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M 052059Z  
FM CINCPACFLT  
TO CNO  
INFO COMNAVMARIANAS

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CNO 021950Z X ALFA X PRIMARY PURPOSE OF LITIGATION HAS BEEN TO JUDICIALLY ESTABLISH THAT MICRO BREACHED CONTRACT WHEREBY PLAINTIFF WAS JUSTIFIED IN TERMINATING RELATIONSHIP BETWEEN PLAINTIFF AND DEFENDANT AND AT THE SAME TIME TO MAKE A REALISTIC DETERMINATION AS TO HOW MUCH DEFENDANT INDEBTED TO PLAINTIFF AS A RESULT OF THEIR CONTRACTUAL RELATIONS X THE PROPOSED CONSENT JUDGMENT BY ITS VERY TERMINOLOGY WOULD LIMIT THE AMOUNT OF JUDGMENT TO WHATEVER COULD BE REALIZED BY THE LIQUIDATION OF ASSETS BELONGING TO DEFENDANT X IN THE SUITS FOR MERCHANDISE AND LABOR IT WAS ALSO DESIRED TO JUDICIALLY ESTABLISH A LIABILITY AND THE AMOUNT THEREOF X WITH THREE CLASSES OF CLAIMS PENDING IT IS NOT UNDERSTOOD HOW THE RESPECTIVE AMOUNTS OF INDEBTEDNESS UNDER EACH IS SUSCEPTIBLE OF DETERMINATION WHEN INDIVIDUALLY CONDITIONED UPON THE SPECIFIC AMOUNT WHICH IS REALIZED FROM THE SALE OF ASSETS X ASSUMING THAT SOME PRO-RATA APPLICATION OF ASSETS IS ENVISAGED THE NET EFFECT OF THE CONSENT JUDGMENTS IS TO LIMIT THE INDEBTEDNESS OF THE DEFENDANT TO WHATEVER SUM MIGHT BE REALIZED UPON THE LIQUIDATION OF THE DEFENDANT'S ASSETS X A COMPROMISE SETTLEMENT WOULD PROVIDE A MUCH SIMPLER EXPEDIENT IF IT INTENDED TO EXONERATE THE DEFENDANT OF ANY LIABILITY BEYOND THE RECEIPTS

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REALIZED FROM A LIQUIDATION OF ITS ASSETS X THE REAL GAIN WOULD BE TO  
ESTABLISH A JUDICIAL RECORD WHICH MIGHT SERVE TO DETER OTHER UNSUSPECTING  
GOVERNMENTAL AGENCIES FROM ENTERING INTO CONTRACTUAL RELATIONS WITH  
THE IRRESPONSIBLE PERSONS ASSOCIATED WITH MICRO X BRAVO X NOT AWARE OF  
PROCESS BY WHICH ANY JUDGMENT AGAINST CORPORATION WHETHER ENTERED UPON  
DEFAULT OR CONSENT CAN BE EXECUTED AGAINST INDIVIDUALS UNLESS THESE  
INDIVIDUALS BY THEIR ACTS HAVE INCURRED PERSONAL LIABILITY X WE HAVE  
ADVOCATED THE PRESERVATION OF ANY DEFICIENCY JUDGMENT SO AS TO  
MEET WHATEVER CONTINGENCIES MIGHT DEVELOP X CHARLIE X ALTHOUGH NOT  
AN ALTERNATIVE CMM USUAL PROCEDURE UPON ENTRY OF JUDGMENT OF ANY KIND  
IS TO SEEK SATISFACTION OF JUDGMENT BY LIQUIDATION OF ASSETS X  
DEFICIENCY SIMPLY REMAINS AS BALANCE OF JUDGMENT WHICH IS UNSATISFIED  
X DELTA X IF ANY ASSETS SHOULD BE LOCATED IN TRUST TERRITORY OR  
ELSEWHERE CMM UNSATISFIED JUDGMENTS COULD BE IMPRESSED UPON THEM X  
IT IS ALSO CONSIDERED POSSIBLE THAT INTERNAL REVENUE OR SOME OTHER  
GOVERNMENTAL AGENCY MIGHT DETERMINE THAT OTHER ASSETS CMM  
UNKNOWN TO US CMM MAY IN FACT EXIST X WE FEEL THAT DEFENDANT HAS BEEN  
SO ANXIOUS TO OBTAIN A RECEIPT IN FULL THAT THERE MUST BE SOME REASON  
CMM ALSO UNKNOWN TO US CMM FOR SUCH ACTION X PARA X WHAT IS  
OBJECTION TO NORMAL COURSE OF LIQUIDATION WHETHER DEFENDANT  
DEFAULTS OR DEFENDS

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