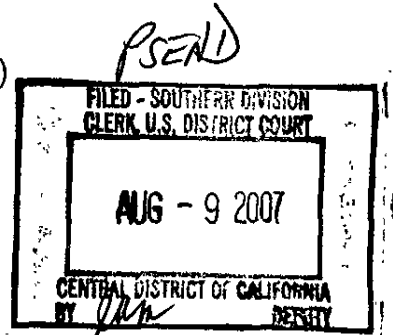


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NOTE CHANGES MADE BY THE COURT.

**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION**

13 SECURITIES AND EXCHANGE
14 COMMISSION,

Case No.:
SACV06-172 AHS (MLGx)

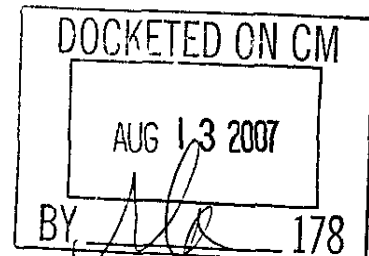
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16
17 Plaintiff,

**~~PROPOSED~~ ORDER APPROVING
PLAN OF PARTIAL
DISTRIBUTION, SETTING BAR
DATE AND ESTABLISHING A
DEADLINE FOR PROPERTY
ELECTIONS**

18 vs.

19 LAMBERT VANDER TUIG (a/k/a
20 LAMBERT VANDER TAG a/k/a DEAN
L. VANDER TAG a/k/a DEAN L.
21 VANDERTAG), THE CAROLINA
DEVELOPMENT COMPANY, INC.
(a/k/a THE CAROLINA COMPANY AT
22 PINEHURST, INC.), AND JONATHAN
CARMAN


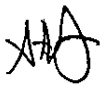
23 Defendants.
24



25 The Securities and Exchange Commission's (the
26 "Commission") Motion for Approval of Plan of Distribution,
27 Establishment of a Bar Date for the Filing of Claims and
28 Deadline for Property Election (the "Motion") came on for

308

1 hearing this 30th day of July, 2007, in Courtroom 10A of
2 the above-captioned Court before the Honorable Alicemarie
3 H. Stotler, United States District Judge. The Commission
4 appeared by and through its counsel of record, Thomas M.
5 Melton and Karen L. Martinez. The Receiver appeared by
6 and through his attorney, Alan H. Martin. Alan White
7 appeared on behalf of objecting investors Scott Machock,
8 Heidi Machock, Robert Hotchkiss, Mary Lee, Trustee, Tudor
9 and Alexandria Stefanescu, Iqbal Husain, Trustee, Bruce
10 Seldeen, individually and as Trustee, Todd R. Rose, Jody
11 M. Rose, Albery Toovy, Richard Cerny, Kenneth Saczalski,
12 Judy Saczalski, Michael A. McAteer, Liselott K. McAteer
13 and Mark W. Burtchett.

14
15 Upon the reading of the Motion and consideration
16 of the other pleadings and arguments properly placed
17 before the Court, it appears to the Court that the
18 Commission's Proposed Plan of Distribution (the "Plan")
19 should be approved as it is a fair and equitable manner in
20 which to distribute the assets of Carolina Company to its
21 shareholders. It also appears to be fair and equitable to
22 the Court that the Bar Date (as defined in the Plan) for
23 all claims should be October ⁵/~~4~~, 2007. In addition, the 
24 Court finds that it is fair and equitable to require all
25 Property Elections (as defined in the Plan) to be made on
26 or before October ⁵/~~4~~, 2007. 

1 **THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

2
3 1. The Plan is approved in its entirety.

4
5 2. The Bar Date is October ⁵~~A~~, 2007. All JHA
6 Preliminary Investor Response Forms (and all other
7 documents necessary to establish an Allowed Claim, if any)
8 must be delivered to Thomas A. Seaman, court-appointed
9 Receiver for Carolina Company, on or before October 4,
10 2007. The Receiver's address is One Park Plaza, Suite
11 370, Irvine, California 92614. Any Claimant (as defined
12 in the Plan) who fails to deliver the required documents
13 to the Receiver by the Bar Date will not participate in
14 any distributions under the Plan.

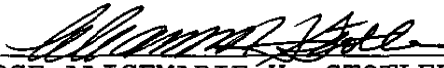
15
16 3. All Property Elections (as defined in the
17 Plan), if required, must be delivered to the Receiver by
18 no later than October ⁵~~A~~, 2007. If any Class 2 ~~or Class 3~~ JHA
19 Claimant (both as defined in the Plan) fails to make his
20 or her Property Election on or before October 4, 2007, he
21 or she shall be deemed to have elected to receive and
22 accept a quitclaim deed to the property encumbered by his
23 or her deed of trust, and he or she will not participate
24 in any distributions of the Company's assets. If any
25 Class ³~~A~~ Claimant (as defined in the Plan) fails to make JHA
26 his or her Property Election on or before October ⁵~~A~~, 2007,
27 he or she will be deemed to have elected to retain
28 ownership of the real property which was the subject of

1 the Section 1031 exchange, and he or she will not
2 participate in any distributions of the Company's assets.

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4 4. This Court shall retain jurisdiction of this
5 matter for the purposes of enforcing the terms of this
6 Plan of Distribution.

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Dated: **AUG 9 2007**



JUDGE ALICEMARIE H. STOTLER
CHIEF U.S. DISTRICT JUDGE