

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

KELLER BENVENUTTI KIM LLP
TOBIAS S. KELLER (Cal. Bar No. 151445)
(tkeller@kbbkllp.com)
DAVID A. TAYLOR (Cal. Bar No. 247433)
(dtaylor@kbbkllp.com)
DARA L. SILVEIRA (Cal. Bar No. 274923)
(dsilveira@kbbkllp.com)
THOMAS B. RUPP (Cal. Bar No. 278041)
(trupp@kbbkllp.com)
101 Montgomery Street, Suite 1950
San Francisco, California 94104
Telephone: (415) 496-6723
Facsimile: (650) 636-9251

*Attorneys for the LFM Debtors and
Debtors in Possession*

Richard L. Wynne (Bar No. 120349)
richard.wynne@hoganlovells.com
Erin N. Brady (Bar No. 215038)
erin.brady@hoganlovells.com
Edward J. McNeilly (Bar No. 314588)
edward.mcneilly@hoganlovells.com
HOGAN LOVELLS US LLP
1999 Avenue of the Stars, Suite 1400
Los Angeles, California 90067
Telephone: (310) 785-4600
Facsimile: (310) 785-4601

Todd M. Schwartz (Bar No. 288895)
todd.schwartz@hoganlovells.com
HOGAN LOVELLS US LLP
855 Main St Suite 200
Redwood City, CA 94063
Telephone: (650) 463-4000
Facsimile: (650) 463-4199

*Attorneys for Debtor and Debtor in Possession
KS Mattson Partners, LP*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)
(Jointly Administered)
Chapter 11

**JOINT MOTION OF LFM DEBTORS
AND KSMP TO PAY COSTS
RELATED TO MEDIATION WITH
SOCOTRA CAPITAL**

In re:

KS MATTSON PARTNERS, LP,

Debtor.

Date: September 19, 2025
Time: 11:00 a.m.
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglot>

LeFever Mattson, a California corporation (“LeFever Mattson”), and certain of its affiliates (the “LFM Debtors”), together with KS Mattson Partners, LP (“KSMP,” and, together with the LFM Debtors, the “Movants”), as debtors and debtors in possession in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby move (the “Motion”) this Court, pursuant to sections 105(a) and 363(b) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for the entry of an order, substantially in the form attached hereto as **Exhibit A**, authorizing the use of property of the estates outside of the ordinary course of business to pay certain fees and expenses related to a proposed mediation among the LFM Debtors, KSMP, the official committee of unsecured creditors appointed in the Chapter 11 Cases (the “Committee”), and Socotra Capital, Inc. (“Socotra,” and, together with the LFM Debtors, KSMP, and the Committee, the “Mediating Parties”). In the alternative, the Movants request that Lee R. Bogdanoff of JAMS, Inc. be employed as a professional of the Movants’ estates pursuant to section 327(a) of the Bankruptcy Code and that the terms of Judge Bogdanoff’s retention, including his fees and expenses, be preapproved pursuant to section 328(a). In support of this Motion, the Movants submit the declarations of Lee R. Bogdanoff, Robbin L. Itkin, and Bradley D. Sharp filed concurrently herewith.

Through the Motion, the Movants seek authorization to use available funds from their respective estates to pay the fees and expenses for the services of Judge Bogdanoff. The Mediating Parties have agreed to a two-day mediation scheduled for September 24-25, with a possible third day of mediation to be mutually agreed to if necessary (the “Mediation”). The Mediating Parties have agreed to evenly split the costs of the Mediation (the “Mediation Costs”), with one third to be paid by each of (1) the LFM Debtors, (2) KSMP, and (3) Socotra. The total Mediation Costs paid by the estates of the LFM Debtors and KSMP are expected not to exceed \$18,000 in the aggregate.

MEMORANDUM OF POINTS AND AUTHORITIES

I. JURISDICTION AND VENUE

This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24

(N.D. Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

A. The Chapter 11 Cases

As described in the *Declaration of Bradley D. Sharp in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”) [Dkt. No. 5], the Chapter 11 Cases of the LFM Debtors were necessitated by, among other things, Mr. Kenneth Mattson’s purported sales of equity interests in many of the LFM Debtors to hundreds of investors through transactions that were not recorded in the books and records of LeFever Mattson or the appropriate LFM Debtor. LFM Debtor Windscape Apartments, LLC, filed its chapter 11 petition on August 6, 2024. Fifty-eight LFM Debtors, including LeFever Mattson, filed their chapter 11 petitions on September 12, 2024. LFM Debtors Pinewood Condominiums, LP, and Ponderosa Pines, LP, filed their chapter 11 petitions on October 2, 2024.

On November 22, 2024, LFM Debtors LeFever Mattson and Windtree, LP filed an involuntary chapter 11 petition against KSMP. Six months later, subsequent to an agreement between KSMP and LeFever Mattson, the Court entered the *Stipulated Order for Relief in an Involuntary Case* on June 9, 2025 [Case No. 24-10715, Dkt. No. 131] (the “KSMP Order for Relief”). KSMP is now a chapter 11 debtor in possession, and its case is now jointly administered, for procedural purposes only, with those of the LFM Debtors, pursuant to the *Stipulated Bridge Order in Connection with the Motion to Substantively Consolidate the Bankruptcy Estates of LeFever Mattson and KS Mattson Partners, LP*, entered on July 29, 2025 [Dkt. 1887]. KSMP has retained an independent responsible individual, Ms. Robbin L. Itkin, with effect from June 16, 2025, and Mr. Mattson is no longer directing or operating KSMP as of that date.

The LFM Debtors and KSMP continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The United States Trustee appointed an official committee of unsecured creditors (the “Committee”) in the LFM Debtors’ Chapter 11 Cases on October 9, 2024, [Dkt. No. 135] and amended the appointment on November 25, 2024 [Dkt. No. 368], and then again on August 26,

2025 [Dkt. No. 2104], to appoint the Committee as the official committee for KSMP. No trustee or examiner has been appointed in these Chapter 11 Cases.

On September 5, 2025, the *Joint Chapter 11 Plan of Liquidation* [Dkt. No. 2226] (the “Chapter 11 Plan”) was filed by the LFM Debtors, KSMP, and the Committee as co-proponents of the Plan. A status conference is currently set in the Chapter 11 Cases for September 19, 2025.

B. Socotra

Socotra holds deeds of trust and assignments of rents on 60 properties held by the LFM Debtors with approximately \$75 million in total loans. This represents about one-third of the LFM Debtors’ total secured debt, making Socotra the LFM Debtors’ largest secured creditor. Socotra holds deeds of trust and assignments of rents on 15 properties held by KSMP with approximately \$27.3 million in total loans. In addition, KSMP believes that it may be a borrower on certain loans of Socotra for properties that were transferred to one of the LFM Debtors, subject to a deed of trust. Substantially all the properties that serve as Socotra’s collateral were originally purchased by KSMP, an entity at the time controlled by Mr. Mattson, who was also the chief executive officer of LeFever Mattson and in control of the LFM Debtors during the relevant period. In at least two instances, it appears that Mr. Mattson used the LFM Debtors’ property to cross-collateralize KSMP properties securing the Socotra loans. The LFM Debtors have also uncovered evidence that, over the course of seven years, Mr. Mattson transferred approximately \$20 million from a LeFever Mattson bank account to Socotra—yet these payments appear to have been made for the benefit of Mr. Mattson or KSMP, not any of the LFM Debtors.

Because Socotra was the counterparty to so many apparently self-interested transactions by Mr. Mattson, the Committee has spearheaded an investigation to determine whether the LFM Debtors’ estates hold claims against Socotra (the “Committee Investigation”). The LFM Debtors have stipulated to grant the Committee standing to prosecute, mediate, and/or settle on behalf of the LFM Debtors’ estates all claims and causes of action against Socotra Capital, Inc. and certain of its affiliates, that arise under sections 544, 546, 547, 548, 549, and 550 of the Bankruptcy Code, or that arise under section 510 of the Bankruptcy Code [Dkt. Nos. 1417 and 1515], as well as those claims against co-investors with Socotra Capital in its loans secured by property of the LFM

Debtors [Dkt. Nos. 1693 and 1706]. The LFM Debtors and KSMP understand that, based on the Committee Investigation, the Committee intends to file a complaint against Socotra (the “Committee Complaint”). However, the Committee does not intend to file the Committee Complaint prior to the Mediation.

On September 5, 2025, the LFM Debtors filed the *Motion of Debtors for Sale of Certain Real Property Serving as Collateral for Socotra Capital, Inc. Free and Clear of Liens, Claims and Encumbrances and Related Relief* [Dkt. No. 2215] (the “Omnibus Sale Motion”), requesting an order, among other things, (i) approving the sale, free and clear of liens, claims, and encumbrances, of six pieces of real property owned by the LFM Debtors for which Socotra asserts liens; (ii) approving the escrow of the net sale proceeds after the payment of closing costs; and (iii) prohibiting Socotra from credit bidding for the Properties. The Omnibus Sale Motion is currently set for hearing on October 3, 2025. By agreement between the LFM Debtors and Socotra, the last day for Socotra to respond to the Omnibus Sale Motion is September 29, 2025, after the first two days of the Mediation on September 24-25.

C. The Proposed Mediation

The participants in the Mediation will be the Mediating Parties: (1) the LFM Debtors, (2) KSMP, (3) the Committee, and (4) Socotra. The Mediating Parties have agreed that there shall be an absolute mediation privilege, and all communications during the Mediation shall be confidential and protected from disclosure and shall not constitute a waiver of any existing privileges and immunities, shall not be disclosed to the Court or any third party for any reason, and shall not be used for any purpose other than Mediation. Submissions to the mediator shall not be delivered to anyone else without the consent of the submitting party. Judge Bogdanoff and the Mediating Parties may agree on additional confidentiality provisions in connection with the Mediation.

The Mediating Parties have agreed on Judge Bogdanoff to serve as the mediator and are confident that his skills and experience will be invaluable in resolving their disputes. Judge Bogdanoff brings wide experience in both federal and state courts. Before joining JAMS, he served as a superior court judge in Los Angeles County, handling estate, trust, conservatorship,

guardianship, and related civil matters; presiding over numerous trials and issuing statements of decisions and rulings that were widely circulated among judicial officers and the bar; and serving as a settlement judge. Before serving as a judicial officer, Judge Bogdanoff spent over 30 years as a leader in the areas of bankruptcy, reorganization, and commercial disputes, working on many of the largest and most complex cases at the time, including representing the Enron, Washington Mutual, and IndyMac estates in groundbreaking commercial litigation. His experience involves an array of industries, including agribusiness, construction, energy, entertainment, gaming, health care, manufacturing, real estate, telecommunications and technology.

As set forth in the Bogdanoff Declaration, Judge Bogdanoff does not hold or represent an interest adverse to any of the Movants' estates, and he is a disinterested person as such term is defined under Section 101(14) of the Bankruptcy Code.

Judge Bogdanoff shall charge for his services relating to the Mediation in accordance with his standard daily rate of \$9,000 per day. The costs and expenses incurred by Judge Bogdanoff shall be paid in equal thirds by Socotra, the LFM Debtors, and KSMP. The LFM Debtors and KSMP shall pay Judge Bogdanoff \$6,000 each for the first two days of mediation. The LFM Debtors and KSMP shall pay Judge Bogdanoff \$3,000 each for the third day of Mediation should the Mediating Parties agree to it.

The scope of the Mediation remains subject to the final agreement of Judge Bogdanoff and Mediating Parties; however, it is the Movants' intent to address and resolve as many as possible of the numerous issues concerning Socotra in the Chapter 11 Cases.

III. RELIEF REQUESTED

The Movants request, pursuant to sections 363(b) and 105(a) of the Bankruptcy Code, that they be authorized each to pay their one-third portions of the Mediation Costs from their respective estates.

Alternatively, the Movants request, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, that Judge Bogdanoff be employed as a professional person for their respective estates and that the terms of such employment (including the Mediation Costs) be preapproved.

1 **IV. AUTHORITY FOR RELIEF REQUESTED**

2 **A. Payment of the Mediation Costs is within the Movants' Reasonable Business**
 3 **Judgment.**

4 Section 363 of the Bankruptcy Code provides, in relevant part, that a debtor in possession,
 5 "after notice and a hearing, may use, sell or lease, other than in the ordinary course of business,
 6 property of the estate." 11 U.S.C. § 363(b). Under applicable case law in this and other Circuits,
 7 if a debtor's proposed use of its assets pursuant to section 363(b) of the Bankruptcy Code
 8 represents reasonable business judgment on the part of the debtor, such use should be approved.
 9 *See, e.g., Walter v. Sunwest Bank (In re Walter)*, 83 B.R. 14, 17 (B.A.P. 9th Cir. 1988) ("The
 10 bankruptcy court has considerable discretion in deciding whether to approve or disapprove the use
 11 of estate property by a debtor in possession, in the light of sound business justification."); *In re*
 12 *240 North Brand Partners*, 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996) (citing *In re Lionel Corp.*,
 13 722 F.2d 1063, 1070 (2d Cir. 1983)).

14 Additionally, section 105(a) of the Bankruptcy Code, which codifies a bankruptcy court's
 15 inherent equitable powers to "issue any order, process, or judgment that is necessary or appropriate
 16 to carry out the provisions in this title," provides this Court with the power to grant the relief
 17 requested herein. *See also United States v. Energy Resources Co.*, 495 U.S. 545, 549 (1990);
 18 *Rosson v. Fitzgerald (In re Rosson)*, 545 F.3d 764 (9th Cir. 2008); *Martin v. United States (In re*
 19 *Martin)*, 150 B.R. 43, 47 (Bankr. S.D. Cal. 1993) (noting the Court's "broad" powers under Section
 20 105).

21 The decision to employ the services of Judge Bogdanoff should be authorized because it
 22 reflects the sound exercise of the business judgment of both the LFM Debtors and KSMP. Judge
 23 Bogdanoff is capable and experienced, in particular with bankruptcy issues. Resolving the
 24 disputes between Socotra and the other Mediating Parties will be a tremendous milestone in the
 25 Chapter 11 Cases, and it will pave the way for confirmation of the Plan. The Mediation Costs are
 26 very reasonable considering the potential upside to the Movants' estates in avoided litigation costs.

B. Alternatively, Employment of Judge Bogdanoff by the Movants' Estates is Reasonable and Necessary, and Approval of the Terms of Such Employment, Including the Mediations Costs, is Justified.

The Movants believe that a neutral mediator, with costs to be shared by an adverse non-debtor party, is not a "professional person" required to be employed "to represent or assist the [debtor in possession] in carrying out [its] duties." 11 U.S.C. § 327(a). However, the Movants recognize that the issue is subject to competing views. *See In re Smith*, 529 B.R. 689, 694 (S.D. Tex. 2015). Therefore, the Movants alternatively request that the Motion be granted pursuant to sections 327(a) and 328(a) of the Bankruptcy Code. Section 327(a) authorizes a debtor in possession to employ professionals that "do not hold or represent an interest adverse to the estate, and that are disinterested persons." 11 U.S.C. § 327(a). As stated herein and in the Bogdanoff Declaration, Judge Bogdanoff meets these requirements.

In addition, the Movants seek approval of the terms of Judge Bogdanoff's employment, including its fee structure (*i.e.*, the Mediation Costs), pursuant to section 328(a) of the Bankruptcy Code. Section 328(a) provides, in relevant part, that a debtor in possession "with the court's approval, may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a).

The Movants believe that Judge Bogdanoff's fee structure is fair and reasonable in light of the type of services being provided and compares favorably with the fee structures generally offered by neutrals of similar stature for comparable engagements. In addition, given the numerous issues Judge Bogdanoff may need to resolve regarding the disputes concerning Socotra, the Movants believe that the Mediation Costs are fair and reasonable. Finally, the Movants request that, due to the comparatively small amount of the Mediation Costs and the well-defined and understood services to be provided by Judge Bogdanoff, that the Movants be authorized to each pay their one-third portions of the Mediation Costs immediately upon the granting of this Motion and that neither Judge Bogdanoff nor the Movants be required to file further fee applications with respect to the Mediation Costs.

V. RESERVATION OF RIGHTS

Nothing contained herein is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Movants or any collateral, (ii) a waiver of the Movants' or any appropriate party in interest's rights to dispute any claim or any collateral, or (iii) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code.

VI. REQUEST FOR WAIVER OF STAY AND MODIFIED NOTICE

At the August 26, 2025 hearing in these Chapter 11 Cases, the Court directed that time for notice of this motion be shortened such that it would be heard on September 19, 2025, provided that it was filed by September 10, 2025. By this Motion, the Movants seek (i) a modification of the notice requirement of Bankruptcy Rule 6004(a), and (ii) a waiver of any stay of the effectiveness of an order granting this Motion pursuant to Bankruptcy Rule 6004(h). Postponement of payment of the Mediation Costs may delay the Mediation and potential resolution of the Omnibus Sale Motion and other critical issues in these Chapter 11 Cases. The notice provided herein is reasonably calculated to provide the Movants' key creditors and parties in interest with notice of the relief requested. Accordingly, the Movants submit that ample cause exists to justify (i) a waiver of the notice requirement of Bankruptcy Rule 6004(a) and (ii) a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent that either rule applies.

VII. NOTICE

Notice of this Motion will be provided to (i) the United States Trustee; (ii) the Committee; (iii) Serene Investment Management, LLC, the DIP Lender; and (iv) those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule 2002. Based on the nature of the relief requested herein, the Movants respectfully submit that no further notice is required.

1 **WHEREFORE**, the Movants respectfully request that the Court enter an order,
2 substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein.

3
4 Dated: September 10, 2025

KELLER BENVENUTTI KIM LLP

5
6 By: /s/ Thomas B. Rupp

7 Thomas B. Rupp

8 *Attorneys for the LFM Debtors and*
9 *Debtors in Possession*

HOGAN LOVELLS US LLP

10
11 By: /s/ Richard L. Wynne

12 Richard L. Wynne

13 *Attorneys for Debtor and Debtor in*
14 *Possession KS Mattson Partners, LP*

15
16
17
18
19
20
21
22
23
24
25
26
27
28
KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit A
(Proposed Order)

KELLER BENVENUTTI KIM LLP
TOBIAS S. KELLER (Cal. Bar No. 151445)
(tkeller@kbbkllp.com)
DAVID A. TAYLOR (Cal. Bar No. 247433)
(dtaylor@kbbkllp.com)
DARA L. SILVEIRA (Cal. Bar No. 274923)
(dsilveira@kbbkllp.com)
THOMAS B. RUPP (Cal. Bar No. 278041)
(trupp@kbbkllp.com)
101 Montgomery Street, Suite 1950
San Francisco, California 94104
Telephone: (415) 496-6723
Facsimile: (650) 636-9251

*Attorneys for the LFM Debtors and
Debtors in Possession*

Richard L. Wynne (Bar No. 120349)
richard.wynne@hoganlovells.com
Erin N. Brady (Bar No. 215038)
erin.brady@hoganlovells.com
Edward J. McNeilly (Bar No. 314588)
edward.mcneilly@hoganlovells.com
HOGAN LOVELLS US LLP
1999 Avenue of the Stars, Suite 1400
Los Angeles, California 90067
Telephone: (310) 785-4600
Facsimile: (310) 785-4601

Todd M. Schwartz (Bar No. 288895)
todd.schwartz@hoganlovells.com
HOGAN LOVELLS US LLP
855 Main St Suite 200
Redwood City, CA 94063
Telephone: (650) 463-4000
Facsimile: (650) 463-4199

*Attorneys for Debtor and Debtor in
Possession KS Mattson Partners, LP*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)
(Jointly Administered)
Chapter 11

**[PROPOSED] ORDER
AUTHORIZING LFM DEBTORS AND
KSMP TO PAY COSTS RELATED TO
MEDIATION WITH SOCOTRA
CAPITAL**

In re:

KS MATTSON PARTNERS, LP,

Debtor.

Date: September 19, 2025

Time: 11:00 a.m.

Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

Upon consideration of the *Joint Motion of LFM Debtors and KSMP to Pay Costs Related to Mediation with Socotra Capital* (the “Motion”),² filed by the LFM Debtors and KSMP; the Court having reviewed the Motion, the Bogdanoff Declaration, the Itkin Declaration, and the Sharp Declaration, and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the “Hearing”); and the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the LFM Debtors and KSMP, their estates, and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The LFM Debtors and KSMP are authorized to each pay their one-third portions of the Mediation Costs pursuant to 11 U.S.C. §§ 105(a) and 363(b).
3. *[in the alternative]* The LFM Debtors and KSMP are authorized to employ Judge Bogdanoff pursuant to 11 U.S.C. § 327(a).
4. *[in the alternative]* The terms of Judge Bogdanoff’s retention, including the Mediation Costs, are approved pursuant to 11 U.S.C. § 328(a), and the LFM Debtors and KSMP are authorized to each pay their one-third portions of the Mediation Costs to Judge Bogdanoff without further order of the Court.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

1 5. This Court shall retain jurisdiction to hear and determine all matters arising from
2 or related to the implementation, interpretation, or enforcement of this Order.

3 ** END OF ORDER **
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104