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9 SMART ELECTRONICS AND ASSEMBLY, INC.

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER
SEP 30 2003
ALAN SLATER, Clerk of the Court
MacLett
BY M. LETT

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF ORANGE - CENTRAL JUSTICE CENTER
12 UNLIMITED JURISDICTION

13 LEE PYSDEN, an individual,

14 Plaintiff,

15 vs.

16 SMART ELECTRONICS AND ASSEMBLY,
17 INC., a California corporation,
18 and DOES 1 through 20,
19 inclusive,

20 Defendants.

CASE NO. 02 CC 16504

[Assigned to Judge Johnston,
Dept C-29]

**[PROPOSED] ORDER GRANTING
SUMMARY JUDGMENT**

DATE: Sept. 12, 2003
TIME: 9:00 a.m.
DEPT: C-29

21 The motion for summary judgment came on regularly for a hearing on
22 September 12, 2003, at 9:00 a.m., in Department C29 of the above
23 entitled Court, the Hon. Gerald G. Johnston, Judge presiding. The
24 matter was argued at said time and then taken under submission. The
25 Court hereby issues its final ruling and Order.

26 Mark H. Cheung of Wu & Cheung, LLP appeared on behalf of the moving
27 party, defendant Smart Electronics and Assembly, Inc.

28 Donald R. Price of Price, Crooke & Gary appeared on behalf of
responding party, plaintiff Lee Pysden.

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- 1 -

1 Upon reviewing the moving and opposing papers including the
2 separate statements of each party, after considering argument of
3 counsel, and otherwise being advised in the premises, the Court finds
4 that there is no triable issue of material fact in this action and that
5 the moving party defendant is entitled to summary judgment as a matter
6 of law for the following reasons:

7 1. Defendant Smart Electronics and Assembly, Inc. is a California
8 corporation, and not a closed corporation. [Separate Statement Fact
9 Nos. 1 & 2. Defendant's Exhibits 1 & 2. Plaintiff did not dispute.]

10 2. Plaintiff Lee Pysden holds 20,000 shares out of the 310,000
11 shares of issued and outstanding common stock of defendant Smart
12 Electronics and Assembly, Inc. [Separate Statement Fact No. 4. Shou-
13 Lee Wang decl. ¶ 6. Plaintiff did not dispute.]

14 3. Plaintiff Lee Pysden and four particular shareholders in
15 defendant Smart Electronics and Assembly, Inc. have the following share
16 holdings:

James Wang	50,000 shares
Foo Tai Wun	50,000 shares
Ron Lin	50,000 shares
Rita Tso	30,000 shares
Lee Pysden	20,000 shares
TOTAL:	200,000 shares

23 [Separate Statement Fact No. 7. Shou-Lee-Wang decl. ¶ 6. Plaintiff did
24 not dispute.]

25 4. Plaintiff Lee Pysden failed to demonstrate any facts with his
26 interrogatory answers and declarations that shareholders James Wang, Foo
27 Tai Wun, Ron Lin and Rita Tso personally participated in any of the
28 enumerated acts of misconduct identified in Corporations Code §

1 1800(b)(4). [Defendant's Exhibits 10, 11, 12, 13, & 14. Lee Pysden's
2 opposing declaration.]

3 5. Plaintiff Lee Pysden failed to demonstrate legal authority to
4 support his proposition that the failure to object or acquiescence by
5 James Wang, Foo-Tai Wun, Ron Lin and Rita-Tso amounted to personal
6 participation under Corporations Code § 1800(a)(2).

7 6. As identified in Paragraph 3 above, plaintiff Lee Pysden holds
8 less than 33⅓% of the total number of outstanding shares owned by
9 persons who did not personally participate in any of the alleged
10 transactions enumerated in Corporations Code § 1800(b)(4), relative to
11 the shareholdings of James Wang, Foo Tai Wun, Ron Lin and Rita Tso.
12 [Separate Statement Fact No. 7. Shou-Lee Wang decl. ¶ 6.]

13 As a result of the above findings, plaintiff Lee Pysden does not
14 own sufficient shares of common stock in defendant Smart Electronics and
15 Assembly, Inc. to entitle him to dissolution relief under Corporations
16 Code § 1800.

17 IT IS THEREFORE ORDERED that said motion for summary judgment is
18 GRANTED and that Judgment shall be entered forthwith in favor of
19 defendant Smart Electronics and Assembly, Inc. and against plaintiff Lee
20 Pysden.

21 Defendant Smart Electronics and Assembly, Inc. is the prevailing
22 party entitled to costs.

23 IT IS SO ORDERED.

24
25 Dated: **SEP 30 2003**

GERALD JOHNSTON

Hon. Gerald G. Johnston
Judge of the Superior Court

PROOF SERVICE

1013A(3) CCP Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action; my business address is 7700 Irvine Center Drive, Suite 710, Irvine, CA 92618-3043.

On September 15, 2003, I served the foregoing document(s) described as:

[PROPOSED] ORDER GRANTING SUMMARY JUDGMENT

on all interested parties in this action

☐ by placing true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list:

☒ by placing ☐ the original ☒ a true copy thereof enclosed in sealed envelopes addressed as follows:

Donald R. Price, Esq.
Price, Crooke & Gary
10 Corporate Park, Suite 300
Irvine, CA 92606

☒ BY MAIL

☐ I deposited such envelope in the mail at Irvine, California.

The envelope was mailed with postage thereon fully prepaid.

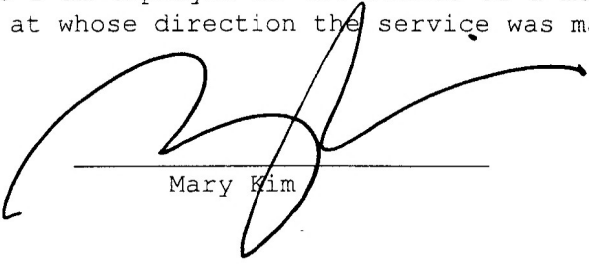
☒ As follows: I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Irvine, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Executed on September 15, 2003, at Irvine, California.

☐ [BY PERSONAL SERVICE] I delivered such envelope by hand to the offices of the addressee. (C.C.P. 1011)

☒ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.



Mary Kim