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## SECOND MOTION FOR ORDER EXTENDING TIME TO FILE REQUEST FOR SECURITY AND REQUEST FOR RIGHT TO TAKE THE DEPOSITION OF PLAINTIFFS' EXPERTS AND WITNESSES

Defendants Larry Hahn ("HAHN") and Hahn's World of Surplus, Inc.

("SURPLUS")("HAHN and SURPLUS sometimes collectively referred to herein as "MOVANTS") 1 2 hereby move this Court, pursuant to NRS §41.520(3), for an order extending the time to file a request for security from June 10, 2008, to July 28, 2008 and the right to take the depositions of 3 Plaintiffs' experts and witnesses. This Motion is made and based upon all of the pleadings and 4 5 papers on file and the points and authorities contained herein. DATED this 4 day of June, 2008. 6 7 M NELSON SEGEL, CHARTERED 8 9 M MELSON SEGEL, ESQUIRE Nevada Bar No. 0530 10 624 South 9th/Street Las Vegas, Nevada 89101 11 Attorneys for Defendants Larry Hahn and Hahn's World of Surplus, Inc. 12 13 14 POINTS AND AUTHORITIES 15 NRS §41.520(3) provides: 3. In any such action, at any time within 30 days after service of summons upon the 16 corporation or any defendant who is an officer or director of the corporation, or held 17 such office at the time of the acts complained of, the corporation or such defendant may move the court for an order, upon notice and hearing, requiring the plaintiff to 18 furnish security as hereinafter provided. Such motion must be based upon one or more of the following grounds: 19 (a) That there is no reasonable possibility that the prosecution of the 20 cause of action alleged in the complaint against the moving party will 21 benefit the corporation or its security holders. 22 (b) That the moving party, if other than the corporation, did not participate in the transaction complained of in any capacity. The court 23 on application of the corporation or any defendant may, for good cause shown, extend the 30-day period for an additional period or periods not exceeding 60 days. (Emphasis added). 24 MOVANTS filed their initial request for an extension of time which was heard on the 19th day of 25 26 May, 2008. The Court granted said motion. 27 At the time of said hearing, MOVANTS were concerned that the Court was limited to the

60 day extension from the date that was 30 days after the service of the Complaint. Therefore, they

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requested, and the Court ordered, that the time to file the motion for security by MOVANTS would have been June 10, 2008.

By Decision and Order dated May 28, 2008 ("DECISION"), the Court entered a order regarding the motion for security filed by Defendant Kokoweef, Inc.("KOKOWEEF"), that found NRS §41.520 allowed the Court to enter multiple extensions, not to exceed 60 days each. Upon review of the statute, MOVANTS agree that the Court has the right to grant multiple extensions.

In the DECISION, the Court treated KOKOWEEF's motion as one for an extension of time and stated, "[s]uch time will be commuted from entry hereof." Therefore, Defendants interpret the DECISION to grant KOKOWEEF to, and including, Monday, July 28, 2008, to file a new motion, or renew its original motion for security. MOVANTS hereby request that the Court enter its order extending the time for them to seek security to, and including Monday, July 28, 2008.

## REQUEST FOR RIGHT TO TAKE DEPOSITIONS

MOVANTS presented the affidavit of Reta Van De Walker showing that the funds of KOKOWEEF had not been improperly utilized. Plaintiffs presented the affidavit of their purported expert, Talon Stringham ("STRINGHAM"), stating that although he had not had an opportunity to make a proper review of the books and records of KOKOWEEF, he believed "flags" existed to question various transactions.

It appears that the Court is concerned that the unsupported representations of STRINGHAM, Plaintiffs' purported expert, as well as the affidavit of Plaintiff Michael Kehoe ("KEHOE"), may provide a basis for the present action and has given KOKOWEEF additional time to supplement its position. Defendants need to determine whether KEHOE, or any plaintiff, has any basis for the position that the assets of KOKOWEEF **may** have been improperly utilized. Therefore, it is imperative that Defendants be given the opportunity to take the deposition of STRINGHAM and plaintiffs to determine the basis of their opinions.

## NRCP 26(a) states:

(a) Discovery Methods. At any time after the filing of a joint case conference report, or not sooner than 10 days after a party has filed a separate case conference report, or upon order by the court or discovery commissioner, any party who has complied with Rule 16.1(a)(1) may obtain discovery by one or more of the following additional methods: depositions upon oral examination or written questions; written

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interrogatories; production of documents or things or permission to enter upon land or other property under Rule 34 or Rule 45(a)(1)(C), for inspection and other purposes; physical and mental examinations; and requests for admission. (Emphasis added).

MOVANTS hereby request that the Court enter an order allowing them to take the depositions of STRINGHAM, KEHOE and the plaintiffs to determine whether they have any basis for the allegations set forth in the Complaint. The extent of the depositions shall be the basis for the claims set forth in the Complaint alleging the wrongful conduct of MOVANTS and their handling of the affairs of KOKOWEEF. MOVANTS should also be allowed to take more detailed depositions of STRINGHAM, KEHOE and the plaintiffs in the event this matter proceeds.

## **CONCLUSION**

The Court should extend the time for MOVANTS to file their motion for security to, and including July 28, 2008. Additionally, the Court should allow MOVANTS to take the depositions of STRINGHAM, KEHOE and the plaintiffs herein, as well as, more detailed depositions in the future, if necessary.

day of June, 2008. DATED this 5

M NELSON SEGEL. CHARTERED

M/NELSON/SEGEL, ESQUIRE Nevada Bar No. 0530

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