

**HEARING DATE: MAY 5, 2021 AT 2:00 P.M.**  
**WEBEX HEARING**  
**PARTICIPANTS CONTACT COURT FOR DETAILS**  
**PUBLIC ACCESS AVAILABLE AT WWW.COURTS.RI.GOV**  
**BUSINESS CALENDAR**

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

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RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
*Petitioners,* )  
v. )  
EGO, LLC, )  
*Respondent.* )

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C.A. No. PC-2020-06236

**PERMANENT RECEIVER’S FIRST AND FINAL REPORT AND FIRST REQUEST  
FOR FEES**

NOW COMES Christopher J. Fragomeni, Esq., solely in his capacity as permanent receiver (“Receiver”) of Ego, LLC (“Ego”), and hereby reports to the Court with regard to Ego. The Receiver respectfully represents to the Court as follows:

**APPOINTMENT**

1. On September 3, 2020, Rafael Sanchez (“Sanchez”) and Katherine Fay (“Fay”), as executrix of the estate of Christian Harris, filed a Petition for the Appointment of a Receiver (“Petition”), alleging, among other things, that Ego was insolvent and unable to meet its obligations as they became due. A copy of the Petition is attached hereto as **Exhibit A.**

2. By order entered on September 14, 2020 (“Temporary Order”), the Receiver was appointed Temporary Receiver of Ego. A copy of the Temporary Order is attached hereto as **Exhibit B.**

3. In connection with his appointment and pursuant to the Temporary Order, the Receiver, on September 17, 2020, obtained a bond in the amount of \$10,000 (“the Bond”), which was filed with the Court. A copy of the Bond is attached hereto as **Exhibit C**.

4. Fay, the registered agent of Ego, accepted service of the receivership citation issued in this matter and executed an Acceptance of Service Affidavit (“Affidavit”), which was filed with the Court on September 28, 2020. A copy of the Affidavit is attached hereto as **Exhibit D**.

5. As set forth in an affidavit of service filed with the Court, the Receiver, on September 29, 2020, mailed a copy of the Temporary Order to the creditors and parties in interest known to him.

6. Notice of the Temporary Order was published in *The Providence Journal* on September 30, 2020. A copy of such publication is attached hereto as **Exhibit E**.

7. On October 14, 2020, the Court held a hearing on the appointment of a permanent receiver, and after that hearing, the Court entered an order (“Permanent Order”) appointing the Receiver as permanent receiver of Ego. A copy of the Permanent Order is attached hereto as **Exhibit F**.

8. On October 19, 2020, the Receiver notified creditors known to him of the Permanent Order and provided those creditors with a proof of claim form. The Receiver then filed an affidavit of service of such notice, which is on file with the Court.

9. Notice of the Permanent Order was published in *The Providence Journal* on November 6, 2020. A copy of such publication is attached hereto as **Exhibit G**.

*Ego, LLC*

10. Ego is co-owned by Sanchez and the Estate of Christian Harris, who passed away in early 2019.

11. Ego is a nightclub and bar located in downtown Providence that leases the premises located at 73 Richmond Street, Providence, RI (“the Premises”) from Seventy-One Richmond LLC (“Landlord”).

12. The Premises hosts two bars, a dance area, a DJ booth, an outdoor patio area, and a basement storage area.

13. In 2015, Ego was sued, among other defendants, in *Lisette Sical, et al. v. Joel Norman, et al.* (PC-2015-1423) (the “Lawsuit”), a wrongful death action in which the plaintiffs allege that Ego was one of several bars that an individual defendant visited before driving the wrong way down Route 95 and crashing head-on into another car.

14. Ego operated until early 2020, when, as a result of the COVID-19 pandemic, it ceased operations.

**RECEIVER’S ACTIONS AFTER APPOINTMENT**

15. Upon the Receiver’s appointment, Ego was not operating but continued to occupy the Premises.

16. The Receiver had several conversations with Fay, who was employed as Ego’s bookkeeper prior to the Receiver’s appointment, to help the Receiver understand and evaluate the assets of the receivership estate. To assist the Receiver with question or issues related to the Estate, the Receiver continued to temporarily employ Fay.

17. The Receiver worked collaboratively with Fay in evaluating whether Ego remained financially solvent and whether a re-opening was viable or, if not, to determine the

value of Ego's assets. Fay also provided the Receiver with access to Ego's QuickBooks files, which the Receiver reviewed.

18. The Receiver also ensured that the Premises and Ego's assets were insured. Both were insured under a policy that was paid in full prior to the Receiver's appointment. The policy was set to expire on June 9, 2021. Furthermore, Ego maintained workers' compensation insurance.

19. After discussions with Fay, and after reviewing of Ego's QuickBooks, it appeared to the Receiver that the only creditors of Ego were the Landlord and Ego's accounting firm, Donellon, Orcutt, Patch & Stallard, P.C. In connection with his search for creditors, the Receiver searched the Rhode Island Secretary of State UCC-1 database, which identified the Landlord as the only secured creditor.

20. Additionally, in connection with the Lawsuit, the Receiver filed a suggestion of receivership on the record and contacted counsel of record to notify them of this proceeding and the Court-ordered stay against the commencement and continuation of litigation against Ego. Furthermore, the Court held a chambers conference with the Receiver and counsel in the Lawsuit to discuss the continuation of the Lawsuit against other defendants in that action, but not as it pertained to Ego's alleged liability.

21. Ultimately, after reviewing all Ego's financial information, the Receiver, in his business judgment, determined that re-opening Ego and operating it as a going concern was not viable, especially in the midst of the COVID-19 pandemic.

22. As a result, the Receiver coordinated with Sanchez and Ego's manager, Chris Bissanti ("Bissanti"), to conduct a site visit and perform an inventory of Ego's assets to offer them for sale. After inventorying and assessing Ego's assets, it became apparent to the Receiver

that only a few of Ego's assets had any liquidation value. Those assets include stereo and DJ equipment, which includes certain speakers, lighting, and mixers; general bar equipment, such as an ice machine, shakers, mixing tools, no-slip mats, dishwashing bins, point of sale terminals and support systems, bar stools, chairs, tables, high tops, drinkware, a portable bar, soda gun systems, reach-in coolers, single- and three-bay sinks, and a dishwasher; a security camera system; on-hand liquor inventory; and miscellaneous other items with nominal value (collectively, the "Assets").

23. The Receiver researched items comparable to the Assets in an effort to develop a total, fair market valuation of the Assets ("Receiver's Value"). As a result of those efforts, the Receiver concluded that each asset generally carried a value of about 25%-50% of the value of a comparable, brand new item. The Receiver believed in his business judgment that a 25%-50% value of a new comparable item was appropriate, accounting for the used status of Assets and a discount for liquidation value.

24. After determining the Receiver's Value, the Receiver entertained offers from Sanchez and Bissanti and the Landlord to purchase the Assets.

25. Sanchez and Bissanti submitted an offer to purchase all Ego's assets for \$9,000, contingent upon negotiating an acceptable lease agreement with the Landlord.

26. The Landlord submitted an offer to purchase all Ego's assets for \$6,000 in addition to waiving any administrative claim for rent from the inception of the receivership until the Court approved any petition to sell relative to that offer. That offer has no contingencies.

27. The Receiver determined, in his business judgment, that the offer from the Landlord was the highest and best offer mainly because (1) the cumulative total of the \$6,000 plus the value of the waived administrative claims was more than (i) the \$9,000 offered by

Sanchez and Bissanti, and (ii) the Receiver's Value of the Assets; and (2) the offer contained no contingencies.

28. As a result, the Receiver filed a petition to sell ("Petition to Sell") with the Court, requesting that the Court approve the sale of all Ego's assets to the Landlord. A copy of the Petition to Sell is attached hereto as **Exhibit H**.

29. In connection with the Court's approval of the Petition to Sell, the Receiver prepared and delivered documents to the Landlord to a transfer of the Assets.

30. In connection with the Lawsuit, the Receiver filed a suggestion of receivership on the record and contacted counsel of record to notify them of this proceeding and the Court-ordered stay against the commencement and continuation of litigation against Ego. Furthermore, the Court held a chambers conference with the Receiver and counsel in the Lawsuit to discuss the continuation of the Lawsuit against other defendants in that action, but not as it pertained to Ego's alleged liability.

31. Additionally, another lawsuit was filed against Ego despite the Court's injunction of the commencement of any action against Ego, *Tyler O'Brien v. Ego, LLC d/b/a Ego Providence* (PC-2020-08915). The Receiver coordinated with Ego's insurer, who has appeared in that suit and defended on Ego's behalf.

32. The Receiver coordinated with Fay and Ego's accountants to ensure that Ego filed appropriate state and federal tax return extensions for 2020.

### **PROOF OF CLAIMS**

33. The deadline to submit proof of claims, as established by the Permanent Order, was February 16, 2021.

34. The Receiver did not receive any proof of claims from any creditors.

35. As explained below, even if proof of claims were received, there are insufficient funds for distribution for those claims after consideration for the estate's administrative expenses.

### **PROPOSED DISTRIBUTIONS AND REQUEST FOR FEES AND EXPENSES**

36. As of the filing of this report, the Receiver has cash on hand in the amount of \$19,053.35, which includes (1) \$9,250 from Ego's operating account at the time of the Receiver's appointment; (2) \$6,000 from proceeds of the sale of the Assets to the Landlord; (3) \$223.00 from premium refunds from Beacon Mutual Insurance Co., Ego's workers' compensation insurer; (4) \$1,380.08 from premium refunds from Johnson & Johnson, Inc.; (5) \$399.80 from premium refunds from National General Insurance; (6) \$219.86 from premium refunds from National General Insurance; and (7) \$1,580.61 from other insurance premium refunds.

37. In administering the estate, the Receiver incurred certain administrative expenses, which, as detailed below, are recommended for payment.

38. For instance, the Receiver continued to employ Fay for a short period of time, paying her \$345 per week. This expense was necessary to assist the Receiver with understanding the estate and the financial status of Ego.

39. Furthermore, the Receiver incurred expenses relative to the Premises, such as costs for gas and electricity service from National Grid.<sup>1</sup> These expenses were necessary given that all Ego's Assets were stored in the Premises.

40. Additionally, as of the filing of this Report, the Receiver and members of the Receiver's law firm have devoted a cumulative total of approximately 51.2 hours to this matter,

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<sup>1</sup> The Receiver also accrued unpaid rent expenses, but those expenses were waived pursuant to the Landlord's offer to purchase the Assets.

and incurred \$12,869 in legal fees. Attorneys were billed at the rate of \$310.00 per hour, and paralegals were billed at the rate of \$100.00 per hour. The Receiver confirms that those fees were incurred as necessary for the benefit of the Receivership estate.<sup>2</sup>

41. Additionally, the Receiver incurred \$1,517.81 in out-of-pocket expenses, which amount includes, among other things, the costs affiliated with advertising and mailing.

42. Accordingly, Receiver requests that the Court approve the Receiver's legal fees and out-of-pocket costs and expenses, confirm that such fees, costs, and expenses were incurred for the benefit of the Receivership estate, and authorize the payment of such legal fees, costs, and expenses cumulatively totaling \$14,386.81. The Receiver's invoice has been submitted to the Court for an in camera review. If so authorized by the Court, the Receiver will present such invoice to any party.

43. Based upon the foregoing, the Receiver proposes and recommends distributing the cash on hand as follows:

Priority	Claim Type	Payee	Amount
1	Administrative	Kate Fay	\$1,035.00
1	Administrative	National Grid	\$126.42
1	Administrative	National Grid	\$1,739.67
1	Administrative	Chris Fragomeni, as Receiver (Shechtman Halperin Savage, LLP)	\$12,118.81 (\$10,601.00 fees; \$1,517.81 expenses)
1	Administrative	Christopher Fragomeni, as Receiver (Savage Law Partners, LLP)	\$3,768.00 (\$2,268.00 fees; \$1,500 administrative reserve)
2	Secured Claim	Seventy One Richmond, LLC	\$265.45 (Remaining balance of cash on hand after consideration for administrative claims)
<b>TOTAL</b>			<b>\$19,053.35</b>

<sup>2</sup> During the pendency of this proceeding, the Receiver moved from Shechtman Halperin Savage, LLP to Savage Law Partners, LLP ("SLP"). As such, the Receiver will present two invoices to the Court for review and approval—one from SHS and one from SLP for the work performed while the Receiver was at each firm. The fees and expenses set forth in this paragraph are the cumulative total of the invoices from both SHS and SLP.



WHEREFORE, for the foregoing reasons, the Receiver respectfully requests that the Court schedule this matter for hearing and at the conclusion of said hearing issue an Order that:

- A. Approves the Receiver's First and Final Report and First Request for Fees;
- B. Approves the Receiver's recommended proof of claim allowances, if any, and other allowances as set forth herein;
- C. Approves the Receiver's recommended distributions set forth herein;
- D. Approves the Receiver's request for fees and out-of-pocket expenses in the amount of \$14,386.81, and authorizes the Receiver to pay such amount from the Receivership Estate;
- E. Judicially dissolves Ego, LLC, and authorizes the Receiver to send such order to the Rhode Island Secretary of State;
- F. Authorizes the Receiver to maintain an administrative reserve account in the amount of \$1,500 and further authorizes the Receiver to disburse any unused funds of such reserve account to any secured creditors in their priority as set forth herein, and after consideration of such secured claims, disburse any unused funds to the unsecured creditor set forth herein on a pro-rata basis.
- G. Provides that the Receiver shall have no obligations or liabilities in connection with the filing of any tax returns for Ego, LLC;
- H. Approves, confirms, and ratifies the acts, doings, and disbursements of the Receiver;
- I. Cancels the Receiver's bond(s);
- J. Discharges the Receiver from the above captioned matter; and
- K. Orders any and all other relief as the Court deems necessary.

CHRISTOPHER J. FRAGOMENI, ESQ.,  
ONLY AS PERMANENT RECEIVER OF  
EGO, LLC AND NOT INDIVIDUALLY

/s/ Christopher J. Fragomeni  
Christopher J. Fragomeni, Esq. (9476)  
Savage Law Partners, LLP  
39 Pike Street, Providence, RI 02903  
P: 401-238-8500 | F: 401-648-6748  
[chris@savagelawpartners.com](mailto:chris@savagelawpartners.com)

**CERTIFICATE OF SERVICE**

I hereby certify that, on the 23rd day of April, 2021, I filed and served this document through the electronic filing system. The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/ Christopher J. Fragomeni

**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit A**

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

Rafael Sanchez and Katherine Fay as  
Executrix of the Estate of Christian Harris  
Petitioners

Vs.

P.B. No.

EGO, LLC  
Respondent

**PETITION FOR THE APPOINTMENT OF A RECEIVER**

Petitioners respectfully represents that:

1. Respondent is a Rhode Island Limited Liability Company, with its primary place of business at 73 Richmond Street, Providence, Rhode Island, and is in the business of operating a bar and nightclub.
2. Petitioners are the holders of One Hundred (100%) Percent of all the outstanding membership ownership interests of the Respondent company and voted to dissolve the Respondent company.
3. The rights and obligations of the members and respondent are governed by Rhode Island Law.
4. This Honorable Court has jurisdiction over this matter pursuant to Rule 66 of the Rhode Island Superior Court Rules of Civil Procedure, Title 7, Chapter 16 of the Rhode Island General Laws, as amended, Sec. 8-2-13 of the Rhode Island General Laws, as amended, and this Honorable Court's General Powers of Equity.
5. Section 7-16-40 of the Rhode Island Limited Liability Company Act (the Act), states that upon, "application by or on behalf of a member, the Superior Court may decree the dissolution of a limited liability company whenever it is not reasonably practicable to carry on the business in conformity with the Articles of Organization or Operating Agreement.
6. Petitioners are informed and believe that Respondent is insolvent and will be unable to meet its obligations as they become due.

7. Because of the current economic conditions brought about COVID 19 pandemic, Respondent will soon be arrears in payment of its obligations most particularly its obligation to pay rent, and there is a danger of dissipation and depreciation of the assets of the Respondent.


8. Respondent is currently closed and as a consequence of the current economic conditions, Petitioners do not believe Respondent can or will re-open for business.

9. In the opinion of Petitioners, it is urgent and advisable that a Temporary Receiver be appointed immediately to take charge of the affairs, assets, estate, effects and property of said Respondent to preserve the same for the interest of all creditors.

10. This Petition is made in good faith for the protection of the business of the Respondent and for the benefit of its creditors, and the appointment of a Temporary Receiver is most desirable to protect the status quo of the Respondent pending final hearing on the appointment of a Permanent Receiver.

11. This Petition is filed to seek relief as prayed by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

WHEREFORE, Petitioners respectfully pray that this Honorable Court appoint a Temporary Receiver forthwith and also appoint a Permanent Receiver to take charge of the assets, affairs, estate, effects and property of the Respondent, that said Temporary Receiver and Permanent Receiver be authorized to continue to operate the business of the Respondent, if such Receiver determines that continuing to operate the business of the Respondent is in the best interests of the Respondent's Estate, and that Petitioner have such other and further relief as this Court shall deem proper.

  
\_\_\_\_\_  
Rafael Sanchez

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence, Rhode Island on the 27<sup>th</sup> day of August \_\_\_\_\_, 2020, before me personally appeared Rafael Sanchez who made oath that he subscribed to the foregoing Petition, that he knows the contents thereof and that the same are true, excepting those matters stated on information and belief, and as to those matters he believes them to be true.

Stephen M. Litwin

Notary Public

My Commission Exp. 7/25/21

Stephen M. Litwin

Katherine Fay

Katherine Fay

Executrix of the Estate of Chris Harris

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence, Rhode Island on this 27<sup>th</sup> day of August 2020, before me personally appeared Katherine Fay, Executrix of the Estate of Christian Harris who made oath that she subscribed to the foregoing Petition, that she knows the contents thereof and that the same are true, excepting those matters stated on information and belief, and as to those matters she believes them to be true.

Stephen M. Litwin

Notary Public

My Commission Exp. 7/25/21

Stephen M. Litwin

**CERTIFICATE OF ATTORNEY**

I, the undersigned, Attorney for the Petitioner, certify that this Petition is made in good faith for the protection of the business of the Respondent and for the benefit of creditors, and that the appointment of a Temporary Receiver is desirable to protect the status quo pending final Hearing for the appointment of a Permanent Receiver.



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Stephen M. Litwin, Esquire #2974  
116 Orange Street  
Providence, Rhode Island 02903  
Phone: (401) 273-5155

August 27, 2020

**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit B**



STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

\_\_\_\_\_  
)  
RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
    *Petitioners,* )  
)  
v. )  
)  
EGO, LLC, )  
    *Respondent.* )  
\_\_\_\_\_ )

C.A. No. PC-2020-06236

**ORDER APPOINTING TEMPORARY RECEIVER**

The above-captioned matter came before the Honorable Brian P. Stern on the Petition for the Appointment of a Receiver, and, upon consideration thereof, it is hereby

**ORDERED, ADJUDGED, AND DECREED**

1. That Christopher J. Fragomeni, Esq., of Shechtman Halperin Savage, LLP, 1080 Main Street, Pawtucket, RI, be and hereby is appointed Temporary Receiver (the “Receiver”) of EGO, LLC (“Respondent”);
2. That said Receiver shall, no later than five (5) days from the date hereof, file a bond in the sum of \$ 10,000.00 (Ten Thousand) with any surety company authorized to do business in the State of Rhode Island as surety thereon, conditioned that the Receiver will well and truly perform the duties of said office and duly account for all monies and property that may come into the Receiver’s hands and abide by and perform all things which the Receiver will be directed to do by this Court;
3. That said Receiver is authorized to take possession and charge of the property and assets of the Respondent, to collect the debts and property belonging to it and to preserve the same until further Order of this Court;

4. That said Receiver is authorized until further Order of this Court, in the Receiver's discretion and as said Receiver deems appropriate and advisable, to conduct the business of said Respondent, to borrow money from time to time, to purchase, for cash or upon credit, merchandise, materials and other property, to engage appraisers and/or employees and assistants, clerical or otherwise, and pay all such individuals and entities in the usual course of business, and to do and perform or cause to be done and performed all other acts and things as are appropriate in the premises;

5. That, pursuant to and in compliance with Rhode Island Supreme Court Executive Order No. 95-01, this Court finds that the designation of the afore-described person for appointment as Receiver herein is warranted and required because of the Receiver's specialized expertise and experience in operating businesses in Receivership and in administering non-routine Receiverships that involve unusual or complex legal, financial, or business issues;

6. That the Receiver is hereby authorized and empowered to sell at public auction any or all of the assets of the Respondent. The Receiver is also authorized to engage an auctioneer and to insert such display ads within or without the State of Rhode Island as the Receiver deems proper advertising for such sale. Such public auction sale conducted by said Receiver in accordance with the provisions of this paragraph shall be considered and is hereby declared to be commercially reasonable sale, and such sale shall constitute compliance with the requirements of commercially reasonable sale as set forth in Article 9 of the Uniform Commercial Code as enacted in Rhode Island;

7. That the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under

any statute, or otherwise, against said Respondent or any of its property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Respondent, or the taking or attempting to take into possession any property in the possession of the Respondent or of which the Respondent has the right to possession, or the cancellation at any time during the Receivership proceeding herein of any insurance policy, lease or other contract with Respondent, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Respondent, by any public utility, without prior approval thereof from this Honorable Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further Order of this Court; and

8. That Citation be issued to said Respondent, returnable to the Superior Court sitting at Providence, Rhode Island on October 14, 2020 at 9:30 a.m./p.m., at which time and place this cause is set down for Hearing on the prayer for the Appointment of Permanent Receiver; that the Clerk of this Court shall give Notice of the pendency of the Petition herein by publishing this Order Appointing Temporary Receiver once in the Providence Journal on or before September 30, 2020 and the Receiver shall give further notice by mailing, on or before September 30, 2020, copy of said Order Appointing Temporary Receiver to each of Respondent's creditors and stockholders whose addresses are known or may become known to the Receiver.

ENTERED as an Order of this Court this 14th day of September, 2020

ENTERED:

BY ORDER:

*Brian P. Stern, Jr.*  
Stern, J.  
Date: September 14, 2020

/s/ Carin Miley  
Deputy Clerk I  
Clerk, Superior Court  
Date: September 14, 2020

Presented by:

/s/ Christopher J. Fragomeni, Esq.  
Christopher J. Fragomeni, Esq. (9476)  
Shechtman Halperin Savage, LLP  
1080 Main Street, Pawtucket, RI 02860  
P: 401-272-1400 | F: 401-272-1403  
[cfragomeni@shslawfirm.com](mailto:cfragomeni@shslawfirm.com)

**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit C**

Bond No. B1235324

RAFAEL SANCHEZ AND KATHERINE  
FAY AS EXECUTRIX OF THE ESTATE  
OF CHRISTIAN HARRIS

**Petitioners**

Vs.

EGO, LLC

**Respondent**

**RECEIVERS BOND**

**KNOW ALL BY THESE PRESENTS:** That we Christopher Fragomeni  
As Principal (s), and Selective Insurance Company of America a New Jersey corporation  
authorized to transact surety business in the State of Rhode Island, as Surety, are held and firmly bound  
unto the Superior Court of the County of Providence State aforesaid, as Obligee in the  
penal sum of Ten Thousand Dollars (\$10,000.00), lawful money of the United States of  
America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, legal  
representatives, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, by an order of the Superior Court of the County of Providence  
State aforesaid, duly made on 09/14/2020, in the above titled action, the above bounden  
Christopher Fragomeni

Was appointed Receiver therein, and he was ordered before entering upon the discharge of his duties as  
such Receiver, to execute a bond according to law in the said sum of \$ 10,000.00

**NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH**, That, the said  
Christopher Fragomeni as such Receiver, shall faithfully discharge  
his duties in this action and obey the orders of the Court therein; then this obligation shall be void,  
otherwise to remain in force and effect.

**SIGNED AND SEALED** this 15th day of September, 2020

Christopher Fragomeni

By \_\_\_\_\_  
Principal

Selective Insurance Company of America

By Andrew P. Troy  
Attorney in Fact

**Andrew P. Troy**



Selective Insurance Company of America  
40 Wantage Avenue  
Branchville, New Jersey 07890  
973-948-3000

BondNo.B 1235324

**POWER OF ATTORNEY**

Receiver

**SELECTIVE INSURANCE COMPANY OF AMERICA**, a New Jersey corporation having its principal office at 40 Wantage Avenue, in Branchville, State of New Jersey ("SICA"), pursuant to Article VII, Section 1 of its By-Laws, which state in pertinent part:

The Chairman of the Board, President, Chief Executive Officer, any Executive Vice President, any Senior Vice President or any Corporate Secretary may, from time to time, appoint attorneys in fact, and agents to act for and on behalf of the Corporation and they may give such appointee such authority, as his/her certificate of authority may prescribe, to sign with the Corporation's name and seal with the Corporation's seal, bonds, recognizances, contracts of indemnity and other writings obligatory in the nature of a bond, recognizance or conditional undertaking, and any of said Officers may, at any time, remove any such appointee and revoke the power and authority given him/her.

does hereby appoint **Andrew P. Troy**

, its true and lawful attorney(s)-in-fact, full authority to execute on SICA's behalf fidelity and surety bonds or undertakings and other documents of a similar character issued by SICA in the course of its business, and to bind SICA thereby as fully as if such instruments had been duly executed by SICA's regularly elected officers at its principal office, in amounts or penalties not exceeding the sum of: **Ten Thousand Dollars (\$10,000.00)**

Signed this 15th day of September, 2020

SELECTIVE INSURANCE COMPANY OF AMERICA

By:

*Brian C. Sarisky*  
Brian C. Sarisky  
Its SVP, Strategic Business Units, Commercial L...



CERTIFIED COPY

STATE OF NEW JERSEY :

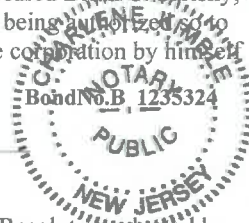
:ss. Branchville

COUNTY OF SUSSEX :

On this **15th** day of **September, 2020** before me, the undersigned officer, personally appeared Brian C. Sarisky, who acknowledged himself to be the Sr. Vice President of SICA, and that he, as such Sr. Vice President, being duly sworn, did do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Sr. Vice President and that the same was his free act and deed and the free act and deed of SICA.

**Charlene Kimble**  
Notary Public of New Jersey  
My Commission Expires 6/2/2021

*Charlene Kimble*  
Notary Public



The power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of SICA at a meeting duly called and held on the 6th of February 1987, to wit:

"RESOLVED, the Board of Directors of Selective Insurance Company of America authorizes and approves the use of a facsimile corporate seal, facsimile signatures of corporate officers and notarial acknowledgements thereof on powers of attorney for the execution of bonds, recognizances, contracts of indemnity and other writing obligatory in the nature of a bond, recognizance or conditional undertaking."

**CERTIFICATION**

I do hereby certify as SICA's Corporate Secretary that the foregoing extract of SICA's By-Laws and Resolution in full force and effect and this Power of Attorney issued pursuant to and in accordance with the By-Laws is valid.

Signed this 15th day of September, 2020

*Michael H. Lanza*  
Michael H. Lanza, SICA Corporate Secretary



Important Notice: If the bond number embedded within the Notary Seal does not match the number in the upper right-hand corner of this Power of Attorney, contact us at 973-948-3000.

# SELECTIVE INSURANCE <sup>SM</sup>

Selective Insurance Company of America  
40 Wantage Avenue  
Branchville, New Jersey 07890  
973-948-3000

Bond No. B 1235324

Receiver

## STATEMENT OF FINANCIAL CONDITION

I hereby certify that the following information is contained in the Annual Statement of Selective Insurance Company of America ("SICA") to the New Jersey Department of Banking and Insurance as of December 31, 2019:

<u>ADMITTED ASSETS (in thousands)</u>		<u>LIABILITIES AND SURPLUS (in thousands)</u>	
Bonds	\$1,822,293	Reserve for losses and loss expenses	\$1,119,532
Preferred stocks at convention value	15,960	Reserve for unearned premiums	434,068
Common stocks at convention values	63,288	Provision for unauthorized reinsurance	588
Subsidiary common stock at convention values	0	Commissions payable and contingent commissions	32,565
Short-term investments	109,584	Other accrued expenses	33,869
Mortgage loans on real estate (including collateral loans)	21,163	Other liabilities	<u>395,608</u>
Other invested assets	121,112	Total liabilities	2,016,230
Interest and dividends due or accrued	14,561		
Premiums receivable	407,001	Surplus as regards policyholders	<u>680,090</u>
Other admitted assets	<u>121,358</u>		
Total admitted assets	<u>2,696,320</u>	Total liabilities and surplus as regards policyholders	<u>2,696,320</u>

I further certify that the following is a true and exact excerpt from Article VII, Section 1 of the By-Laws of SICA, which is still valid and existing.

The Chairman of the Board, President, Chief Executive Officer, any Executive Vice President, any Senior Vice President or any Corporate Secretary may, from time to time, appoint attorneys in fact, and agents to act for and on behalf of the Corporation and they may give such appointee such authority, as his/her certificate of authority may prescribe, to sign with the Corporation's name and seal with the Corporation's seal, bonds, recognizances, contracts of indemnity and other writings obligatory in the nature of a bond, recognizance or conditional undertaking, and any of said Officers may, at any time, remove any such appointee and revoke the power and authority given him/her.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the seal of SICA, this 17 day of March, 2020.

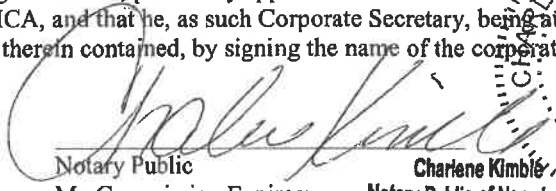
  
Michael H. Lanza  
SICA Corporate Secretary

STATE OF NEW JERSEY :

:ss. Branchville

COUNTY OF SUSSEX :

On this 17 day of March, 2020, before me, the undersigned officer, personally appeared Michael H. Lanza, who acknowledged himself to be the Corporate Secretary of SICA, and that he, as such Corporate Secretary, being authorized to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Corporate Secretary.

  
Notary Public  
My Commission Expires:

  
Charlene Kimble  
Notary Public of New Jersey  
My Commission Expires 6/2/2021



**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit D**

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

\_\_\_\_\_  
RAFAEL SANCHEZ AND KATHERINE  
FAY AS EXECUTRIX OF THE  
ESTATE OF CHRISTIAN HARRIS,  
*Petitioner,*

vs.

EGO, LLC.,  
*Respondent.*

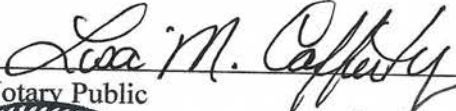
C.A. No. PC-2020-06236

**ACCEPTANCE OF SERVICE AFFIDAVIT**

I, Kate Fay, registered agent for Ego, LLC, do hereby accept service of the Receivership Citation issued in the above-captioned matter on behalf of Ego, LLC. Said acceptance of service is to have the same force and effect as if the service had been personally made upon me as Ego, LLC's registered agent pursuant to applicable laws and the Superior Court Rules of Civil Procedure. The undersigned states that she has the authority from Ego, LLC to accept such service on their behalf.

  
\_\_\_\_\_  
Kate Fay, Registered Agent of Ego, LLC

Subscribed and sworn before me this 28<sup>th</sup> day of September, 2020

  
\_\_\_\_\_  
Notary Public  
My commission expires: 03/19/2022



**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit E**



**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit F**

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

---

RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
*Petitioners,* )  
v. )  
EGO, LLC, )  
*Respondent.* )

---

C.A. No. PC-2020-06236

**ORDER APPOINTING PERMANENT RECEIVER**

The above-captioned matter came before the Honorable Brian P. Stern on October 14, 2020 on the petition for appointment of a permanent receiver of Ego, LLC. (“Respondent”). After consideration thereof, and without objection, it is hereby

**ORDERED, ADJUDGED AND DECREED**

1. That Christopher J. Fragomeni, Esq., of Shechtman Halperin Savage, LLP, 1080 Main Street, Pawtucket, Rhode Island, be and hereby is appointed Permanent Receiver (“Receiver”) of the Respondent, and of all the estate, assets, effects, property, and business of Respondent of every name, kind, nature and description, with all the powers conferred upon the Receiver being the same as those powers conferred upon a receiver by the Rhode Island General Laws, all other powers as set forth in this order, or otherwise, and all powers incidental to the Receiver’s said Office.

2. That said Receiver has already posted a bond in the amount of \$10,000 conditioned that the Receiver will well and truly perform the duties of said office, and such bond shall remain in effect until the Court authorizes its termination.

3. That said Receiver be and hereby is authorized, empowered, and directed to take possession and charge of said estate, assets, effects, property, and business of the Respondent, including cash surrender value of any insurance owned by Respondent, and to preserve the same, and is hereby vested with title to the same; to collect and receive the debts, property, and other assets and effects of said Respondent, including such cash surrender value, with full power to prosecute, defend, adjust, and compromise all claims and suits of, by or against said Respondent and to appear, intervene or become a party in all suits, actions, or proceedings relating to said estate, assets, effects, and property as may in the judgment of the Receiver be necessary or desirable for the protection, maintenance, and preservation of the property and assets of said Respondent.

4. That this appointment is made in succession to the appointment of Temporary Receiver heretofore made by order of this Court, and the Receiver shall take and be vested with the title to all assets, property, and choses-in-action which have heretofore accrued to the Temporary Receiver with power to confirm and ratify in writing such agreements as are entered into by such Temporary Receiver and to carry out and perform the same.

5. That the Receiver is authorized, in the Receiver's discretion, to continue the business of the Respondent until further order of this Court, and to employ such persons as may be desirable for the foregoing purposes (except that the Receiver shall first obtain *ex parte* approval to hire attorneys, accountants, and turnaround professionals) and, in connection therewith, to use such moneys as shall come into the Receiver's hands and possession, as far as the same shall be necessary, for the above purposes and for continuing the business of said Respondent until further Order of this Court.

6. That the Receiver is authorized to incur expenses for goods and services and to purchase for cash such merchandise, supplies, and materials as in the Receiver's discretion may be desirable or necessary for continuance of the business of the Respondent.

7. That said Receiver be and hereby is authorized and empowered to sell, transfer, and convey said Receiver's right, title, and interest and the right, title, and interest of said Respondent in and to any real property or personal property, tangible or intangible, for such sum or sums of money as to said Receiver appears reasonable and proper, at private sale or sales, provided, however, that approval is first given for such sale or sales by this Court on *ex parte* application by the Receiver, or after such notice as the Court may require.

8. That the Receiver is hereby authorized and empowered to sell at public auction any or all of the assets of the Respondent. The Receiver is also authorized to engage an auctioneer and to insert such display ads within or without the State of Rhode Island as the Receiver deems proper advertising for such sale. Such a public auction sale conducted by said Receiver in accordance with the provisions of this paragraph shall be considered and is hereby declared to be a commercially reasonable sale, and such sale shall constitute compliance with the requirements of a commercially reasonable sale as set forth in Article 9 of the Uniform Commercial Code as enacted in Rhode Island.

9. That said Receiver be, and hereby is, authorized and empowered, as soon as there are sufficient funds available, to pay all City, State, and United States taxes of any kind, nature and description, including withholding taxes, as well as wages due employees, with such employees being relieved of the necessity of filing claims with the Receiver unless the amount paid or shown on the books of the Respondent is not acceptable to any employee, in which case said employee may file his/her claim in the same manner as other creditors.



10. In fulfillment of the reporting requirements set forth in Rule 66(e) of the Superior Court Rules of Civil Procedure, the Receiver shall file with the Court the Reports referred to in said Rule, as and when the Receiver deems necessary or advisable under the circumstances, or, in any event, as and when required by Order of this Court. In addition, the Receiver shall file with the Court, on or before May 1 and October 1 of each year, a Receivership Control Calendar Report in accordance with Rhode Island Superior Court Administrative Order No. 98-7.

11. That the Receiver shall continue to discharge said Receiver's duties and trusts hereunder until further order of this Court; that the right is reserved to the Receiver and to the parties hereto to apply to this Court for any other or further instructions to said Receiver and that this Court reserves the right, upon such Notice, if any, as it shall deem proper, to make such further orders herein as may be proper, and to modify this Order from time to time.

12. All creditors or other claimants hereby are ordered to file under oath with the Receiver at 1080 Main Street, Pawtucket, RI 02860 on or before February 16, 2021, a statement setting forth their claims, including, but without limiting the generality of the foregoing, the name and address of the claimant, the nature and amount of such claim, a statement of any security or lien held by the claimant to which such claimant is or claims to be entitled, and also a statement as to any preference or priority which the claimant claims to be entitled to over the claims of any other or all other claimants or creditors.

13. Except as provided in paragraph 14 below, the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under any statute, or otherwise, against said Respondent or any of its property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or

otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Respondent, or the taking or attempting to take into possession any property in the possession of the Respondent or of which the Respondent has the right to possession, or the cancellation at any time during the Receivership proceeding herein of any insurance policy, lease or other contract with Respondent, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Respondent, by any public utility, without obtaining prior approval thereof from this Honorable Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further Order of this Court.

14. The foregoing paragraph does not stay the exercise of rights of a party to a swap agreement, securities contract, repurchase agreement, commodity contract, forward contract, or master netting agreement, as those terms are defined in the Federal Bankruptcy Code, to the extent that a court would not have the power to stay the exercise if Respondent was a debtor under the Bankruptcy Code.

15. That Notice be given of the entry of this order by the Clerk of this Court by publication of a copy of the annexed Receivership Notice in *The Providence Journal* on or before November 6, 2020, and by the Receiver mailing on or before November 6, 2020, a copy of said Receivership Notice to each creditor and stockholder of said Respondent known as such to the Receiver, or appearing as such on the books of said Respondent, addressed to each such stockholder or creditor at his last known address.

16. This Order is entered by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

ENTERED, as an Order of this Court this 16th day of October, 2020.

BY ORDER:

ENTER:

*Brian P. Stern, J.*

\_\_\_\_\_  
Stern, J.

/s/ Carin Miley  
Deputy Clerk I

\_\_\_\_\_  
Clerk, Superior Court  
October 16, 2020

Presented by:

*/s/ Christopher J. Fragomeni*

\_\_\_\_\_  
Christopher J. Fragomeni, Esq. (#9476)  
SHECHTMAN HALPERIN SAVAGE, LLP  
1080 Main Street, Pawtucket, RI 02860  
P: (401) 272-1400 | F: (401) 272-1403  
[cfragomeni@shslawfirm.com](mailto:cfragomeni@shslawfirm.com)

**CERTIFICATE OF SERVICE**

I hereby certify that on the 14th day of October, 2020, I filed and served this document through the electronic filing system. The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/ Christopher J. Fragomeni, Esq.

**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit G**



**Permanent Receiver's First and Final Report and First Request for Fees**

**Exhibit H**



**STATE OF RHODE ISLAND**  
**SUPERIOR COURT**  
**OMNIBUS CALENDAR ASSIGNMENT FORM**

<input checked="" type="checkbox"/> <b>Providence/Bristol County</b> <input type="checkbox"/> <b>Kent County</b> <input type="checkbox"/> <b>Washington County</b> <input type="checkbox"/> <b>Newport County</b>	
Rafael Sanchez, et al.	CASE NUMBER PC-2020-06236
VS. Ego, LLC	
<b>CALENDAR TYPE MUST BE SELECTED FOR SCHEDULING PURPOSES</b>	
<input type="checkbox"/> FORMAL SPECIAL CAUSE CALENDAR <input checked="" type="checkbox"/> BUSINESS CALENDAR <input type="checkbox"/> DISPOSITIVE MOTION CALENDAR	

FORMAL SPECIAL CAUSE AND BUSINESS CALENDAR	
<input type="checkbox"/> AGENCY APPEAL <input type="checkbox"/> ASSESSMENT OF DAMAGES <input type="checkbox"/> APPOINTMENT OF A SPECIAL MASTER <input type="checkbox"/> CONFIRM ARBITRATION <input type="checkbox"/> DECLARATORY JUDGMENT <input type="checkbox"/> ENTRY OF JUDGMENT <input type="checkbox"/> EVIDENTIARY HEARING <input type="checkbox"/> FIRST AND FINAL REPORT <input type="checkbox"/> FORECLOSURE OF RIGHT OF REDEMPTION <input type="checkbox"/> FRIENDLY SUIT <input type="checkbox"/> APPOINTMENT OF PERMANENT RECEIVER <input type="checkbox"/> MOTION TO ATTACH <input type="checkbox"/> MOTION FOR ATTORNEYS FEES <input type="checkbox"/> MOTION TO COMPEL RECEIVER <input type="checkbox"/> MOTION TO DEFAULT <input type="checkbox"/> MOTION FOR ENTRY OF FINAL JUDGMENT <input type="checkbox"/> MECHANIC'S LIEN <input type="checkbox"/> MOTION FOR APPROVAL <input type="checkbox"/> MANDATORY INJUNCTION <input type="checkbox"/> MOTION TO ADJUDGE IN CONTEMPT <input type="checkbox"/> OTHER FORMAL MATTER (EXPLAIN) _____ _____ <input type="checkbox"/> OTHER BUSINESS MATTER (EXPLAIN) _____ _____	<input type="checkbox"/> MOTION FOR PROTECTIVE ORDER <input type="checkbox"/> MOTION TO RECONSIDER <input type="checkbox"/> ORAL PROOF OF CLAIM <input type="checkbox"/> PETITION TO ALLOW SECURED CLAIM <input type="checkbox"/> PETITION TO APPOINT TEMPORARY RECEIVER <input type="checkbox"/> PROOF OF CLAIM <input type="checkbox"/> PETITION TO ENFORCE <input type="checkbox"/> PETITION FOR INSTRUCTIONS <input type="checkbox"/> PRELIMINARY INJUNCTION <input type="checkbox"/> APPOINTMENT OF PERMANENT SPECIAL MASTER <input type="checkbox"/> PETITION TO RECLAIM <input type="checkbox"/> PARTITION PROCEEDINGS <input checked="" type="checkbox"/> PETITION TO SELL <input type="checkbox"/> RECEIVERSHIP PROCEEDINGS <input type="checkbox"/> SHOW CAUSE HEARING <input type="checkbox"/> SUPPLEMENTARY PROCEEDINGS <input type="checkbox"/> TITLE PROCEEDINGS <input type="checkbox"/> TEMPORARY RESTRAINING ORDER <input type="checkbox"/> TRUSTEE PROCEEDINGS <input type="checkbox"/> VACATE ARBITRATION <input type="checkbox"/> WRIT OF MANDAMUS <input type="checkbox"/> WRIT OF REPLEVIN

**If you require witnesses, state the estimated time frame of said hearing and attach a witness list and expected testimony to this form.**

DISPOSITIVE MOTION CALENDAR	
<input type="checkbox"/> MOTION TO DISMISS, UNDER RULE 12 <input type="checkbox"/> MOTION FOR ENTRY OF JUDGMENT ON PLEADINGS <input type="checkbox"/> OTHER DISPOSITIVE MOTION: (EXPLAIN) _____ _____	<input type="checkbox"/> MOTION FOR PARTIAL SUMMARY JUDGMENT <input type="checkbox"/> MOTION FOR SUMMARY JUDGMENT

<b>HEARING DATE:</b> November 12, 2020 at 11:00 a.m.	<b>APPROVED BY:</b>
<b>Failure to fill out this form properly may result in your hearing date not being approved.</b>	

Signature of Attorney or Self-represented Litigant /s/ Christopher J. Fragomeni, Esq.	Address: 1080 Main Street, Pawtucket, RI 02860
Rhode Island Bar Number: 9476	Office Telephone Number: 4012721400
Date: 11/2/2020	



**HEARING DATE: NOVEMBER 12, 2020 AT 11:00 A.M.**  
**WEBEX HEARING**  
**PARTICIPANTS CONTACT COURT FOR DETAILS**  
**PUBLIC ACCESS AVAILABLE AT WWW.COURTS.RI.GOV**  
**BUSINESS CALENDAR**

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

\_\_\_\_\_  
)  
RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
    *Petitioners,* )  
)  
v. )  
)  
EGO, LLC, )  
    *Respondent.* )  
\_\_\_\_\_ )

C.A. No. PC-2020-06236

**PERMANENT RECEIVER’S PETITION TO SELL**

NOW COMES Christopher J. Fragomeni, Esq., solely in his capacity as permanent receiver (“Receiver”) of Ego, LLC (“Ego”), and hereby respectfully requests that the Court enter an order authorizing him to sell all the assets of Ego pursuant to the terms of the Asset Purchase Agreement (“APA”) attached hereto as **Exhibit A**, which incorporates the terms of the offer attached hereto as **Exhibit B**, free and clear of all interests, claims, liens, and encumbrances, including but not limited to all statutory liens, with such liens and encumbrances to attach to the proceeds of such sale in the same priority as prior to such transfer or as otherwise provided by applicable law. In support hereof, the Receiver recites as follows:

**FACTS**

*Background*

1. On September 3, 2020, Rafael Sanchez (“Sanchez”) and Katherine Fay (“Fay”), as executrix of the Estate of Christian Harris, filed a Petition for the Appointment of a Receiver (“Petition”), alleging that Ego was insolvent and unable to meet its obligations as they became due. A copy of the Petition is attached hereto as **Exhibit C**.

2. On September 14, 2020, the Court entered an order (“Temporary Order”) that appointed the Receiver as temporary receiver of Ego, and scheduled a hearing on the appointment of a permanent receiver for October 14, 2020. A copy of the Temporary Order is attached hereto as **Exhibit D**.

3. Pursuant to the Temporary Order, the Receiver posted a bond in the amount of \$10,000 and filed the original bond with the Court on September 17, 2020. A copy of the Bond is attached hereto as **Exhibit E**.

4. Fay, the registered agent of Ego, accepted service of the receivership citation issued in this matter and executed an Acceptance of Service Affidavit (“Affidavit”), which was filed with the Court on September 28, 2020. A copy of the Affidavit is attached hereto as **Exhibit F**.

5. On September 29, 2020, the Receiver notified creditors known to him of the Temporary Order, and filed with the Court an affidavit of service.

6. Notice of the Temporary Order was published in *The Providence Journal* on September 30, 2020. A copy of the publication is attached hereto as **Exhibit G**.

7. On October 14, 2020, the Court held a hearing on the appointment of a permanent receiver, and after that hearing, the Court entered an order (“Permanent Order”) appointing the Receiver as permanent receiver. A copy of the Permanent Order is attached hereto as **Exhibit H**.

8. On October 19, 2020, the Receiver notified creditors known to him of the Permanent Order and provided those creditors with a proof of claim form. The Receiver filed an affidavit of service of such notice, which is on file with the Court.

9. Notice of the Permanent Order will be published in *The Providence Journal* on November 6, 2020.

*Ego, LLC*

10. Ego is co-owned by Sanchez and the Estate of Christian Harris, who passed away in early 2019.

11. Ego is a nightclub and bar located in downtown Providence that leases the premises located at 73 Richmond Street, Providence, RI (“the Premises”) from Seventy One Richmond LLC (“Landlord”).

12. The Premises includes two bars, a dance area, a DJ booth, an outdoor patio area, and a basement storage area.

13. In 2015, Ego was sued, among other defendants, in *Lisette Sical, et al. v. Joel Norman, et al.* (PC-2015-1423) (the “Lawsuit”), a wrongful death action in which the plaintiffs allege that Ego was one of several bars that an individual defendant visited before driving the wrong way down Route 95 and crashing head-on into another car.

14. Ego operated until early 2020, when, as a result of the COVID-19 pandemic, it ceased operations.

*Receiver’s Actions After Appointment*

15. After appointment, the Receiver had several conversations with Fay, who also served as Ego’s bookkeeper prior to the Receiver’s appointment, to help the Receiver understand and evaluate the assets of the estate and to ensure that Ego and the Premises were adequately insured. To assist the Receiver with question or issues related to the Estate, the Receiver continued to temporarily employ Fay, paying her \$345 per week.

16. The Receiver worked collaboratively with Fay in evaluating whether Ego remained financially solvent and whether a re-opening was viable or, if not, to determine the value of Ego’s

assets. Fay also provided the Receiver with access to Ego's QuickBooks files, which the Receiver reviewed.

17. The Receiver also ensured that the Premises and Ego's assets were insured. Both were insured under a policy that was paid in full prior to the Receiver's appointment and that will remain in place until it expires on June 9, 2021. Furthermore, Ego maintained workers' compensation insurance.

18. After discussions with Fay, and after reviewing of Ego's QuickBooks, it appeared to the Receiver that the only creditors of Ego were the Landlord and Ego's accounting firm, Donellon, Orcutt, Patch & Stallard, P.C. In connection with his search for creditors, the Receiver searched the Rhode Island Secretary of State UCC-1 database, which identified the Landlord as the only secured creditor.

19. Additionally, in connection with the Lawsuit, the Receiver filed a suggestion of receivership on the record and contacted counsel of record to notify them of this proceeding and the Court-ordered stay against the commencement and continuation of litigation against Ego. Furthermore, the Court held a chambers conference with the Receiver and counsel in the Lawsuit to discuss the continuation of the Lawsuit against other defendants in that action, but not as it pertained to Ego's alleged liability.

20. Also after his appointment, the Receiver coordinated with Sanchez and Ego's manager, Chris Bissanti ("Bissanti"), to conduct a site visit and perform an inventory of Ego's assets. After inventorying and assessing Ego's assets, the Receiver believes, in his business judgment, that only a few of its assets have any liquidation value. Those assets include stereo and DJ equipment, which includes certain speakers, lighting, and mixers; general bar equipment, such as an ice machine, shakers, mixing tools, no-slip mats, dishwashing bins, point of sale terminals

and support systems, bar stools, chairs, tables, high tops, drinkware, a portable bar, soda gun systems, reach-in coolers, single- and three-bay sinks, and a dishwasher; a security camera system; on-hand liquor inventory; and miscellaneous other items with nominal value (collectively, the “Assets”).

21. The Receiver researched items comparable to the Assets in an effort to develop a total, fair market valuation of the Assets (“Receiver’s Value”). As a result of those efforts, the Receiver concluded that each asset generally carried a value of about 25%-50% of the value of a comparable, brand new item. The Receiver, in his business judgment, believes that this 25%-50% value of a new comparable item is appropriate, given the fact that the Assets are used and discounting them for an orderly liquidation.

22. After conducting his valuation of the Assets, the Receiver obtained an offer, attached hereto as **Exhibit B**, from Landlord (“Buyer”) to purchase the Assets for \$6,000 plus a waiver of the Landlord’s administrative rent claim from the inception of the Receivership through and including the date two (2) days after the Court’s approval of the Landlord’s offer (the “Offer”).<sup>1</sup> The Offer has no contingencies. The Receiver believes that the aggregate value of the consideration in the Offer exceeds the liquidation value of the Assets.

23. The Receiver has accepted the Offer, subject to the approval of the Court and competing bids.

### **ARGUMENT**

24. The Receiver believes that selling the Assets to the Buyer is in the best interest of the receivership estate for several reasons. First, the Receiver believes that the estate is on the

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<sup>1</sup> The Offer also includes a “sunset” for the waiver of administrative rent in the event the Court’s approval of the Offer is delay or appealed.

verge of administrative insolvency. The Receiver currently has \$9,250 cash on hand, which will be reduced down to approximately \$6,000 after payment to Fay for the agreed-upon value of her services in aiding the Receiver and after the anticipated payment for the advertising costs affiliated with this proceeding, without regard to any other administrative expenses. As a result, a sale of assets while administrative costs are low, and on the quickest terms possible, is beneficial to the estate.

25. Second, the Receiver believes, in his business judgment, that incurring the expense of any marketing efforts, such as the creation of a bid packet or advertising, will far outweigh any potential, marginal increase from the current Offer and is unlikely to result in any reasonable competing offer.

26. Third, the Receiver believes, in his business judgment, that the proposed sale will generate the highest probability of some return to creditors. As indicated above, the estate is, or is borderline, administratively insolvent. As a result, the administrative costs of further marketing the Assets and any corresponding benefit to creditors have an inverse relationship: the higher the administrative costs, the less likely it is that creditor will obtain a disbursement. Therefore, the Offer, which comes at a time where administrative costs still remain low, has the highest likelihood of ensuring a distribution to creditors—especially in light of the Receiver’s Value and the nominal increase to the value of the Assets, if any, through the solicitation of further offers.

27. Fourth, Ego’s insurance policies, which cover the Premises and Assets, were paid in full. Therefore, the sooner the Assets are sold and the sooner the Receiver relinquishes possession of the Premises, then the sooner it will be that the Receiver can cancel those insurance policies and obtain a pro-rata refund of the policy premium for the unused term. This will also benefit the creditors as it will yield additional cash for a potential distribution.

28. Fifth, and finally, the Receiver believes, in his business judgment, that the Offer is commercially reasonable inasmuch as it exceeds the Receiver's Value and followed the Receiver's negotiation with the Buyer and another interested party. As a result, the Receiver believes that the Offer is the highest and best offer for the Assets. .

29. This proposed sale of the Assets is to be free and clear of all interests, claims, liens, and encumbrances, including but not limited to all statutory liens of any municipality, with all such interests, claims, liens, and encumbrances to attach to the proceeds of such sale in the same priority as prior to such sale or as otherwise provided by applicable law.

30. The Receiver believes that it is in the best interests of the creditors of the receivership estate that the Assets be sold pursuant the terms of the Offer, as set forth therein.

31. The Receiver believes that a Notice of Hearing on the within Petition should be given to all parties who have recorded liens against the Assets in the Uniform Commercial Code Division of the Office of the Secretary of State of Rhode Island; to all municipal authorities holding statutory or other liens against the Assets, all of which are set forth in the attached "Schedule of Potential UCC Financing Statements, Real Estate Lien Recordings and Municipal Authorities," attached hereto as **Exhibit I** to all creditors of the Assets and Ego who are known to the Receiver; to all other interested parties as set forth on **Exhibit J**.

32. The Receiver requests that all entities who claim an interest, lien, or encumbrance against the Assets, including, but not limited to, those parties set forth on the attached "Schedule of Potential UCC Financing Statements, Real Estate Lien Recordings and Municipal Authorities," attached as **Exhibit I**, with recorded UCC Financing Statements and recorded liens against the Assets, including all municipal authorities holding statutory or other liens against the Assets, be directed to execute and deliver to the Receiver, within seven (7) days of his written request, lien

releases, mortgage discharges, UCC Financing Termination Statements, in the usual and customary form, and all other documents reasonably necessary to effectuate the release and discharge of such interests, claims, liens, and encumbrances, with the execution and delivery of the same to be without prejudice to or waiver of any such interests, claims, liens, or encumbrances against the sale proceeds.

33. The Receiver further seeks a declaration in the order approving the above described sale that all interests, claims, liens, and encumbrances asserted against the Assets, including, but not limited to, the interests, claims, liens, and encumbrances asserted by those parties listed on the on the “Schedule of Potential UCC Financing Statements, Real Estate Lien Recordings and Municipal Authorities,” attached hereto as Exhibit I, and any other interests, claims, liens, and encumbrances asserted by those parties with recorded UCC Financing Statements and recorded liens against the Assets, and all municipal authorities holding statutory liens or other claims against the Assets, be declared to be released and discharged upon consummation of the sale of the Assets.

WHEREFORE, the Receiver prays: (a) that the within Petition be set down for Hearing before this Honorable Court; (b) that the Receiver be authorized to sell the Assets, free and clear of interests, claims, liens, and encumbrances to Buyer, or its nominee, or to any other parties which this Court deems in the best interest of creditors of the within receivership estate, upon the annexed terms and conditions or such other terms and conditions as this Court may approve; (c) that the Court hold that the sale efforts of the Receiver were commercially reasonable under the circumstances and that the sale of the Assets pursuant to the Offer is commercially reasonable; (d) that all interests, claims, liens, and encumbrances against said Assets be transferred to the proceeds thereof in the same priority as prior to such transfer; (e) that all entities who claim an interest, lien, or encumbrance against the Assets, including, but not limited to, those parties set forth on the



attached “Schedule of Potential UCC Financing Statements, Real Estate Lien Recordings and Municipal Authorities,” attached hereto as **Exhibit I**, and any other parties with recorded UCC Financing Statements and recorded liens against the Assets, be directed to execute and deliver to the Receiver, within seven (7) days of his written request, lien releases, mortgage discharges, UCC Financing Termination Statements, in the usual and customary form, and all other documents reasonably necessary to effectuate the release and discharge of such interests, claims, liens, or encumbrances, with the execution and delivery of the same to be without prejudice to or waiver of any such interests, claims, liens, or encumbrances against the sale proceeds; (f) that all interests, claims, liens, or encumbrances, including any statutory liens or other claims against the Assets be declared, released and discharged with respect to the Assets; (g) that the Receiver be authorized and directed to enter into the Offer attached hereto as **Exhibit B**; and (h) that the Receiver be granted such other and further relief as this Court shall deem proper.

CHRISTOPHER J. FRAGOMENI, ESQ.,  
ONLY AS RECEIVER FOR EGO, LLC  
AND NOT INDIVIDUALLY

/s/ Christopher J. Fragomeni  
Christopher J. Fragomeni, Esq. (9476)  
SHECHTMAN HALPERIN SAVAGE, LLP  
1080 Main Street, Pawtucket, RI 02860  
P: (401) 272-1400 | F: (401) 272-1403  
[cfragomeni@shslawfirm.com](mailto:cfragomeni@shslawfirm.com)

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 2nd day of November, 2020, I filed and served this document through the electronic filing system. The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary’s Electronic Filing System.

/s/ Christopher J. Fragomeni

## Petition to Sell

### Exhibit A

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

\_\_\_\_\_  
)  
RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
    *Petitioners,* )  
)  
v. )  
)  
EGO, LLC, )  
    *Respondent.* )  
\_\_\_\_\_)

C.A. No. PC-2020-06236

**ASSET PURCHASE AND SALE AGREEMENT**

This Asset Purchase and Sale Agreement (“Agreement”) is made and entered into by and between CHRISTOPHER J. FRAGOMENI, ESQ., in and only in his capacity as Permanent Receiver, and not individually, with a mailing address for purposes of this Agreement c/o Shechtman Halperin Savage, LLP, 1080 Main Street, Pawtucket, RI 02860 (“Receiver”), and SEVENTY ONE RICHMOND, LLC with a mailing address for purposes of this Agreement c/o Richard Land, Esq., One Park Row, Suite 300, Providence, RI 02903 (hereinafter referred to as “Buyer”).

**WITNESSETH THAT**

1. **ASSETS:** Receiver agrees to sell and convey to Buyer or Buyer’s nominee, and Buyer or Buyer’s nominee agrees to purchase upon the terms and conditions hereinafter set forth herein all of Receiver’s right, title, and interests as said Receiver of all the assets of Ego, LLC (“Ego”) located at 73 Richmond St, Providence, RI 02903 (the “Assets”). The Assets are conveyed without any representations or warranties, including but not limited to, any representations or warranties concerning quantity, quality, durability, condition, merchantability, fitness for any purpose, or any other aspects of said Assets, and all said Assets are sold “AS IS” and “WHERE IS.”
  
2. **DATE OF THIS AGREEMENT:** The Date of this Agreement shall be the date on which the Receiver signs this Agreement, as set forth immediately under the Receiver’s signature below.
  
3. **TITLE:** Conveyance of the Receiver’s interest as aforesaid in the Assets shall be made by a Receiver’s Bill of Sale (“Bill of Sale”) to be substantially in the form attached hereto as **Exhibit A** without covenants, warranties, or representations of any kind whatsoever, conveying to the Buyer all of the Receiver’s right, title and interest as said Receiver in and to the Assets.

4. **PURCHASE PRICE AND DEPOSIT:** Buyer agrees to purchase all of the Receiver's right, title, and interest in the Assets for the sum of Six Thousand Dollars (\$6,000) and a waiver of all Buyer's administrative rent claims against the Receiver between September 15, 2020 and November 16, 2020 ("Purchase Price"). Upon execution of this Agreement, Buyer delivered to the Receiver a deposit in the amount of Three Thousand Dollars (\$3,000) ("Deposit"), which, provided that the Buyer does not default under this Agreement, shall be credited against the Purchase Price at the Closing.

5. **THE CLOSING:** The closing of the transaction contemplated by this Agreement is to be held at 10:00 a.m. on the first Tuesday following the date on which the time for all appeals of the Superior Court Order approving this Agreement has expired (no stay on appeal having been perfected) (the "Closing"), unless otherwise agreed to in writing by the Parties.

6. **RECEIVER'S TENDER OF BILL OF SALE:** Except as otherwise set forth herein, the tender of the Bill of Sale by the Receiver and acceptance by Buyer shall be deemed full performance and discharge of every agreement and obligation of the Receiver contained or expressed in this Agreement. Upon the tender of Deed and Bill of Sale, Buyer shall execute the acknowledgement attached hereto as **Exhibit B.**

7. **DEFAULT:** If the Buyer shall default in the performance of Buyer's obligations hereunder, the Receiver shall have the right to retain the Deposit and resell the Assets without notice to the Buyer, or require specific performance without prejudice to any of Receiver's other rights or remedies at law and in equity.

8. **BROKERS AND AGENTS:** Buyer agrees to indemnify the Receiver against, and hold the Receiver harmless from any and all cost, expense or liability based upon or related to a claim for a brokerage commission or finder's fees in connection with the transaction contemplated hereby to the extent such liability shall be based upon arrangements or agreements made or claimed by third parties to have been made by or on behalf of the Buyer or the Receiver, as the case may be, and not disclosed in this Agreement.

9. **NOTICES:** All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. Notice by certified mail will be effective upon sending. Notice by personal delivery will be effective upon delivery to the other party. Notices to the Receiver and the Buyer must be addressed to the addresses that appear in the first paragraph of this Agreement.

10. **CLOSING/CONVEYANCE NOT SUBJECT TO ANY CONTINGENCIES:** Except as provided in this paragraph, Buyer expressly acknowledges and agrees that neither the closing nor the conveyance contemplated hereunder are conditioned in any way whatsoever upon the Buyer or the Receiver complying with any contingencies, including, but not limited to Buyer's financing, inspections, licensing and/or any other contingency of any kind or nature not explicitly contained herein.

11. **NO WARRANTIES AND REPRESENTATIONS AND NO RELIANCE ON OTHERS:** Buyer has entered into this Agreement based on Buyer's independent review and

investigation of the Assets and not on any representation made by the Receiver or any of Receiver's agents or representatives. THIS MEANS THAT THE ASSETS ARE BEING SOLD "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

Buyer acknowledges that the Assets shall be sold to Buyer "as is," "where is," and "with all faults" and that no warranties or representations or covenants of any kind, expressed or implied, have been or will be made by Receiver or any other party with respect to the physical, operating or any other condition of the Assets.

Buyer acknowledges that it, individually or collectively, have not been influenced to enter into this transaction by the Receiver or his attorney, or their employees, agents, consultants or representatives, and that Buyer has not received nor relied upon any statements or representations made by the Receiver or his attorney, or their employees, agents, consultants or representatives. The terms and provisions of this section shall survive the Closing.

12. **AMENDMENTS**: This Agreement may not be amended or modified except pursuant to a written instrument executed by both Buyer and Receiver.

13. **CONSTRUCTION OF AGREEMENT**: This Agreement may be executed in one or more counterparts and each shall be deemed to be an original, and shall be binding upon and inure to the benefit of the respective heirs, executors and/or administrators, successors, and/or assigns, of the respective parties hereto, subject to the express conditions stated herein. This Agreement and the interpretation hereof shall be governed by the laws of the State of Rhode Island and the parties expressly agree that the Court shall have jurisdiction to resolve any and all disputes arising under this Agreement, to interpret any terms hereof, and to enforce any and all provisions of this Agreement.

14. **ENTIRE AGREEMENT**: The parties hereto, each declare that this Agreement and any other agreements entered into in connection herewith contain the entire agreement between the parties, and that it is subject to no understandings, conditions or representations other than those expressly stated herein or therein. All understandings and agreements heretofore had between the parties, if any, are extinguished and are of no force and effect whatsoever except as the same may be expressly set forth in this Agreement or any other agreement entered into between the Parties in connection herewith. This Agreement is entered into by the Buyer after full investigation of the Assets, and no reliance is made by the Buyer upon any statements or representations not made in this Agreement.

15. **NO PERSONAL LIABILITY**: Notwithstanding anything herein to the contrary, the Receiver's execution of this Agreement is solely in his capacity as Receiver and shall not render the Receiver personally liable in any way whatsoever. Buyer expressly acknowledges that any potential liability of the Receiver shall be limited to the assets, if any, of the Receivership Estate.

WITNESS the signatures of the above parties on the date set forth below.

BUYER:

RECEIVER:

By: \_\_\_\_\_

By: \_\_\_\_\_

Christopher J. Fragomeni, Esq., as  
and only as Receiver and not  
individually

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness to Above Signature

\_\_\_\_\_  
Witness to Above Signature

**ASSET PURCHASE AND SALE AGREEMENT**

**EXHIBIT A**

FORM OF BILL OF SALE

## RECEIVER'S BILL OF SALE

I, Christopher J. Fragomeni, Esq., in my capacity as the duly appointed Receiver of Ego, LLC (“Ego”), by the authority vested in me by the attached Order of the Providence County Superior Court of the State of Rhode Island entered on the \_\_\_\_\_ day of November, 2020, in the Receivership proceeding pending before that Court, docketed as *Rafael Sanchez and Katherine Fay as Executrix of the Estate of Christian Harris v. Ego, LLC* (PC-2020-06236), in consideration of Six Thousand and 00/100 Dollars (\$6,000.00) paid by Seventy One Richmond, LLC (“Purchaser”), the receipt of which sum is hereby acknowledged, do hereby convey and assign to Purchaser, free and clear of all liens and encumbrances, all of my right, title and interest as said Receiver in and to all of Ego’s assets, but expressly excluding and excepting therefrom the “Excluded Assets” as hereinafter defined (collectively, the “Assets”).

Purchaser expressly acknowledges and agrees that the following described assets are expressly excluded from the sale contemplated herein, which assets are hereinafter referred to as “Excluded Assets”: any and all cash, accounts receivable, all tax refunds of any kind or nature due and owing from any taxing authorities, pre-paid deposits, unearned insurance premiums, choses-in-action not customarily available in the trade or industry in connection with the continued business operations of Ego, and any all claims of any kind or nature of the Receiver or the Receivership Estate of Ego against any Member, officer, director, employee, or other insider of Ego, including but not limited to any and all claims against any such parties for breach of fiduciary duties, and any and all claims of any kind or nature against any entities or individuals relative to preferential transfers, fraudulent conveyances or breach of duty to Ego and/or its creditors, all employee benefit plans including, but not limited to, any retirement, health or welfare plans, all employment agreements, including any collective bargaining agreements, any and all leased equipment, machinery, or other leased assets or assets not owned by Ego, and the proceeds of any of the foregoing Excluded Assets.

This sale is made without any representations or warranties whatsoever, including but not limited to, any representations or warranties concerning quantity, quality, durability, condition, merchantability, fitness for any purpose, or any other aspects of said Assets, and all said Assets are sold “AS IS” and “WHERE IS.”

Notwithstanding anything herein to the contrary, the person executing this instrument in his representative capacity as Receiver shall not be personally liable.

Witness my hand this \_\_\_\_\_ day of November, 2020.

\_\_\_\_\_  
Christopher J. Fragomeni, Esq., as and only as  
Permanent Receiver of Ego, LLC and not  
individually



**ASSET PURCHASE AND SALE AGREEMENT**  
**EXHIBIT B**

ACKNOWLEDGMENT

**ACKNOWLEDGEMENT OF RECEIPT OF  
BILL OF SALE AND ASSETS**

The undersigned, [\_\_\_\_\_], hereby acknowledges receipt of the executed original foregoing Receiver's Bill of Sale and all Assets referred to therein, and further, the undersigned does hereby acknowledge that the Receiver has fulfilled all of his obligations pursuant to the [\_\_\_\_\_], 2020, Sale Order and the Asset Purchase and Sales Agreement dated [\_\_\_\_\_], 2020 incorporated therein.

\_\_\_\_\_  
Witness  
Print name:

Signed: \_\_\_\_\_  
Name and Title:  
Date: \_\_\_\_\_

## Petition to Sell

### Exhibit B

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

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RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
    *Petitioners,* )  
v. )  
EGO, LLC, )  
    *Respondent.* )

---

C.A. No. PC-2020-06236

**OFFER TO PURCHASE**

**To Christopher Fragomeni, Receiver of Ego, LLC:**

The undersigned (“Purchaser”) hereby offers to pay Six Thousand and 00/100 Dollars (\$6,000.00), and to waive the claim of the undersigned for administrative rent as against the Receiver and the receivership estate for the Administrative Rent Period (as hereinafter defined),<sup>1</sup> for all of your right, title, and interest as Receiver, free and clear of liens and encumbrances, in and to all of the tangible and intangible assets of the Defendant, including but not limited to all furniture, fixtures, equipment, inventory, tradenames, trademarks and goodwill (the foregoing collectively referred to as the “Assets”), excluding and excepting therefrom the Excluded Assets. Prior to the Closing Date, Purchaser shall have the option to designate a nominee to whom the Assets are to be transferred pursuant to the terms of this Offer.

The Administrative Rent Period shall be the period commencing on September 14, 2020 and concluding on November 16, 2020.

Purchaser expressly acknowledges and agrees that the following described assets are excluded from the sale contemplated herein, which assets are hereinafter referred to as "Excluded Assets": any and all cash, cash equivalents, deposit accounts, investment securities (including stocks, bonds, money market accounts and any similar assets) and any accounts relating thereto, accounts receivable, all tax refunds of any kind or nature due and owing from any taxing authorities, pre-paid deposits, unearned insurance premiums, choses-in-action not customarily available in the trade or industry in connection with the continued business operations of Defendant, and any all claims of any kind or nature of the Receiver or the Estate of Defendant against any stockholder, officer, director, employee, or other insider of Defendant, including but not limited to any and all claims against any such parties for breach of fiduciary

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<sup>1</sup> The waiver of administrative rent shall not be deemed a waiver of any claims of the Purchaser, as Landlord, against any third parties who may have liability arising under the Lease for the premises occupied by the Defendant.


duties, and any and all claims of any kind or nature against any entities or individuals relative to preferential transfers, fraudulent conveyances or breach of duty to Defendant and/or its creditors, all employee benefit plans including, but not limited to, any retirement, health or welfare plans, all employment agreements, including any collective bargaining agreements, any and all leased equipment, machinery, or other leased assets or assets not owned by Defendant, and the proceeds of any of the foregoing Excluded Assets.

If you are agreeable to accepting this Offer on the terms herein stated, please indicate below. This Offer is subject to ~~(a)~~ the approval of the Rhode Island Superior Court, Providence County, in the matter first set forth above. The Purchaser understands that the Receiver and the Court may entertain any higher and/or better Offers for the Assets prior to Court approval of this Offer. In the event that this Offer is approved by the Court, the Purchase Price shall be paid to the Receiver by bank check drawn on a Rhode Island bank or by wire transfer of funds on the second business day after Court approval hereof, or on such other date as agreed to by the parties in writing, so long as the Court Order approving this Offer is not the subject of an injunction or stay prohibiting consummation of the sale contemplated in this Offer (the "Closing Date"). It is agreed and understood that time is of the essence.

This Offer and transfers resulting from this Offer are and shall be made without any representations or warranties whatsoever by or from the Receiver, including but not limited to, any representations or warranties concerning quantity, quality, durability, accuracy, condition, title, enforceability, merchantability, fitness for any purpose, or any other aspects of said Assets, and the Assets are sold "as is," "where is," and "with all faults."

This Offer and the interpretation hereof shall be governed by the laws of the State of Rhode Island, and the parties expressly agree that the Court shall have exclusive jurisdiction to resolve any and all disputes arising under this Offer, to interpret any terms hereof, and to enforce any and all provisions of this Offer. Purchaser hereby consents to the personal jurisdiction of the Court.

Seventy One Richmond LLC

By  Manager  
\_\_\_\_\_  
Eli Schwartz

Dated: November 3, 2020

ACCEPTED:

\_\_\_\_\_  
Christopher J. Fragomeni, Receiver of  
Ego, LLC, and not individually

Dated: \_\_\_\_\_

## Petition to Sell

### Exhibit C

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

Rafael Sanchez and Katherine Fay as  
Executrix of the Estate of Christian Harris  
Petitioners

Vs.

P.B. No.

EGO, LLC  
Respondent

**PETITION FOR THE APPOINTMENT OF A RECEIVER**

Petitioners respectfully represents that:

1. Respondent is a Rhode Island Limited Liability Company, with its primary place of business at 73 Richmond Street, Providence, Rhode Island, and is in the business of operating a bar and nightclub.
2. Petitioners are the holders of One Hundred (100%) Percent of all the outstanding membership ownership interests of the Respondent company and voted to dissolve the Respondent company.
3. The rights and obligations of the members and respondent are governed by Rhode Island Law.
4. This Honorable Court has jurisdiction over this matter pursuant to Rule 66 of the Rhode Island Superior Court Rules of Civil Procedure, Title 7, Chapter 16 of the Rhode Island General Laws, as amended, Sec. 8-2-13 of the Rhode Island General Laws, as amended, and this Honorable Court's General Powers of Equity.
5. Section 7-16-40 of the Rhode Island Limited Liability Company Act (the Act), states that upon, "application by or on behalf of a member, the Superior Court may decree the dissolution of a limited liability company whenever it is not reasonably practicable to carry on the business in conformity with the Articles of Organization or Operating Agreement.
6. Petitioners are informed and believe that Respondent is insolvent and will be unable to meet its obligations as they become due.

7. Because of the current economic conditions brought about COVID 19 pandemic, Respondent will soon be arrears in payment of its obligations most particularly its obligation to pay rent, and there is a danger of dissipation and depreciation of the assets of the Respondent.


8. Respondent is currently closed and as a consequence of the current economic conditions, Petitioners do not believe Respondent can or will re-open for business.

9. In the opinion of Petitioners, it is urgent and advisable that a Temporary Receiver be appointed immediately to take charge of the affairs, assets, estate, effects and property of said Respondent to preserve the same for the interest of all creditors.

10. This Petition is made in good faith for the protection of the business of the Respondent and for the benefit of its creditors, and the appointment of a Temporary Receiver is most desirable to protect the status quo of the Respondent pending final hearing on the appointment of a Permanent Receiver.

11. This Petition is filed to seek relief as prayed by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

WHEREFORE, Petitioners respectfully pray that this Honorable Court appoint a Temporary Receiver forthwith and also appoint a Permanent Receiver to take charge of the assets, affairs, estate, effects and property of the Respondent, that said Temporary Receiver and Permanent Receiver be authorized to continue to operate the business of the Respondent, if such Receiver determines that continuing to operate the business of the Respondent is in the best interests of the Respondent's Estate, and that Petitioner have such other and further relief as this Court shall deem proper.

  
Rafael Sanchez



STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence, Rhode Island on the 27<sup>th</sup> day of August \_\_\_\_\_, 2020, before me personally appeared Rafael Sanchez who made oath that he subscribed to the foregoing Petition, that he knows the contents thereof and that the same are true, excepting those matters stated on information and belief, and as to those matters he believes them to be true.

Stephen M. Litwin

Notary Public

My Commission Exp. 7/25/21

Stephen M. Litwin

Katherine Fay

Katherine Fay

Executrix of the Estate of Chris Harris

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence, Rhode Island on this 27<sup>th</sup> day of August 2020, before me personally appeared Katherine Fay, Executrix of the Estate of Christian Harris who made oath that she subscribed to the foregoing Petition, that she knows the contents thereof and that the same are true, excepting those matters stated on information and belief, and as to those matters she believes them to be true.

Stephen M. Litwin

Notary Public

My Commission Exp. 7/25/21

Stephen M. Litwin

**CERTIFICATE OF ATTORNEY**

I, the undersigned, Attorney for the Petitioner, certify that this Petition is made in good faith for the protection of the business of the Respondent and for the benefit of creditors, and that the appointment of a Temporary Receiver is desirable to protect the status quo pending final Hearing for the appointment of a Permanent Receiver.



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Stephen M. Litwin, Esquire #2974  
116 Orange Street  
Providence, Rhode Island 02903  
Phone: (401) 273-5155

August 27, 2020

## Petition to Sell

### Exhibit D

STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

\_\_\_\_\_  
)  
RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
    *Petitioners,* )  
)  
v. )  
)  
EGO, LLC, )  
    *Respondent.* )  
\_\_\_\_\_ )

C.A. No. PC-2020-06236

**ORDER APPOINTING TEMPORARY RECEIVER**

The above-captioned matter came before the Honorable Brian P. Stern on the Petition for the Appointment of a Receiver, and, upon consideration thereof, it is hereby

**ORDERED, ADJUDGED, AND DECREED**

1. That Christopher J. Fragomeni, Esq., of Shechtman Halperin Savage, LLP, 1080 Main Street, Pawtucket, RI, be and hereby is appointed Temporary Receiver (the “Receiver”) of EGO, LLC (“Respondent”);
2. That said Receiver shall, no later than five (5) days from the date hereof, file a bond in the sum of \$ 10,000.00 (Ten Thousand) with any surety company authorized to do business in the State of Rhode Island as surety thereon, conditioned that the Receiver will well and truly perform the duties of said office and duly account for all monies and property that may come into the Receiver’s hands and abide by and perform all things which the Receiver will be directed to do by this Court;
3. That said Receiver is authorized to take possession and charge of the property and assets of the Respondent, to collect the debts and property belonging to it and to preserve the same until further Order of this Court;

4. That said Receiver is authorized until further Order of this Court, in the Receiver's discretion and as said Receiver deems appropriate and advisable, to conduct the business of said Respondent, to borrow money from time to time, to purchase, for cash or upon credit, merchandise, materials and other property, to engage appraisers and/or employees and assistants, clerical or otherwise, and pay all such individuals and entities in the usual course of business, and to do and perform or cause to be done and performed all other acts and things as are appropriate in the premises;

5. That, pursuant to and in compliance with Rhode Island Supreme Court Executive Order No. 95-01, this Court finds that the designation of the afore-described person for appointment as Receiver herein is warranted and required because of the Receiver's specialized expertise and experience in operating businesses in Receivership and in administering non-routine Receiverships that involve unusual or complex legal, financial, or business issues;

6. That the Receiver is hereby authorized and empowered to sell at public auction any or all of the assets of the Respondent. The Receiver is also authorized to engage an auctioneer and to insert such display ads within or without the State of Rhode Island as the Receiver deems proper advertising for such sale. Such public auction sale conducted by said Receiver in accordance with the provisions of this paragraph shall be considered and is hereby declared to be commercially reasonable sale, and such sale shall constitute compliance with the requirements of commercially reasonable sale as set forth in Article 9 of the Uniform Commercial Code as enacted in Rhode Island;

7. That the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under

any statute, or otherwise, against said Respondent or any of its property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Respondent, or the taking or attempting to take into possession any property in the possession of the Respondent or of which the Respondent has the right to possession, or the cancellation at any time during the Receivership proceeding herein of any insurance policy, lease or other contract with Respondent, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Respondent, by any public utility, without prior approval thereof from this Honorable Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further Order of this Court; and

8. That Citation be issued to said Respondent, returnable to the Superior Court sitting at Providence, Rhode Island on October 14, 2020 at 9:30 a.m./p.m., at which time and place this cause is set down for Hearing on the prayer for the Appointment of Permanent Receiver; that the Clerk of this Court shall give Notice of the pendency of the Petition herein by publishing this Order Appointing Temporary Receiver once in the Providence Journal on or before September 30, 2020 and the Receiver shall give further notice by mailing, on or before September 30, 2020, copy of said Order Appointing Temporary Receiver to each of Respondent's creditors and stockholders whose addresses are known or may become known to the Receiver.

ENTERED as an Order of this Court this 14th day of September, 2020

ENTERED:

BY ORDER:

*Brian P. Stern, Jr.*  
Stern, J.  
Date: September 14, 2020

/s/ Carin Miley  
Deputy Clerk I  
Clerk, Superior Court  
Date: September 14, 2020

Presented by:

/s/ Christopher J. Fragomeni, Esq.  
Christopher J. Fragomeni, Esq. (9476)  
Shechtman Halperin Savage, LLP  
1080 Main Street, Pawtucket, RI 02860  
P: 401-272-1400 | F: 401-272-1403  
[cfragomeni@shslawfirm.com](mailto:cfragomeni@shslawfirm.com)

## Petition to Sell

### Exhibit E



Bond No. B1235324

RAFAEL SANCHEZ AND KATHERINE  
FAY AS EXECUTRIX OF THE ESTATE  
OF CHRISTIAN HARRIS

**Petitioners**

Vs.

EGO, LLC

**Respondent**

**RECEIVERS BOND**

**KNOW ALL BY THESE PRESENTS:** That we Christopher Fragomeni  
As Principal (s), and Selective Insurance Company of America a New Jersey corporation  
authorized to transact surety business in the State of Rhode Island, as Surety, are held and firmly bound  
unto the Superior Court of the County of Providence State aforesaid, as Obligee in the  
penal sum of Ten Thousand Dollars (\$10,000.00), lawful money of the United States of  
America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, legal  
representatives, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, by an order of the Superior Court of the County of Providence  
State aforesaid, duly made on 09/14/2020, in the above titled action, the above bounden  
Christopher Fragomeni

Was appointed Receiver therein, and he was ordered before entering upon the discharge of his duties as  
such Receiver, to execute a bond according to law in the said sum of \$ 10,000.00

**NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH**, That, the said  
Christopher Fragomeni as such Receiver, shall faithfully discharge  
his duties in this action and obey the orders of the Court therein; then this obligation shall be void,  
otherwise to remain in force and effect.

**SIGNED AND SEALED** this 15th day of September, 2020

Christopher Fragomeni

By \_\_\_\_\_  
Principal

Selective Insurance Company of America

By Andrew P. Troy  
Attorney in Fact

**Andrew P. Troy**



Selective Insurance Company of America  
40 Wantage Avenue  
Branchville, New Jersey 07890  
973-948-3000

BondNo.B 1235324

**POWER OF ATTORNEY**

Receiver

**SELECTIVE INSURANCE COMPANY OF AMERICA**, a New Jersey corporation having its principal office at 40 Wantage Avenue, in Branchville, State of New Jersey ("SICA"), pursuant to Article VII, Section 1 of its By-Laws, which state in pertinent part:

The Chairman of the Board, President, Chief Executive Officer, any Executive Vice President, any Senior Vice President or any Corporate Secretary may, from time to time, appoint attorneys in fact, and agents to act for and on behalf of the Corporation and they may give such appointee such authority, as his/her certificate of authority may prescribe, to sign with the Corporation's name and seal with the Corporation's seal, bonds, recognizances, contracts of indemnity and other writings obligatory in the nature of a bond, recognizance or conditional undertaking, and any of said Officers may, at any time, remove any such appointee and revoke the power and authority given him/her.

does hereby appoint **Andrew P. Troy**

, its true and lawful attorney(s)-in-fact, full authority to execute on SICA's behalf fidelity and surety bonds or undertakings and other documents of a similar character issued by SICA in the course of its business, and to bind SICA thereby as fully as if such instruments had been duly executed by SICA's regularly elected officers at its principal office, in amounts or penalties not exceeding the sum of: **Ten Thousand Dollars (\$10,000.00)**

Signed this 15th day of September, 2020

SELECTIVE INSURANCE COMPANY OF AMERICA

By:

*Brian C. Sarisky*  
Brian C. Sarisky  
Its SVP, Strategic Business Units, Commercial L...



CERTIFIED COPY

STATE OF NEW JERSEY :

:ss. Branchville

COUNTY OF SUSSEX :

On this **15th** day of **September, 2020** before me, the undersigned officer, personally appeared **Brian C. Sarisky**, who acknowledged himself to be the Sr. Vice President of SICA, and that he, as such Sr. Vice President, being duly sworn, did, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Sr. Vice President and that the same was his free act and deed and the free act and deed of SICA.

**Charlene Kimble**  
Notary Public of New Jersey  
My Commission Expires 6/2/2021

*Charlene Kimble*  
Notary Public



The power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of SICA at a meeting duly called and held on the 6th of February 1987, to wit:

"RESOLVED, the Board of Directors of Selective Insurance Company of America authorizes and approves the use of a facsimile corporate seal, facsimile signatures of corporate officers and notarial acknowledgements thereof on powers of attorney for the execution of bonds, recognizances, contracts of indemnity and other writing obligatory in the nature of a bond, recognizance or conditional undertaking."

**CERTIFICATION**

I do hereby certify as SICA's Corporate Secretary that the foregoing extract of SICA's By-Laws and Resolution in full force and effect and this Power of Attorney issued pursuant to and in accordance with the By-Laws is valid.

Signed this 15th day of September, 2020

*Michael H. Lanza*  
Michael H. Lanza, SICA Corporate Secretary



Important Notice: If the bond number embedded within the Notary Seal does not match the number in the upper right-hand corner of this Power of Attorney, contact us at 973-948-3000. B91 (4-14)

# SELECTIVE INSURANCE <sup>SM</sup>

Selective Insurance Company of America  
40 Wantage Avenue  
Branchville, New Jersey 07890  
973-948-3000

Bond No. B 1235324

Receiver

## STATEMENT OF FINANCIAL CONDITION

I hereby certify that the following information is contained in the Annual Statement of Selective Insurance Company of America ("SICA") to the New Jersey Department of Banking and Insurance as of December 31, 2019:

<u>ADMITTED ASSETS (in thousands)</u>		<u>LIABILITIES AND SURPLUS (in thousands)</u>	
Bonds	\$1,822,293	Reserve for losses and loss expenses	\$1,119,532
Preferred stocks at convention value	15,960	Reserve for unearned premiums	434,068
Common stocks at convention values	63,288	Provision for unauthorized reinsurance	588
Subsidiary common stock at convention values	0	Commissions payable and contingent commissions	32,565
Short-term investments	109,584	Other accrued expenses	33,869
Mortgage loans on real estate (including collateral loans)	21,163	Other liabilities	<u>395,608</u>
Other invested assets	121,112	Total liabilities	2,016,230
Interest and dividends due or accrued	14,561		
Premiums receivable	407,001	Surplus as regards policyholders	<u>680,090</u>
Other admitted assets	<u>121,358</u>		
Total admitted assets	<u>2,696,320</u>	Total liabilities and surplus as regards policyholders	<u>2,696,320</u>

I further certify that the following is a true and exact excerpt from Article VII, Section 1 of the By-Laws of SICA, which is still valid and existing.

The Chairman of the Board, President, Chief Executive Officer, any Executive Vice President, any Senior Vice President or any Corporate Secretary may, from time to time, appoint attorneys in fact, and agents to act for and on behalf of the Corporation and they may give such appointee such authority, as his/her certificate of authority may prescribe, to sign with the Corporation's name and seal with the Corporation's seal, bonds, recognizances, contracts of indemnity and other writings obligatory in the nature of a bond, recognizance or conditional undertaking, and any of said Officers may, at any time, remove any such appointee and revoke the power and authority given him/her.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the seal of SICA, this 17 day of March, 2020.

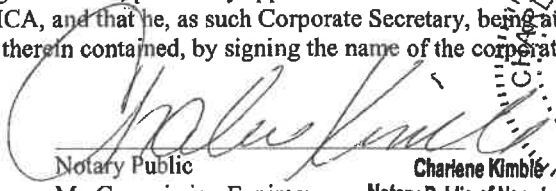
  
Michael H. Lanza  
SICA Corporate Secretary

STATE OF NEW JERSEY :

:ss. Branchville

COUNTY OF SUSSEX :

On this 17 day of March, 2020, before me, the undersigned officer, personally appeared Michael H. Lanza, who acknowledged himself to be the Corporate Secretary of SICA, and that he, as such Corporate Secretary, being authorized to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Corporate Secretary.

  
Notary Public  
My Commission Expires:

  
Charlene Kimble  
Notary Public of New Jersey  
My Commission Expires 6/2/2021

## Petition to Sell

### Exhibit F

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

\_\_\_\_\_  
RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE )  
ESTATE OF CHRISTIAN HARRIS, )  
*Petitioner,* )

vs. )

EGO, LLC., )  
*Respondent.* )  
\_\_\_\_\_

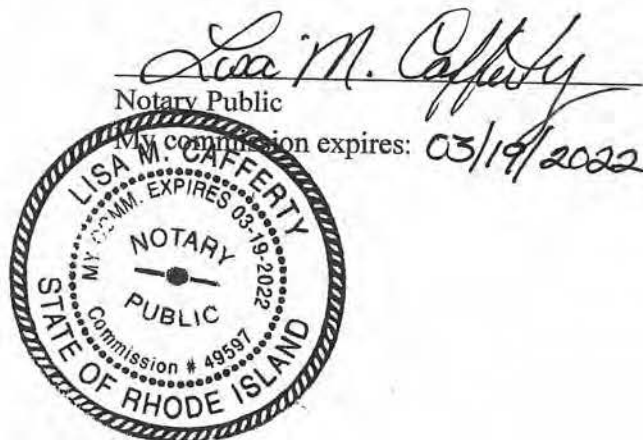
C.A. No. PC-2020-06236

**ACCEPTANCE OF SERVICE AFFIDAVIT**

I, Kate Fay, registered agent for Ego, LLC, do hereby accept service of the Receivership Citation issued in the above-captioned matter on behalf of Ego, LLC. Said acceptance of service is to have the same force and effect as if the service had been personally made upon me as Ego, LLC's registered agent pursuant to applicable laws and the Superior Court Rules of Civil Procedure. The undersigned states that she has the authority from Ego, LLC to accept such service on their behalf.

  
\_\_\_\_\_  
Kate Fay, Registered Agent of Ego, LLC

Subscribed and sworn before me this 28<sup>th</sup> day of September, 2020



## Petition to Sell

### Exhibit G



## Petition to Sell

### Exhibit H



STATE OF RHODE ISLAND  
PROVIDENCE, SC

SUPERIOR COURT

---

RAFAEL SANCHEZ AND KATHERINE )  
FAY AS EXECUTRIX OF THE ESTATE )  
OF CHRISTIAN HARRIS, )  
*Petitioners,* )  
v. )  
EGO, LLC, )  
*Respondent.* )

---

C.A. No. PC-2020-06236

**ORDER APPOINTING PERMANENT RECEIVER**

The above-captioned matter came before the Honorable Brian P. Stern on October 14, 2020 on the petition for appointment of a permanent receiver of Ego, LLC. (“Respondent”). After consideration thereof, and without objection, it is hereby

**ORDERED, ADJUDGED AND DECREED**

1. That Christopher J. Fragomeni, Esq., of Shechtman Halperin Savage, LLP, 1080 Main Street, Pawtucket, Rhode Island, be and hereby is appointed Permanent Receiver (“Receiver”) of the Respondent, and of all the estate, assets, effects, property, and business of Respondent of every name, kind, nature and description, with all the powers conferred upon the Receiver being the same as those powers conferred upon a receiver by the Rhode Island General Laws, all other powers as set forth in this order, or otherwise, and all powers incidental to the Receiver’s said Office.

2. That said Receiver has already posted a bond in the amount of \$10,000 conditioned that the Receiver will well and truly perform the duties of said office, and such bond shall remain in effect until the Court authorizes its termination.

3. That said Receiver be and hereby is authorized, empowered, and directed to take possession and charge of said estate, assets, effects, property, and business of the Respondent, including cash surrender value of any insurance owned by Respondent, and to preserve the same, and is hereby vested with title to the same; to collect and receive the debts, property, and other assets and effects of said Respondent, including such cash surrender value, with full power to prosecute, defend, adjust, and compromise all claims and suits of, by or against said Respondent and to appear, intervene or become a party in all suits, actions, or proceedings relating to said estate, assets, effects, and property as may in the judgment of the Receiver be necessary or desirable for the protection, maintenance, and preservation of the property and assets of said Respondent.

4. That this appointment is made in succession to the appointment of Temporary Receiver heretofore made by order of this Court, and the Receiver shall take and be vested with the title to all assets, property, and choses-in-action which have heretofore accrued to the Temporary Receiver with power to confirm and ratify in writing such agreements as are entered into by such Temporary Receiver and to carry out and perform the same.

5. That the Receiver is authorized, in the Receiver's discretion, to continue the business of the Respondent until further order of this Court, and to employ such persons as may be desirable for the foregoing purposes (except that the Receiver shall first obtain *ex parte* approval to hire attorneys, accountants, and turnaround professionals) and, in connection therewith, to use such moneys as shall come into the Receiver's hands and possession, as far as the same shall be necessary, for the above purposes and for continuing the business of said Respondent until further Order of this Court.

6. That the Receiver is authorized to incur expenses for goods and services and to purchase for cash such merchandise, supplies, and materials as in the Receiver's discretion may be desirable or necessary for continuance of the business of the Respondent.

7. That said Receiver be and hereby is authorized and empowered to sell, transfer, and convey said Receiver's right, title, and interest and the right, title, and interest of said Respondent in and to any real property or personal property, tangible or intangible, for such sum or sums of money as to said Receiver appears reasonable and proper, at private sale or sales, provided, however, that approval is first given for such sale or sales by this Court on *ex parte* application by the Receiver, or after such notice as the Court may require.

8. That the Receiver is hereby authorized and empowered to sell at public auction any or all of the assets of the Respondent. The Receiver is also authorized to engage an auctioneer and to insert such display ads within or without the State of Rhode Island as the Receiver deems proper advertising for such sale. Such a public auction sale conducted by said Receiver in accordance with the provisions of this paragraph shall be considered and is hereby declared to be a commercially reasonable sale, and such sale shall constitute compliance with the requirements of a commercially reasonable sale as set forth in Article 9 of the Uniform Commercial Code as enacted in Rhode Island.

9. That said Receiver be, and hereby is, authorized and empowered, as soon as there are sufficient funds available, to pay all City, State, and United States taxes of any kind, nature and description, including withholding taxes, as well as wages due employees, with such employees being relieved of the necessity of filing claims with the Receiver unless the amount paid or shown on the books of the Respondent is not acceptable to any employee, in which case said employee may file his/her claim in the same manner as other creditors.

10. In fulfillment of the reporting requirements set forth in Rule 66(e) of the Superior Court Rules of Civil Procedure, the Receiver shall file with the Court the Reports referred to in said Rule, as and when the Receiver deems necessary or advisable under the circumstances, or, in any event, as and when required by Order of this Court. In addition, the Receiver shall file with the Court, on or before May 1 and October 1 of each year, a Receivership Control Calendar Report in accordance with Rhode Island Superior Court Administrative Order No. 98-7.

11. That the Receiver shall continue to discharge said Receiver's duties and trusts hereunder until further order of this Court; that the right is reserved to the Receiver and to the parties hereto to apply to this Court for any other or further instructions to said Receiver and that this Court reserves the right, upon such Notice, if any, as it shall deem proper, to make such further orders herein as may be proper, and to modify this Order from time to time.

12. All creditors or other claimants hereby are ordered to file under oath with the Receiver at 1080 Main Street, Pawtucket, RI 02860 on or before February 16, 2021, a statement setting forth their claims, including, but without limiting the generality of the foregoing, the name and address of the claimant, the nature and amount of such claim, a statement of any security or lien held by the claimant to which such claimant is or claims to be entitled, and also a statement as to any preference or priority which the claimant claims to be entitled to over the claims of any other or all other claimants or creditors.

13. Except as provided in paragraph 14 below, the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under any statute, or otherwise, against said Respondent or any of its property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or

otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Respondent, or the taking or attempting to take into possession any property in the possession of the Respondent or of which the Respondent has the right to possession, or the cancellation at any time during the Receivership proceeding herein of any insurance policy, lease or other contract with Respondent, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Respondent, by any public utility, without obtaining prior approval thereof from this Honorable Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further Order of this Court.

14. The foregoing paragraph does not stay the exercise of rights of a party to a swap agreement, securities contract, repurchase agreement, commodity contract, forward contract, or master netting agreement, as those terms are defined in the Federal Bankruptcy Code, to the extent that a court would not have the power to stay the exercise if Respondent was a debtor under the Bankruptcy Code.

15. That Notice be given of the entry of this order by the Clerk of this Court by publication of a copy of the annexed Receivership Notice in *The Providence Journal* on or before November 6, 2020, and by the Receiver mailing on or before November 6, 2020, a copy of said Receivership Notice to each creditor and stockholder of said Respondent known as such to the Receiver, or appearing as such on the books of said Respondent, addressed to each such stockholder or creditor at his last known address.

16. This Order is entered by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

ENTERED, as an Order of this Court this 16th day of October, 2020.

BY ORDER:

ENTER:

*Brian P. Stern, J.*

\_\_\_\_\_  
Stern, J.

/s/ Carin Miley  
Deputy Clerk I

\_\_\_\_\_  
Clerk, Superior Court  
October 16, 2020

Presented by:

*/s/ Christopher J. Fragomeni*

\_\_\_\_\_  
Christopher J. Fragomeni, Esq. (#9476)  
SHECHTMAN HALPERIN SAVAGE, LLP  
1080 Main Street, Pawtucket, RI 02860  
P: (401) 272-1400 | F: (401) 272-1403  
[cfragomeni@shslawfirm.com](mailto:cfragomeni@shslawfirm.com)

**CERTIFICATE OF SERVICE**

I hereby certify that on the 14th day of October, 2020, I filed and served this document through the electronic filing system. The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/ Christopher J. Fragomeni, Esq.

## Petition to Sell

### Exhibit I



**Schedule of Potential UCC Financing Statements, Real Estate Lien Recordings and  
Municipal Authorities**

Seventy One Richmond, LLC  
118 Governor Street  
Providence, Rhode Island 02906

City of Providence  
Providence City Hall  
25 Dorrance Street  
Providence, Rhode Island 02903

## Petition to Sell

### Exhibit J

Ego, LLC  
73 Richmond Street  
Providence, RI 02903

Internal Revenue Service  
P.O. Box 804522  
Cincinnati, OH 45999-0005

RI Department of Environmental Mgt.  
David Choppy  
Office of Water Resources-Permitting  
235 Promenade Street, 2<sup>nd</sup> Floor  
Providence, RI 02908

Stephen Litwin, Esq.  
116 Orange Street  
Providence, RI 02903

Internal Revenue Service  
P.O. Box 802503  
Cincinnati, OH 45280-2530

Rhode Island Dept. of Labor and Training  
Legal Counsel  
1511 Pontiac Avenue  
Cranston, RI 02920

City of Providence  
City Solicitor  
25 Dorrance Street  
Providence, RI 02903

Internal Revenue Service  
Julie Sweeney  
JFK Federal Building  
P.O. Box 9112, Mail Stop 20800  
Boston, MA 02203

RI Dept. of Revenue  
Alyssa Martineau  
1 Capitol Hill, Suite 36  
Providence, RI 02908

City of Providence  
Finance Department  
25 Dorrance Street  
Providence, RI 02903

Internal Revenue Service  
P.O. Box 7346  
Philadelphia, PA 19101-7346

RI Secretary of State  
Corporations Division  
148 W. River Street  
Providence, RI 02903

City of Providence  
Public Works Department  
700 Allens Avenue  
Providence, RI 02905

Internal Revenue Service  
Raymond Glass  
60 Quaker Ln.  
West Warwick, RI 02886

Narragansett Bay Commission  
c/o Marina V. Plummer  
One Service Road  
Providence, RI 02905

City of Providence Tax Assessor  
25 Dorrance Street  
Providence, RI 02903

National Grid  
Vicki Piazza  
300 Erie Blvd. W.  
Syracuse, NY 13202

Alley Cat  
c/o Amanda R. Prosek, Esq.  
Morrison Mahoney LLP  
10 Weybosset Street, Suite 900  
Providence, RI 02903

City of Providence, Tax Collector  
25 Dorrance Street  
Providence, RI 02903

National Grid Accounts Processing  
P. O. Box 960  
Northboro, MA 01532-0960

Eli Schwartz  
Seventy One Richmond, LLC  
118 Governor Street  
Providence, RI 02906

City of Providence Water Supply Board  
125 Dupont Drive  
Providence, RI 02907

Providence City Hall  
Clerk's Office  
25 Dorrance Street  
Providence, RI 02903

John J. Garrahy, Esq.  
John J. Garrahy Law, LLC  
2088 Broad Street  
Cranston, Rhode Island 02905

City of Providence Zoning Department  
25 Dorrance Street  
Providence, RI 02903

Providence Fire Department  
325 Washington Street  
Providence, RI 02903

Peter Garvey, Esq.  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903

City of Providence Zoning and Code  
Enforcement  
25 Dorrance Street  
Providence, RI 02903

Providence Police Department  
325 Washington Street  
Providence, RI 02903

George P. Microulis, Esq  
Gianfrancesco & Friedemann, LLP  
214 Broadway  
Providence, RI 02903

Heath S. Comley Law Office  
1 Ship Street  
Providence, RI 02903

Beacon Mutual Insurance  
P.O. Box 416142  
Boston, MA 02241-6142

Kate Fay  
314 Middle Road  
Portsmouth, RI 02871

Prime Storage  
54 Narragansett Ave  
Providence, RI 029071

Anthony Buglio, Esq.  
Marasco & Nesselbush, LLP  
685 Westminster Street  
Providence, RI 02903

CoxCom, LLC d/b/a Cox Communications  
New England  
Attn: MDU Department  
70 Comstock Parkway  
Cranston, RI 02921

Gregory A. Carrara, Esq.  
Carrara Dayian P.C.  
Three Regency Plaza  
Providence, RI 02903

CoxCom, LLC d/b/a Cox Communications  
New England  
Attn: MDU Department  
9 J.P. Murphy Highway  
West Warwick, RI 02893

Douglas Price, Esq.  
Morrison Mahoney LLP  
10 Weybosset Street  
Providence, RI 02903

Donellon, Orcutt, Patch & Stallard PC  
P.O. Box 350  
Taunton, MA 02780

Kurt A. Rocha  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903

SEVENTY ONE RICHMOND, LLC  
118 GOVERNOR STREET  
PROVIDENCE, RI 02906

Timothy J. Dodd, Esq.  
215 Broadway  
Providence, RI 02903

Beacon Mutual Insurance Company  
P.O. Box 416142  
Boston, MA 02241-6142

Kelsey D. Peck, Esq.  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903

Pat Eason, Esq  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903

Alert Security RI  
1655 Elmwood Ave  
Cranston, RI 02910