

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:

NEIGHBORS LEGACY HOLDINGS, INC., *et al*,

Debtors.¹

Chapter 11

Case No. 18-33836 (MI)

(Jointly Administered)

**STIPULATION AND AGREED ORDER BY AND BETWEEN THE UNSECURED
CREDITOR TRUSTEE AND SPRING GULCH, LLC**

(Related Docket Nos. 1159 and 1171)

Mark Shapiro, the trustee of the Unsecured Creditor Trust (the “**Unsecured Creditor Trustee**”) and Spring Gulch, LLC (“**Spring Gulch**”, and together with the Unsecured Creditor Trustee, the “**Parties**”), hereby enter into this Stipulation (the “**Stipulation**”, pursuant to which the parties hereby stipulate and agree as follows:

WHEREAS, on July 12 and 23, 2018, Neighbors Legacy Holdings, Inc. and certain of its affiliates and subsidiaries (collectively, the “**Debtors**”) each commenced a case by filing a petition for relief under Chapter 11 of the Bankruptcy Code;

WHEREAS, on November 14, 2018, Spring Gulch filed thirty-eight proofs of claim, as Claim Nos. 443, 44, 489, 509, 525, 536, 581, 584, 586-596, 598-601, 603-605, and 607-620 (collectively, the “**Spring Gulch Claims**”);

¹ Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at www.kccllc.net/neighbors. The location of Debtors’ principal place of business and the Debtors’ service address was: 10800 Richmond Avenue, Houston, Texas 77042.



WHEREAS, on June 11, 2020, the Court entered the *Order Sustaining Unsecured Creditor Trustee's Third Omnibus Objection to Claims Pursuant to Section 502(b) of the Bankruptcy Code and Rule 3007 of the Federal Rules of Bankruptcy Procedure Seeking to Disallow and Expunge Certain Claims (Duplicate Claims)* [Docket No. 1087], which *inter alia*, disallowed all of the Spring Gulch Claims, except for Claim No. 525 (“**Claim No. 525**”);

WHEREAS, on December 31, 2020, the Unsecured Creditor Trustee filed the *Unsecured Creditor Trustee's Objection to Proof of Claim No. 525, Filed by Spring Gulch, LLC* (the “**Claim Objection**”); and

WHEREAS, on February 8, 2021, the Court entered that certain Order For Hearing [Docket No. 1171], which, *inter alia*, sustained the Claim Objection, in part, and set a hearing on the remaining portion of Claim No. 525 on March 8, 2021, at 9:00 a.m. (prevailing Central Time).

Based on the foregoing recitals, the Parties hereby Stipulate and Agree as follows:²

1. Claim No. 525. Claim No. 525 shall be reduced and deemed an allowed claim in the amount of \$600,000, upon Court approval of this Stipulation, and the Unsecured Creditor Trustee, the Claims Agent and the Clerk of the Court are authorized to take all actions necessary or appropriate to effectuate the agreed reduction and allowance of Claim No. 525.

2. Immediate Effect of this Stipulation Upon the Bankruptcy Court's Approval. Notwithstanding anything to the Contrary in the Bankruptcy Code, Bankruptcy Rules, or Local Bankruptcy Rules, neither the Bankruptcy Court's approval of this Stipulation nor the effectiveness of this stipulation shall be stayed in any respect. The Stipulation shall be effective immediately upon entry.

² The preceding recitals are intended to be factual recitations of the Parties and are therefore incorporated into the stipulated terms herein and are intended to be incorporated into the Court's Order approving the Stipulation.

3. Binding Effect. This Stipulation is binding upon the Parties, their successors, assigns, affiliates, officers, directors, shareholders, investors, members, employees, agents, and professionals.

4. Jurisdiction. The Bankruptcy Court shall retain exclusive jurisdiction to hearing and determine all matters of disputes arising from or relating to the interpretation and/or enforcement of this Stipulation.

IT IS SO ORDERED.

Dated: _____, 2021

THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

AGREED AS TO FORM AND CONTENT:

Dated: February 26, 2021

/s/ Michael D. Warner
Michael D. Warner (TX Bar No. 00792304)
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Counsel for Spring Gulch, LLC

*Counsel for Mark Shapiro, Unsecured
Creditor Trustee*

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of February, 2021, a true and correct copy of the above and foregoing has been served by electronic transmission to all registered CM/ECF users appearing in these cases.

/s/ Michael D. Warner
Michael D. Warner