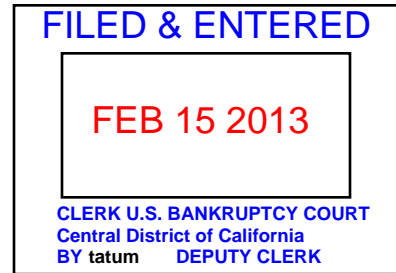


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10 Counsel for the Liquidating Trusts
11 of PCHLI, PCFI, and PCFC

12 **UNITED STATES BANKRUPTCY COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**
14 **LOS ANGELES DIVISION**

15 In re:
16 **PEOPLE'S CHOICE HOME LOAN,**
17 **INC., et al.,**¹
18
19 Debtors.

20 Case No.: 2:12-bk-15811-RK
21 Chapter 11

(Jointly Administered with Case Nos. 2:12-
22 bk-16200-RK and 2:12-bk-16201-RK)

(Transferred from 8:07-bk-10765-RK and
23 Jointly Administered with 8:07-bk-10767-
24 RK and 8:07-bk-10772-RK)

25 **ORDER GRANTING MOTION OF**
26 **THE PC TRUSTS FOR ORDER**
27 **APPROVING SETTLEMENT**
28 **AGREEMENT BETWEEN THE PC**
TRUSTS AND EMC MORTGAGE
CORPORATION REGARDING
CLAIM NO. 448

Hearing:

Date: February 12, 2013
Time: 2:30 p.m.
Place: Courtroom 1675
255 E. Temple Street
Los Angeles, CA 90012
Judge: Hon. Robert N. Kwan

29 The *Notice of Motion and Motion of The PC Trusts for Order Approving Settlement*
30 *Agreement Between the PC Trusts And EMC Mortgage Corporation Regarding Claim No. 448* (the
31 “Motion”)² [Docket No. 2660] filed on January 22, 2013 by the Liquidating Trusts of People’s

32 ¹ The Debtors in these cases were People’s Choice Home Loan, Inc.; People’s Choice Funding, Inc.; and People’s
33 Choice Financial Corporation.

34 ² Capitalized terms undefined herein shall have the meaning attributed to them in the Motion

PACHULSKI STANG ZIEHL & JONES LLP
ATTORNEYS AT LAW
LOS ANGELES, CALIFORNIA



1 Choice Home Loan, Inc. (“PCHLI”), People’s Choice Funding, Inc. (“PCFI”), and People’s Choice
2 Financial Corporation (“PCFC”) (collectively, the “PC Trusts” and formerly the “Debtors”), by and
3 through Ronald F. Greenspan, solely as the duly authorized and acting Liquidating Trustee for each
4 of the PC Trusts (the “Liquidating Trustee”) under the confirmed chapter 11 Plan in the Debtors’
5 cases came before the Court at the above-referenced date and time.

6 The Court, having considered the Motion, the supporting Memorandum of Points and
7 Authorities, and the files and records of the herein Case; the Court having found that notice of the
8 Motion was sufficient and appropriate; no objection or opposition to the Motion having been filed;
9 and good cause appearing for the granting of the Motion as set forth in the Court’s Tentative Ruling
10 thereon;

11 **IT IS HEREBY ORDERED** that:

12 1. The Motion is GRANTED in its entirety;

13 2. The Debtors are authorized to enter into the Repurchase Claim Settlement Agreement
14 between the PC Trusts and EMC Mortgage Corporation (“EMC”) (the “Settlement Agreement”),
15 attached as **Exhibit A** to the Motion, and the Settlement Agreement is approved in all respects;

16 3. The PC Trusts are authorized to enter into and take any and all actions reasonably
17 necessary to effectuate the Settlement Agreement;

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1 4. Pursuant to the Settlement Agreement, Claim No. 448 is reduced and allowed as a
2 general, unsecured, non-priority claim against PCHLI in the amount of \$1,625,000.00;

3 5. Nothing herein is intended to alter the terms of the Settlement Agreement, the terms
4 of which are approved in their entirety.

5 IT IS SO ORDERED.

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25 Date: February 15, 2013



Robert Kwan
United States Bankruptcy Judge

NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled Order Granting Motion of the PC Trusts for Order Approving Settlement Agreement Between the PC Trusts EMC Mortgage Corporation Regarding Claim No. 513 was entered on the date indicated as "Entered" on the first page of this judgment or order and will be served in the manner stated below:

1. **SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)** – Pursuant to controlling General Orders and LBRs, the foregoing document was served on the following persons by the court via NEF and hyperlink to the judgment or order. As of February 14, 2013, the following persons are currently on the Electronic Mail Notice List for this bankruptcy case or adversary proceeding to receive NEF transmission at the email addresses stated below.

Service information continued on attached page

2. **SERVED BY THE COURT VIA UNITED STATES MAIL:** A copy of this notice and a true copy of this judgment or order was sent by United States mail, first class, postage prepaid, to the following persons and/or entities at the addresses indicated below:

Service information continued on attached page

3. **TO BE SERVED BY THE LODGING PARTY:** Within 72 hours after receipt of a copy of this judgment or order which bears an "Entered" stamp, the party lodging the judgment or order will serve a complete copy bearing an "Entered" stamp by United States mail, overnight mail, facsimile transmission or email and file a proof of service of the entered order on the following persons and/or entities at the addresses, facsimile transmission numbers, and/or email addresses stated below:

Service information continued on attached page

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This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

June 2012

F 9021-1.1.NOTICE.ENTERED.ORDER

DOCS_LA:263887.1 30395/005

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