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Attorneys for Receiver

Michael Grassmueck

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

SUNWEST MANAGEMENT, INC.,  
CANYON CREEK DEVELOPMENT, INC.,  
CANYON CREEK FINANCIAL, LLC, and  
JON M. HARDER,

Defendants,

DARRYL E. FISHER, J. WALLACE  
GUTZLER, KRISTIN HARDER, ENCORE  
INDEMNITY MANAGEMENT, LLC,

Case No. 09-CV-6056-HO

**MOTION FOR ORDER APPROVING  
NOTICE PROCEDURES REGARDING  
THE PROPOSED DISTRIBUTION PLAN  
AND RELATED PLEADINGS AND  
MOTIONS**

SENET LEASING COMPANY, FUSE  
ADVERTISING, INC. KDA  
CONSTRUCTION, INC., CLYDE  
HAMSTREET, and CLYDE A . HAMSTREET  
& ASSOCIATES, LLC,

Relief Defendants.

Michael A. Grassmueck (the "Receiver"), the receiver appointed pursuant to this Court's Order Granting Preliminary Injunction and Appointing Receiver entered by this Court on March 10, 2009 (the "Receiver Order"), moves this Court for an order approving the method and form of notice to be given with respect to the motions and hearing to approve the Proposed Distribution Plan and Claims Process.

The Receiver and CRO will be filing numerous and lengthy pleadings with respect to the Proposed Distribution Plan that will comprise, with supporting declarations and exhibits, approximately 200 pages. The expected service list for these documents consists of nearly 50,000 names of vendors, senior living residents, employees and creditors of the Receivership Entities ("Service Parties"). Copying and postage costs for such volume are prohibitively expensive.

The Receiver proposes to provide notice only to these Service Parties by August 28, 2009. The notice will give summary information about the pending motions and will include information on the availability to download the pleadings from the websites of the Court, the Receiver, the CRO and/or Sunwest. It will also give information on to whom to direct requests in writing for paper copies.

As a further courtesy to the senior living residents, the Receiver will cause three sets of the motion papers to be available in the library of each of the senior living facilities.

Finally, the Receiver will file a notice in the Harder Bankruptcy Case of the filing of the Distribution Plan motion and related pleadings so that interested parties in that case will be made aware of the pending motions by electronic case filing notice.

The Receiver believes that service of the notice and proposed accessibility to the filed documents will be adequate to ensure broad awareness of the upcoming motions and hearing, and that service of the notice only will save hundreds of thousands of dollars in postage and copying costs.

The Receiver asks this Court to enter an order approving the notice procedures described above.

Dated: August 25, 2009

ALLEN MATKINS LECK GAMBLE  
MALLORY & NATSIS LLP

By: /s/ David L. Osias

David L. Osias  
Attorneys for Receiver  
Michael A. Grassmueck



**CERTIFICATE OF SERVICE**

I certify that I served the foregoing document on August 25, 2009, by causing to be electronically mailed via ECF to:

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I declare under penalty of perjury that the foregoing is true and correct. Executed on August 25, 2009, at San Diego, California.

/s/ Catherine Schiaffo  
Catherine Schiaffo