estate Brokers, LLC d/b/a
Watch Brokers, Inc.
Hays Financial Consulting, LLC
3343 Peachtree Road, NE Suite 200
Atlanta, GA 30326
Fax: 404-926-0055
E-mail: ctierney@haysconsulting.net

with a copy to (which
copy shall not
constitute notice): CURTIS J. ROMIG
Counsel to the Receiver
Bryan Cave LLP
1201 West Peachtree Street
14th Floor
Atlanta, GA 30309
Fax: 404-572-6999
E-mail: curtis.romig@bryancave.com

If to Buyer: PHC of Missouri, LLC
539 Inman St W
Cleveland, TN 37311
Attn: Eddie Scoggins

with a copy to (which
copy shall not
constitute notice): JOHN A. THOMSON, JR.
Counsel to Buyer
Womble, Carlyle, Sandridge and Rice, LLP
271 17th Street
Suite 2400
Atlanta, GA 30363
Fax: 404-870-4841
E-mail: jthomson@wscr.com

- (b) Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.
- (c) Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.
- (d) Entire Agreement. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein

and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

- (e) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Subject to the following sentence, neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing sentence, Buyer may, without the prior written consent of the Receiver, assign all or any portion of its rights hereunder to an affiliate of Buyer. No assignment shall relieve the assigning Party of any of its obligations hereunder.
- (f) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit, or remedy of any nature whatsoever, under or by reason of this Agreement.
- (g) Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
- (h) Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia without giving effect to any choice or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of Georgia. The parties hereby submit to the jurisdiction of the Court for all disputes arising hereunder, and agree that any dispute arising hereunder is related to the Receivership Action.
- (i) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- (j) Relationship of the Parties. In no way will the Receiver, its officers, agents, attorneys, or employees act as a representative or agent for Buyer on any of Buyer's business activities to any person or governmental entity. Nothing in this Agreement shall be construed to create a partnership, joint venture, or agency

relationship between the parties. Each Party shall be solely responsible for payment of all compensation owed to its employees and agents, and, subject to Section 9 of this Agreement, for all federal and state income tax withholding, Social Security taxes, and unemployment insurance applicable to such personnel as employees of the applicable Party. Each Party shall bear sole responsibility for any health or disability insurance, retirement benefits, or other welfare or pension benefits (if any) to which such Party's employees and agents may be entitled.

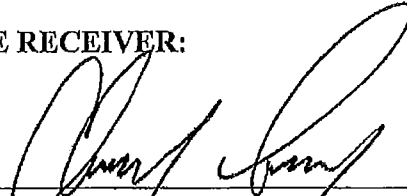
- (k) Indemnification. In addition to the indemnification obligations of Buyer set forth in Section 9 of this Agreement, each Party agrees to indemnify, defend and hold harmless the other Party, its affiliates, and each of such other Party's or such other Party's affiliates' directors, officers, employees, attorneys, and agents, against any claims that the indemnified Party has failed to pay compensation or taxes or provide insurance or benefits for employees or agents of the indemnifying Party.

[Signature of the Parties appear on the next page]

EXECUTION COPY

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

THE RECEIVER:



CHRISTOPHER TIERNEY, as receiver for
International Estate Brokers d/b/a Watch
Brokers.com D/B/A webuywatches.com

BUYER:

PHC of Missouri, LLC

By: _____

Name: _____

Title: _____

EXECUTION COPY

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

THE RECEIVER:

CHRISTOPHER TIERNEY, as receiver for
International Estate Brokers d/b/a Watch
Brokers.com D/B/A webuywatches.com

BUYER:

PHC of Missouri, LLC

By: _____


Name: _____

JAMES SCOGGINS

Title: _____

PRESIDENT

EXHIBIT C

**IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA**

STATE OF GEORGIA *ex rel.* JOHN D.)
SOURS, Administrator of the Fair Business)
Practices Act,)
)
Plaintiff,)
)
v.)
)
INTERNATIONAL ESTATE BROKERS,)
LLC d/b/a WATCH BROKERS and d/b/a)
WEBUYWATCHES.COM; and RONALD)
L. BERGH, III, individually,)
)
Defendants.)
_____)

CIVIL ACTION FILE NO.
2012-CV-217825

**FINAL ORDER GRANTING RECEIVER’S REQUEST FOR AUTHORITY
TO ENTER INTO AND CONSUMMATE PURCHASE AND SALE AGREEMENT**

Upon the Motion (the “*Motion*”) (Docket No. ___) of Christopher J. Tierney, as receiver (the “*Receiver*”) for International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a webuywatches.com (collectively, the “*Receivership Entities*”), for entry of this Final Order authorizing him to enter into and consummate a Purchase and Sale Agreement (the “*Agreement*”); and this Court having held an interim hearing on the Motion on _____, when it entered an Interim Order Approving Notice to Affected Parties and Setting Objection Deadline and Hearing Date on Receiver’s Request for Authority to Enter Into and Consummate Purchase and Sale Agreement (the “*Interim Noticing Order*”) (Docket No. ___); and the Receiver having provided a copy of the Interim Noticing Order to all required parties, according to the terms of the Interim Noticing Order (*see* Affidavit of Service of Interim Noticing Order (Docket No. ___)); and this Court having held a final hearing on the Motion on _____; and finding that the relief sought in the Motion is in the best interests of the Receivership Entities and

the parties who were subject to the wrongdoing of the Receivership Entities and those who controlled them; in light of the foregoing, this Court hereby ORDERS THAT:

1. The Motion is GRANTED.
2. The Agreement and all of the obligations of the Receiver thereunder are specifically approved *in toto*, and the Receiver is authorized to consummate this Agreement, and carry out all steps necessary to complete the transactions contemplated therein, including the disposition of proceeds in accordance with the Motion and the Agreement.
3. Each conveyance of a Consigned Watch,¹ an Owned Watch, or of the Other Watch Brokers Assets to Buyer shall be made free and clear of any claims, liens, encumbrances, obligations, or other impediments, or impairments to ownership, such that Buyer's title and ownership in each of the purchased Consigned Watches, Owned Watches, and the Other Watch Brokers Assets will be absolute as to all third parties.
4. The Buyer shall purchase any Consigned Watches, Owned Watches, or Other Watch Brokers Assets as a *bona fide* purchaser for value for resale.
5. The entry of any subsequent order or decision overruling or remanding this Sale Order shall not effect the Buyer's title to the Consigned Watches, Owned Watches, and the Other Watch Brokers Assets.
6. The Buyer has acted in good faith as an arm's-length purchaser for resale in connection with the purchase of any of the Consigned Watches, Owned Watches, and the Other Watch Brokers Assets.
7. Upon either (a) the purchase by the Receiver of a Consigned Watch, or (b) the return of a Consigned Watch from the Receiver to the Consignor, both the Receiver and the

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion, and if not defined in the Motion, then in the Agreement.

Buyer shall be fully and finally released from and against any claims, liabilities, obligations, setoffs, suits, demands, actions, or causes of action, whether choate or inchoate, sounding in tort or in contract, at law or in equity, that any Consignor has or could ever assert arising out of any action or omission prior to the date thereof.

8. The Court acknowledges and finds that the Receivership Entities have held in their possession the Consigned Watches and the Owned Watches for more than sixty (60) days. Accordingly, this Court finds that the Receiver and the Receivership Entities have complied with the laws that govern dealers in precious metals and gems, as codified at O.C.G.A. § 43-37-1 *et seq.*, and the provisions of the Atlanta City Code that regulate the sale of items containing precious metals, as codified at §§ 122-33, 122-110 (collectively, the "*Statutes*"). Because the Consigned Watches and the Owned Watches have been held, and not offered for public sale by the Receiver or the Receivership Entities, for the time period required by the Statutes, particularly including O.C.G.A. § 43-37-6(a)(6), the Buyer is herewith allowed to take the Consigned Watches and the Owned Watches subject to the Receivership Entities' prior compliance, such that the Buyer will accede to all rights of the Receiver and the Receivership Entities under the Statutes. The Buyer is therefore deemed to be in full compliance with the Statutes, such that the Buyer can sell the Consigned Watches and the Owned Watches immediately upon taking title to them from the Receiver, and the Buyer will not be required to independently comply with the Statutes.

9. With respect to any Offer Letter, to the extent there is no timely Consignor Response, then the lack of such a response shall be treated as an agreement by the Consignor to the sale of that Consignor's Consigned Watch or Consigned Watches (although the Receiver shall withhold applicable sales taxes, unless and until the Receiver obtains a certification from

the Consignor that such sale is a casual sale or otherwise exempt from sales tax under applicable law).

10. With respect to any counterfeit watch, the Receiver has authority to return any such watch to its owner.

11. Upon and after the entry of the Sale Order, the Buyer shall have no liability whatsoever to any party arising out of, or connected with, the Consigned Watches, the Owned Watches the Other Watch Brokers Assets, the Inspections, the implementation and consummation of the sales of the Consigned Watches from the Receiver to the Consignor, or any other provision of this Agreement, *save and except* a breach of this Agreement by the Buyer, in which case the Receiver shall be the sole party or party in interest that can hold, own, or prosecute such claims against the Buyer.

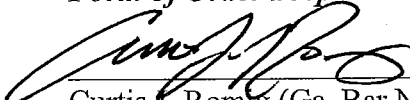
12. This Court retains jurisdiction to enforce this Sale Order, and any dispute arising under this Sale Order or the Agreement is related to the Receivership Action.

13. The failure to include or specify any provision of the Agreement in this order shall have no impact on its enforceability, all such terms and conditions of the Agreement hereby being approved in their entirety.

So Ordered, this ___ day of _____, 2013.

Judge Cynthia D. Wright
Superior Court of Fulton County

Form of Order Prepared By:



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Curtis.Romig@bryancave.com
Mark I. Duedall (Ga. Bar No. 231770)

Mark.Duedall@bryancave.com
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Atlanta, Georgia 30309
Tel: (404) 572-6600
Fax: (404) 572-6999

Attorneys for Christopher Tierney as Receiver

EXHIBIT D

IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA

STATE OF GEORGIA *ex rel.* JOHN D.
SOURS, Administrator of the Fair Business
Practices Act,

Plaintiff,

v.

INTERNATIONAL ESTATE BROKERS,
LLC d/b/a WATCH BROKERS and d/b/a
WEBUYWATCHES.COM; and RONALD
L. BERGH, III, individually,

Defendants.

CIVIL ACTION FILE NO.
2012-CV-217825

**INTERIM ORDER APPROVING NOTICE TO AFFECTED PARTIES AND
SETTING OBJECTION DEADLINE AND HEARING DATE ON
RECEIVER'S REQUEST FOR AUTHORITY TO ENTER INTO AND
CONSUMMATE PURCHASE AND SALE AGREEMENT**

Upon the Motion (the "*Motion*") (Docket No. ___) of Christopher J. Tierney, as receiver (the "*Receiver*") for International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a webuywatches.com (collectively, the "*Receivership Entities*"), for entry of this Interim Order governing notice and an opportunity to be heard by all affected parties of the Receiver's execution and consummation of a Purchase and Sale Agreement (the "*Agreement*"); this Court hereby provides NOTICE THAT:

A. **If your watch is in the possession of the Receiver**, then by the Motion, the Receiver is going to solicit a bid from a third party for your watch. He will then provide written notice of that bid to you, and you will have thirty (30) days to accept or reject the bid. If you accept the bid (and other contingencies are satisfied), then your watch will be sold, and you will receive the proceeds via certified funds from the Receiver, less a 20% commission to be charged

by the Receiver. If you reject the bid, then you may have your watch back, once you pay a handling charge of \$100 to cover the Receiver's costs of returning and insuring the watch. **In all respects, it will be entirely your choice as to whether to accept the bid, or reject the bid and have your watch returned to you.**

B. If your watch is not in the possession of the Receiver, but instead was already disposed of by prior third parties, then under the Motion, you will not receive any proceeds from the Receiver's sale of watches in his possession. Instead, if you were not already paid for your watch, you may file a claim, and to the extent there are any other cash proceeds remaining after the costs of the Receivership, then the Receiver shall distribute such funds *pro rata*. The Receiver does not expect such remaining funds to be material, however.

In light of the foregoing, this Court hereby ORDERS THAT:

1. Within two business days of the entry hereof, the Receiver shall (i) provide a copy of this Order by email to all parties where he or his staff have confirmed the email addresses of parties that left watches with the Receivership Entities, (ii) send a copy of this Order by United States First Class Mail for all other parties that left watches with the Receivership Entities, and (3) post a copy of this Order, along with a complete copy of the Motion and the Agreement, on the website: www.haysconsulting.net.

2. A hearing on the final relief sought in the Motion shall be held on _____ at _____.

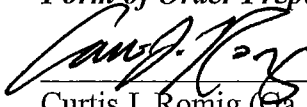
3. Any party that wishes to file any objection to the final relief sought by the Motion must file such objection with the Court by no later than _____, and must serve a copy

of such objection at that same time on Curtis J. Romig, BRYAN CAVE, LLP, One Atlantic Center, 14th Floor, 1201 West Peachtree Street, N.W., Atlanta, Georgia 30309.

So Ordered, this ____ day of _____, 2013.

Judge Cynthia D. Wright
Superior Court of Fulton County

Form of Order Prepared By:



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Attorneys for Christopher Tierney as Receiver

**IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA**

STATE OF GEORGIA ex rel. JOHN D.)
SOURS, Administrator of the Fair Business)
Practices Act,)
)
Petitioner,)
)
v.)
)
INTERNATIONAL ESTATE BROKERS, LLC)
d/b/a WATCH BROKERS and d/b/a)
WEBUYWATCHES.COM; and RONALD)
L. BERGH, III, individually,)
)
Respondents.)
_____)

CIVIL ACTION FILE
NO. 2012-CV-217825

CERTIFICATE OF SERVICE

This is to certify that I have caused a true and correct copy of the foregoing Receiver's Motion for Interim and Final Orders to (I) Grant Receiver Authority to Enter Into and Consummate Purchase and Sale Agreement and (II) Approve Associated Notice to all Affected Parties, with all exhibits, to be served upon counsel of record by placing a copy of the same in the United States Mail with sufficient postage and properly addressed to:

Gregory F. Harley
Burr Forman LLP
171 17th St NW
Suite 1100
Atlanta, GA 30363

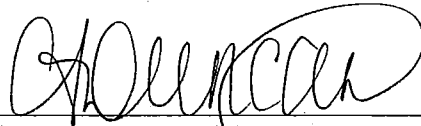
John A. Thomson, Jr.
Womble Carlyle Sandridge & Rice, LLP
271 17th Street, N.W.
Suite 2400
Atlanta, GA 30363-1017

International Estate Brokers, LLC d/b/a Watch Brokers and d/b/a
webuywatches.com
c/o Scott A. Minot
3562 Piedmont Road, #413
Atlanta, Georgia 30305

Ronald L. Bergh, III
5530 Hillgate Crossing
Alpharetta, Georgia 30005

Ronald L. Bergh, III
5095 Roswell Road, Unit 109
Atlanta, Georgia 30305

This 29th day of January, 2013.



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*Attorney for Christopher Tierney as
Receiver*