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6 IN THE UNITED STATES BANKRUPTCY COURT
7 FOR THE DISTRICT OF ARIZONA

8 In re

9 MORTGAGES LTD.,

10 Debtor.

Chapter 11

Case No. 2:08-bk-07465-RJH

**MOTION FOR EXPEDITED HEARING ON
ML MANAGER'S EMERGENCY MOTION
FOR ORDER CONCERNING REMOVAL OF
BOARD MEMBER**

14 ML Manager LLC ("ML Manager") requests that the Court enter an order setting a
15 hearing on an accelerated basis to hear ML Manager's Emergency Motion for Order
16 Concerning Removal of Board Member, simultaneously filed herewith. More
17 particularly, ML Manager requests in its Motion that the Court take note of the obvious
18 conflict of interest of William Hawkins and act on its own inherent power, and pursuant to
19 Section 105 of the Code, to remove Mr. Hawkins from the Board of ML Manager. ML
20 Manager requests alternatively and/or additionally (in order to avoid this issue in the
21 future) that the Court issue a finding that Section 2.1 of the Operating Agreement grants
22 the Board the authority to remove Mr. Hawkins (or any other Board Member not
23 complying with his fiduciary duties). Either way, the Court has authority to remove Mr.
24 Hawkins in aid of the implementation of the Plan and its Orders.

25 An emergency exists for the consideration and determination of ML Manager's
26 Motion. The actions, threats and conflicts of interest of Mr. Hawkins obstruct the

1 operations of the Board of ML Manager. His actions also have a chilling effect on the
2 negotiations with borrowers and purchasers, and his position as a Board Member needs to
3 be resolved as quickly as possible to permit ML Manager to function effectively and
4 efficiently. The parties are already 5 months into the implementation of the Plan and time
5 is of the essence in negotiating workouts, proceeding with deed of trust sales and selling
6 notes or property so as to return money to investors who have not been paid in almost a
7 year.

8 It is imperative that ML Manager have a functional Board; one without conflicts
9 and dissention. This is a critical ingredient to accomplish its purpose and the results
10 contemplated by the Plan this Court approved.

11 ML Manager requests that this Motion be set for hearing the first week of
12 December on shortened notice on an emergency basis.

13 DATED: November 25, 2009

14 FENNEMORE CRAIG, P.C.

15 By /s/ Cathy L. Reece
16 Cathy L. Reece
17 Keith L. Hendricks
Attorneys for ML Manager LLC

18 COPY of the foregoing emailed
19 to the parties on the Service List.

20 /s/ Gidget Kelsey-Bacon

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