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IN THE CIRCUIT COURT FOR THE STATE OF OREGON  
FOR THE COUNTY OF LANE

In re Judicial Dissolution of  
**Zadeh Kicks LLC dba Zadeh Kicks,**  
Petitioner.

Case No.  
**PETITION FOR VOLUNTARY  
DISSOLUTION UNDER COURT  
SUPERVISION AND APPOINTMENT  
OF RECEIVER**  
**(Expedited Consideration Requested)**  
Pursuant to ORS 63.661, 63.637(3), ORS  
63.664(3), and ORS 37.060  
Fee Authority: ORS 21.135(1)  
**Not Subject to Mandatory Arbitration**

The Petitioner as captioned above, an Oregon limited liability company, through Michael Malekzadeh (“Malekzadeh”), an Oregon resident and the sole member, managing member, or person with authority and control of Petitioner (together, the “Petitioner”), petition this Court for the judicial dissolution of Zadeh Kicks – under ORS 63.661 and 63.637(3) – and appointment of a receiver based on ORS 63.664(3), ORS 37.060(1), and this Court’s equitable powers, and as provided under ORCP 80. Petitioner further petitions for the immediate appointment of an independent receiver to continue Petitioner’s voluntary dissolution under the supervision of this Court for the benefit of Petitioner’s customers, creditors, or investors within and outside the State of Oregon.

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1 **PETITIONER ZADEH KICKS**

2 1.

3 Zadeh Kicks LLC (“Zadeh Kicks”) is a premium brand sneaker resale company that was  
4 formed as an Oregon limited liability company on or about May 29, 2013, registered as Secretary  
5 of State No. 940512-90.

6 2.

7 Pursuant to ORS 63.664, venue is proper in Lane County, among other reasons, insofar  
8 Zadeh Kicks’ principal place of business is located at 710 Commercial Street, Suite 3, Eugene,  
9 Oregon 97402. Malekzadeh is Zadeh Kicks’ sole member, managing member, and registered  
10 agent.

11 3.

12 Zadeh Kicks has multiple bank accounts, and assets primarily in the form of inventory  
13 located in multiple warehouses in Eugene, Oregon. It holds leases on those same warehouses  
14 located in Eugene, Oregon but otherwise does not hold any real property.

15 **OVERVIEW OF ZADEH KICKS**

16 4.

17 Zadeh Kicks was formed as a premium brand sneaker resale company in 2013.

18 5.

19 During the period of approximately January 2020 to May 2022, Zadeh Kicks experienced  
20 exponential growth in business. Most of this growth was the result of pre-sales of yet to be released  
21 sneakers.

22 6.

23 Zadeh Kicks was unable to keep up with this growth. By way of example and not limitation,  
24 Zadeh Kicks’ internal systems and processes were inadequate to maintain fulfillment at these  
25 levels. As a result, Zadeh Kicks’ present liabilities exceed its present assets, *e.g.*, Zadeh Kicks is  
26 insolvent. According to preliminary estimates, the company’s liabilities now outweigh its assets

1 exceeding millions of dollars.

2 7.

3 On or about April 29, 2022, Zadeh Kicks stopped taking new orders.

4 8.

5 Zadeh Kicks is pursuing voluntary, judicial dissolution and seeking the Court's assistance  
6 with and oversight of same.

7 **LEGAL AUTHORITY FOR JUDICIAL DISSOLUTION & RECEIVERSHIP**

8 9.

9 ORS 63.661 provides that circuit courts have the power to judicially dissolve an LLC when  
10 a member demonstrates to the Court, as here, that is it not reasonably practicable to carry on the  
11 business in conformity with its articles or operating agreement:

12 (1) A circuit court may dissolve a limited liability company:

13 \*\*\*

14 (b) In a proceeding by or for a member if the court finds that it is not  
15 reasonably practicable to carry on the business of the limited liability  
16 company in conformance with the articles of organization or any  
17 operating agreement.

18 (c) In a proceeding by the limited liability company to have the limited  
19 liability company's voluntary dissolution continued under court  
20 supervision.

21 ORS 63.661(1).

22 10.

23 Additionally, Oregon circuit courts may wind up an LLC's affairs "for cause" shown by a  
24 partner or member. ORS 63.637(3) provides that "the circuit court, upon cause shown, may wind  
25 up the limited liability company's affairs upon application of any member or the member's legal  
26 representative or assignee."

11.

A receiver is a person appointed by a circuit court, or judge thereof, to take charge of  
property, and to manage and dispose of it as the court may direct. ORCP 80A. The Oregon

1 Revised Statutes specifically authorize the court’s appointment of a receiver in the judicial  
2 dissolution of a limited liability company:

3 A court in a proceeding brought to judicially dissolve a limited liability company  
4 may issue injunctions, appoint a receiver or a custodian with all powers and duties  
5 the court directs, and take other action required to preserve or liquidate the limited  
6 liability company’s assets wherever located or carry on the business of the limited  
7 liability company.

8 ORS 63.664(3) (Emphasis supplied).

9 12.

10 Additionally, Oregon circuit courts may appoint a receiver when an LLC is insolvent and  
11 the receivership is necessary to protect the interests of the entity’s creditors and third-parties:

12 (1) A court may appoint a receiver in the following cases, upon motion by any  
13 person or upon its own motion:

14 \*\*\*

15 (g) When an entity has been dissolved or is insolvent or in imminent danger  
16 of insolvency, if receivership is reasonably necessary to protect the  
17 property of the entity or to conserve or protect the interests of the  
18 entity’s stockholders, members, partners or creditors.

19 (h) In any situation in which the appointment of a receiver is expressly  
20 required or permitted by statute.

21 ORS 37.060(1).

22 13.

23 Finally, this Court has the equitable power to appoint a receiver – including in the corporate  
24 dissolution context. The Oregon Supreme Court case of *Grayson v. Grayson*, 222 Or. 507, 513  
25 (1960) discussed receivership law in Oregon generally and held that Oregon courts’ power to  
26 appoint a receiver is necessarily inherent. “In a proper case the power to appoint a receiver is  
necessarily inherent in a court of equity. This power is not conferred by statute, but exists  
independently of it.” *Id.* at 513 (quoting multiple Oregon Supreme Court opinions). “The  
protection and preservation of property against imminent danger of loss is one of the proper  
grounds for appointment of a receiver.” *Id.*



1 **PRAYER FOR RELIEF**

2 Wherefore, on behalf of Petitioner, Malekzadeh requests the Court dissolve Petitioner, and  
3 wind-up Petitioner’s affairs under Court supervision and appoint a receiver with all powers and  
4 duties this court directs.

5 DATED this 19<sup>th</sup> day of May, 2022.

6 SLINDE NELSON

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