

Sent by

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U.S. DISTRICT COURT

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UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF NEW JERSEY

GECCO LIMITED,	Civil Action No. 86-4074
Plaintiff,	ORDER GRANTING PRELIMINARY
vs.	INJUNCTION AND IMPOUNDING
HAN YANG CORPORATION,	CERTAIN FUNDS
Defendant.	

Petitioner, Gecco Limited ("Gecco") having filed an Order to Show Cause for Preliminary Injunction, together with a memorandum of law, supporting affidavits and the deposition testimony of Yoon S. Choi, an employee and/or agent of Han Yang Corporation of America and/or Han Yang Corporation and the Court having considered this testimony as well as the memorandum of law and affidavits filed in opposition thereto by Dunn & Zuckerman, attorneys for Han Yang Corporation of America ("HYCA"), and the Court having considered these papers together

with oral argument made on the 27th day of October, 1986 by Dennis J. O'Grady, Esq., Riker, Danzig, Scherer, Hyland & Perretti, and Richard S. Last, Esq., Dunn & Zuckerman; and it appearing from all the papers that HCA recently closed a bank account in the approximate amount of \$69,000 and deposited the proceeds thereof in its safe, located at 2050 Center Avenue, Fort Lee, New Jersey; and it appearing that HCA may have transferred and may continue to transfer cash and negotiable instruments out of this safe in derogation of Gosco's rights, and in contravention to an understanding between the parties of October 24, 1986; and it further appearing that there is a bank account in the name of Han Yang Corporation over which HCA asserts control at the First National Bank of Fort Lee which contained, as of September 30, 1986, approximately \$4,499.00; and it further appearing that HCA may be acting in active concert and participation with Han Yang Corporation in liquidating and disposing of assets, in derogation of the rights of Gosco; and it further appearing that Gosco has a reasonable probability of success in having its foreign arbitration award against Han Yang Corporation confirmed pursuant to 9 U.S.C. §207 thereby entitling it to levy upon assets of or attributable to said defendant; and it further appearing that the aforesaid liquidation and disposition of assets will cause Gosco to suffer irreparable harm pending final judgment herein; and it further appearing that the relationship between HCA and Han Yang Corporation may be such

that this Court may "pierce the corporate veil"; and for reasons expressed in this Court's bench opinion of October 27, 1986 and other good cause shown,

IT IS, on this 29th day of October, 1986, ORDERED:

(1) that Han Yang Corporation as well as Han Yang Corporation of America, and all others encompassed within the terms of Fed.R.Civ.P. 65(d), be and the same hereby are PRELIMINARILY ENJOINED, from making any payments or expenditures of funds or from conveying or transferring any assets of the corporations, other than in the ordinary course of business, or from secreting any assets beyond the jurisdiction of this Court;

(2) that any cash, negotiable instruments, securities, or other assets present in Han Yang Corporation of America's safe at 2030 Center Avenue, Fort Lee, New Jersey, be and the same hereby are IMPOUNDED and that absolutely no expenditures or transfers may be made from the cash, negotiable instruments, or securities present within said safe as of Monday, October 27, 1986, at about 4:30 p.m., and

(3) that the bank account in the name of Han Yang Corporation, located at the First National Bank of Fort Lee, which as of September 30, 1986, had an approximate balance of approximately \$4,499 be and hereby is IMPOUNDED, and no expenditures whatsoever may be made from this account;

(4) that Mr. Choi as well as the attorneys for petitioner and Han Yang Corporation of America be present at the offices of Han Yang Corporation of America, 2030 Center Avenue, Fort Lee, New Jersey at ten o'clock a.m. on Wednesday, October 29, 1986,

together with a certified Court Reporter, and that Mr. Choi provide an inventory of the contents of Han Yang Corporation of America's safe on that date to be made a part of the record in this proceeding; and it is further

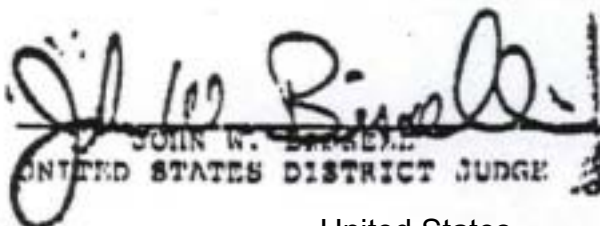
ORDERED THAT NOTWITHSTANDING the above IMPOUNDMENT of the cash, negotiable instruments, or securities within Han Yang Corporation of America's safe and the funds in the account at the First National Bank of Fort Lee, upon two (2) days' notice to plaintiff Gesco, Han Yang Corporation or Han Yang Corporation of America may appear before this Court, requesting an Order lifting said IMPOUNDMENT, after establishing that there is an urgent and compelling need therefor and it is further

ORDERED that Han Yang Corporation of America's motions for dismissal, transfer and relief under Fed.R.Civ.P. 11 be and hereby are denied; and it is further

ORDERED that the preliminary injunction hereby imposed expires on the 17th of November, 1986, at five o'clock p.m., unless extended by further Order of this Court; and it is further

ORDERED that plaintiff post security pursuant to the requirements of Fed.R.Civ.P. 65(c) in the form of either cash or a bond secured by good and sufficient sureties in the sum of \$2,500; and it is further

ORDERED that a copy of this Order be served upon Han Yang Corporation, Han Yang Corporation of America, and the First National Bank of Fort Lee within three (3) days from the date of this Order.


JOHN W. BERGE
UNITED STATES DISTRICT JUDGE