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EXPO 1

STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,
DEPARTMENT OF FINANCIAL
INSTITUTIONS,

Plaintiff,

v.

HOSS MORTGAGE INVESTORS,
INC., TODD ALLAN HOSS, BORIS
PETRENKO DBA ORANGE
ESCROW, BALLARD ESCROW, INC.,
FRONTIER BANK, VIKING BANK,
IRONSTONE BANK,

Defendants.

NO. 09-2-33731-4 SEA

ORDER GRANTING MOTIONS FOR
TEMPORARY RESTRAINING
ORDER AND ORDER TO SHOW
CAUSE

[CLERK'S ACTION REQUIRED]

Plaintiff's Motion for a Temporary Restraining Order came on for hearing on the 15th day of September, 2009. Plaintiff was represented by its attorney, Charles E. Clark, Assistant Attorney General, and the Defendants ~~(and)~~ (did not) appear and ~~(were represented)~~ by _____ (were not) represented. The Court considered the Complaint for Temporary Restraining Order, Preliminary Injunction, Permanent Injunction and Appointment of Receiver, Motion for Temporary Restraining Order, and Declarations of Janet So and Charles E. Clark in support thereof, files and records herein, and heard the argument of counsel.

1 **I. FINDINGS AND CONCLUSIONS**

2 1. The Court finds that irreparable harm will result to the public if this Order is not
3 entered for the reason that Defendants may dispose of investor proceeds, investor monies, and
4 ill-gotten gains received through conduct that was in violation of the Securities Act of
5 Washington. The disposal of such funds would result in irreparable injury and loss to
6 investors.

7 2. The Court finds that the Plaintiff has a reasonable likelihood of prevailing on
8 the merits in its claims for a preliminary injunction and permanent injunction. The Plaintiff
9 has a clear legal and equitable right under the Securities Act to prevent Defendants from
10 causing harm to investors.

11 3. The Court finds that it is appropriate to temporarily restrain the Defendants
12 from disposing of funds received from investors or held for the benefit of investors.

13 **II. ORDER**

14 Therefore, good cause appearing, IT IS HEREBY ORDERED that:

15 1. Defendants Hoss Mortgage Investors, Inc. and Todd Allan Hoss are prohibited
16 from withdrawing, transferring, assigning, selling, pledging, hypothecating, changing, wasting,
17 dissipating, converting, concealing, encumbering, or otherwise disposing of any assets held by
18 Hoss Mortgage Investors, Inc., whether obtained from investors or borrowers, including but
19 not limited to investor funds or borrower payments received by them, held in an account in the
20 name of them, or under the control of Hoss Mortgage Investors, Inc. and/or Todd Allan Hoss,
21 until such time that a receiver can be appointed to take control of such assets of Hoss Mortgage
22 Investors, Inc. and properly disburse the same;

23 2. Defendants Boris Petrenko DBA Orange Escrow, Ballard Escrow, Inc.,
24 Frontier Bank, Viking Bank, and IronStone Bank are prohibited from permitting or in any way
25 assisting with the withdrawal, transferring, changing, wasting, dissipating, converting,
26 concealing, encumbering, or otherwise disposing of any funds received by, held in an account

1 in the name of, or under the control of Hoss Mortgage Investors, Inc. and/or Todd Allan Hoss
2 until such time that a receiver can be appointed to take control of such assets and properly
3 disburse the same;

4 3. Defendants Hoss Mortgage Investors, Inc., as well as its agent and owner Todd
5 Allan Hoss, are prohibited from destroying or disposing of any records in its possession or
6 control, including, without limitation, any book, pamphlet, report, memorandum, note, statement,
7 minute, diary, transcript, working paper, telegram, letter, paper, chart, drawing, graph,
8 photograph, publication, tape recording, videotaped or graphic matter, accounting material,
9 records of purchase or sale, contracts, agreements, invoices, and any other existing source of
10 stored information, whether written, printed, typed, recorded, stored in a computer, or filmed; and

11 4. This Order is granted without notice otherwise required because Defendants
12 through their conduct are in a position to cause the people of Washington State, whose interest
13 Plaintiff is charged to protect, immediate damage;

14 5. This temporary restraining order shall go into effect on September 15, 2009, at
15 4:02 a.m./p.m. and shall remain in effect until October 14, 2009, at 4 p.m., at which time
16 Plaintiff can present a motion for a preliminary injunction;

17 6. This temporary restraining order has been extended beyond fourteen days for
18 good cause, as the extension is due to the schedule of Judge Washington and to give Plaintiff
19 an opportunity to obtain service on all the Defendants; and

20 7. Pursuant to RCW 4.92.080, no security bond shall be required of the State of
21 Washington in this matter.

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1 8. Defendants shall appear before the Honorable Judge Chris Washington in
2 Dept. 42, at the King County Courthouse, 516 – 3rd Avenue, Seattle, Washington, on the 14th
3 day of October, 2009, at 4 p.m. and then and there show cause, if any they may have, why a
4 preliminary injunction should not be entered.

5 Dated this 15th day of September, 2009. *W. O. S. P. R.*

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8 JUDGE/COURT COMMISSIONER

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10 Presented by:

11 ROBERT M. MCKENNA
12 Attorney General

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14 CHARLES E. CLARK, WSBA No. 28918
15 Assistant Attorney General
16 Attorneys for Plaintiffs

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