

FILED IN OFFICE  
CLERK OF SUPERIOR COURT  
GWINNETT COUNTY, GA  
2008 JUN -9 AM 10:14  
TOM LAWLER, CLERK

IN THE SUPERIOR COURT OF GWINNETT COUNTY  
STATE OF GEORGIA

SUN NATIONWIDE, LLC, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 NATIONWIDE FURNITURE, INC., )  
 )  
 Defendant. )  
 \_\_\_\_\_ )

CIVIL ACTION  
NO. 08A-05299 8

**VERIFIED COMPLAINT FOR APPOINTMENT OF A RECEIVER  
AND OTHER RELIEF**

COMES NOW Sun Nationwide, LLC ("Lender"), and for its Complaint shows this Court as follows:

1.

Defendant Nationwide Furniture, Inc. ("Nationwide") is a Delaware Corporation with its principal office located in Norcross, Gwinnett County, Georgia. Nationwide is subject to the jurisdiction of this Court.

2.

Nationwide may be served with process through its registered agent, Corporation Service Company, at 40 Technology Parkway South, Suite 300, Norcross, Georgia 30092.

3.

Lender is a Delaware limited liability company with its principal offices located in Boca Raton, Florida.

4.

This Court has jurisdiction over the subject matter of this action pursuant to O.C.G.A. § 15-6-8.

5.

Venue properly lies in this Court pursuant to O.C.G.A. § 9-10-30.

6.

Nationwide operated 38 stores under the “Nationwide Mattress and Furniture Warehouse” trade name and sold a limited selection of affordable furniture and bedding items, including sofas, chairs, tables, dressers, chests, beds, mattresses, lamps and various other home furnishing accessories.

7.

The substantial majority of Nationwide’s issued and outstanding voting common stock is held by Lender.

8.

Nationwide presently owes in excess of \$35 million to creditors. The majority of this debt is in the form of secured and unsecured notes to third parties,

primarily Lender, totaling approximately \$27.4 million. The balance of its liabilities consist of obligations owed to former employees, trade creditors, lessors, and taxing authorities in the approximate amount of \$7.6 million. Lender is a secured creditor of Nationwide.

9.

In early 2008, Nationwide engaged Great American to liquidate its inventory and other assets, which liquidation has largely been completed. Upon information and belief, the bulk of Nationwide's assets presently consist of approximately \$250,000 in credit card charge reserves held by its credit card processor, claims against third parties, refundable deposits held by third parties, and several computer servers containing Nationwide's accounting information.

10.

All officers of Nationwide have resigned and, since April 2008, Nationwide has had no employees whatsoever. There remains no operating executive to exercise authority or to act on behalf of Nationwide. A number of matters remain that require someone with executive authority over Nationwide, including:

a. Nationwide had a 401(k) retirement plan that needs to be administered while it is terminated and to assist and oversee any audits;

- b. preparation of tax return information for the 2008 tax year, including preparation of employee W-2s;
- c. recovery of deposits and reserves held by third parties; and
- d. pursuit of causes of action and defending in existing suits.

11.

Nationwide has no person with executive authority to collect monies owed to it or to distribute any monies collected. Nationwide has no one collecting the mail, which may include refunds or checks that would benefit Nationwide. Accordingly, Nationwide's property is at substantial risk of being lost or destroyed through inability to protect its interests in this property.

12.

Since Lender is a secured creditor of Nationwide, a manifest danger of loss, destruction, or material injury to Lender's collateral exists.

13.

The amounts Nationwide owes its creditors, in the aggregate, exceed the value of Nationwide's assets. Nationwide is insolvent.

14.

Nationwide is a named defendant in a number of active law suits that have been filed against it. Nationwide has no person with executive authority to defend the claims.

15.

Nationwide has no one to wind down its operations.

16.

For the reasons set forth above, Lender seeks the appointment of a receiver pursuant to O.C.G.A. §§ 9-8-1, 9-8-2, or 9-8-3.

**REQUEST FOR RELIEF**

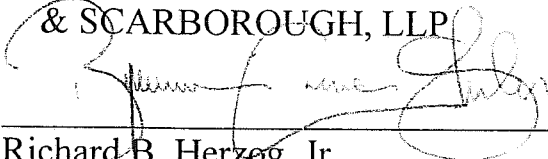
WHEREFORE, Sun Nationwide, LLC, respectfully requests that this Court:

- (1) appoint a receiver, pursuant to O.C.G.A. §§ 9-8-1, 9-8-2, or 9-8-3 to operate and/or wind-up the affairs of Nationwide;
- (2) empower the receiver to operate Nationwide, including the power to hire employees and to enter into contracts and agreements, to the extent necessary to maximize the value of and protect Nationwide's assets;
- (3) empower the receiver to sell and/or liquidate the property and assets of Nationwide outside the ordinary course of business;

- (4) empower the receiver to prepare, file, and distribute any tax returns, forms, or other documents as may be necessary;
- (5) empower the receiver to distribute Nationwide's assets to creditors;
- (6) empower the receiver to commence or continue litigation or other judicial or non-judicial processes to recover property of Nationwide;
- (7) empower the receiver to defend Nationwide in all existing or future proceedings;
- (8) direct the officers, directors, owners, employees, agents, representatives, and entities owned by Nationwide (if any) to cooperate with the receiver and turn over such records as the receiver may reasonably require and request to operate or wind-down Nationwide;
- (9) permit the receiver access to confidential and sensitive records that the receiver may reasonably require to operate or wind-down Nationwide;
- (10) stay, until such time as this Court orders otherwise, all litigation as to which Nationwide is a defendant; and
- (6) grant such further and other relief as it deems just and appropriate.

This 6th day of June, 2008.

NELSON MULLINS RILEY  
& SCARBOROUGH, LLP



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Richard B. Herzog, Jr.

Georgia Bar No. 349508

Byron C. Starcher

Georgia Bar No. 676111

*Attorneys for Sun Nationwide, LLC*

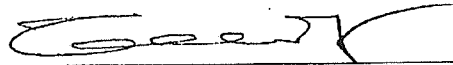
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STATE OF FLORIDA

COUNTY OF PALM BEACH

**VERIFICATION**

Todd Buchman, who being first duly sworn upon his oath, deposes and says that he is a Vice President of Sun Nationwide, LLC, that he is authorized in said capacity to verify the foregoing Complaint, that he has read the foregoing Complaint, and that the information contained therein is true and correct to the best of his knowledge, information, and belief.

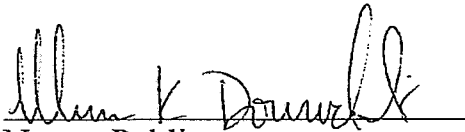


(signature)

Todd Buchman, Vice President

(printed name and title)

Sworn to and subscribed before me this 6 day of June, 2008.



Notary Public

My commission expires: December 25, 2011

(Notarial Seal)

NOTARY PUBLIC-STATE OF FLORIDA  
Mina K. Dourvetakis  
Commission # DD741906  
Expires: DEC. 25, 2011  
BONDED THRU ATLANTIC BONDING CO., INC.