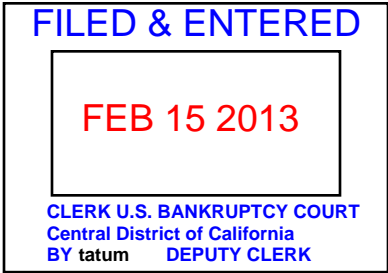


1 Stanley E. Goldich (CA Bar No. 92659)
2 Jeffrey W. Dulberg (CA Bar No. 181200)
3 Pachulski Stang Ziehl & Jones LLP
4 10100 Santa Monica Blvd., 13th Floor
5 Los Angeles, California 90067-4100
6 Telephone: 310/277-6910
7 Facsimile: 310/201-0760
8 Email: sgoldich@pszjlaw.com
9 jdulberg@pszjlaw.com



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 NATIONSTAR
MORTGAGE LLC REGARDING
CLAIM NO. 513

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 Nationstar Mortgage LLC Regarding Claim No. 513* (the
31 “Motion”)² [Docket No. 2659] 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 Nationstar Mortgage LLC (“Nationstar”) (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;

18 //

19 //

20 //

1 4. Pursuant to the Settlement Agreement, Claim No. 513 is reduced and allowed as a
2 general, unsecured, non-priority claim against PCHLI in the amount of \$7,900,000.00;

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.

6 ###

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

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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 Nationstar Mortgage LLC 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

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Jose D Alarcon jalarcon@bettzedek.org
- Daniel L Alexander daniel@colemanfrost.com
- Todd M Arnold tma@lnbyb.com
- Alvin M Ashley mashley@irell.com
- Daniel I Barness daniel@spiromoss.com
- Henkie F Barron hfbarron@gmail.com
- Richard J Bauer rbauer@mileslegal.com
- Ron Bender rb@lnbyb.com
- Patrick K Bruso generalmail@alvaradoca.com
- Andrew W Caine acaine@pszyjw.com
- Rebecca J Callahan rcallahan@callahanlaw.biz
- Theodore A Cohen tcohen@sheppardmullin.com, amontoya@sheppardmullin.com
- Deborah Conley bkmail@prommis.com
- Vincent M Coscino vcoscino@allenmatkins.com, jaallen@allenmatkins.com
- Paul J Couchot pcouchot@winthropcouchot.com,
pj@winthropcouchot.com;chipp@winthropcouchot.com
- Theron S Covey tcovey@coveylawpc.com
- Kevin A Crisp kcrisp@irell.com
- Peter A Davidson pdavidson@mdfslaw.com, lpekrul@ecjlaw.com
- Joseph C Delmotte ecfcacb@piteduncan.com
- Willis B Douglass Willis.B.Douglass@irscounsel.treas.gov
- Jeffrey W Dulberg jdulberg@pszjlaw.com
- Theresa H Dykoschak tdykoschak@faegre.com
- Louis J Esbin Esbinlaw@sbcglobal.net
- Charles J Filardi abothwell@filardi-law.com
- H Alexander Fisch afisch@stutman.com
- Parisa Fishback pfishback@fishbacklawgroup.com
- Steven B Flancher flanchers@michigan.gov
- J Rudy Freeman rfreeman@linerlaw.com
- Anthony A Friedman aaf@lnbyb.com
- Jerome Bennett Friedman jfriedman@jbflawfirm.com,
msobkowiak@jbflawfirm.com;jmartinez@jbflawfirm.com;sbiegenzahn@jbflawfirm.com
- Jose A Garcia ecfcacb@piteduncan.com
- Jeffrey K Garfinkle bkgroup@buchalter.com,
jgarfinkle@buchalter.com;docket@buchalter.com;svanderburgh@buchalter.com
- Oscar Garza ogarza@gibsondunn.com
- Nancy S Goldenberg nancy.goldenberg@usdoj.gov
- Stanley E Goldich sgoldich@pszyjw.com
- Stanley E Goldich sgoldich@pszjlaw.com
- Richard H Golubow rgolubow@winthropcouchot.com,
pj@winthropcouchot.com;vcorbin@winthropcouchot.com
- Ronald F Greenspan ron.greenspan@fticonsulting.com
- Kevin Hahn kevin@mclaw.org
- Farhad Hajimirzaee fhajimirzaee@winston.com
- Matthew W Hamilton mhamilton@fulcruminv.com
- D Edward Hays ehays@marshackhays.com, ecfmarshackhays@gmail.com
- Daniel L Hembree ecfcacbsfv@piteduncan.com

- Garrick A Hollander ghollander@winthropcouchot.com, pj@winthropcouchot.com;vcorbin@winthropcouchot.com;chipp@winthropcouchot.com
- Thomas J Holthus bknotice@mccarthyholthus.com
- Gil Hopenstand ghopenstand@wwolawyers.com
- David I Horowitz david.horowitz@kirkland.com, keith.catuara@kirkland.com;terry.ellis@kirkland.com;jay.bhimani@kirkland.com
- Eric D. Houser scleere@houser-law.com
- James KT Hunter jhunter@pszjlaw.com
- Jay W Hurst jay.hurst@texasattorneygeneral.gov, sherri.simpson@texasattorneygeneral.gov
- Lance N Jurich ljurich@loeb.com, kpression@loeb.com
- Ivan L Kallick ikallick@manatt.com, ihernandez@manatt.com
- David Kaplan dkaplan@irell.com
- Grant C Keary gck@dlklaw.com
- John W Kim jkim@nossaman.com
- Benjamin J Kimberley bkimberley@winston.com, kmorris@winston.com;hhammon@winston.com;docketsf@winston.com
- Jessica Kronstadt jessica.kronstadt@lw.com
- Donna L La Porte donna@laportelaw.net
- David B Lally davidlallylaw@gmail.com
- Ian Landsberg ilandsberg@landsberg-law.com, bgomelsky@landsberg-law.com;ssaad@landsberg-law.com;dzuniga@landsberg-law.com
- Scott Lee slee@lbbslaw.com
- Leib M Lerner leib.lerner@alston.com
- Peter W Lianides plianides@winthropcouchot.com, pj@winthropcouchot.com;vcorbin@winthropcouchot.com
- Ganna Liberchuk gliberchuk@haincapital.com
- Kerri A Lyman klyman@irell.com
- William Malcolm bill@mclaw.org
- Gregory A Martin gmartin@winston.com
- Laura E Mascheroni lmascheroni@corbsteel.com
- David E McAllister ecfcab@piteduncan.com
- Christopher M McDermott ecfcab@piteduncan.com
- Scotta E McFarland smcfarland@pszjlaw.com, smcfarland@pszjlaw.com
- David J McCarty dmccarty@sheppardmullin.com, pibsen@sheppardmullin.com
- David W. Meadows david@davidwmeadowslaw.com
- Robert K Minkoff rminkoff@jefferies.com
- Catherine A Moscarello - SUSPENDED - catherine@moscarellolaw.com
- Tania M Moyron tmoyron@peitzmanweg.com
- Randall P Mroczynski randym@cookseylaw.com
- Sean A Okeefe sokeefe@okeefelc.com
- John D Ott Jott@jdolawyers.com
- Daryl G Parker dparker@pszjlaw.com
- Renee M Parker bknotice@earthlink.net, bknotice@rcolegal.com;bknotice@earthlink.net;chanson@rcolegal.com
- JaVonne M Phillips bknotice@mccarthyholthus.com
- Dean G Rallis Jr drallis@sulmeyerlaw.com
- Kurt Ramlo kurt.ramlo@dlapiper.com, evelyn.rodriquez@dlapiper.com
- Justin E Rawlins jrawlins@winston.com, docketla@winston.com
- Richard J Reynolds rreynolds@bwsllaw.com, dpeters@bwsllaw.com
- Jeremy V Richards jrichards@pszjlaw.com, bdassa@pszjlaw.com;imorris@pszjlaw.com

- Karen Rinehart krinehart@omm.com
- Ronald D. Roup ecf@rouplaw.com
- Eric E Sagerman esagerman@winston.com, docketla@winston.com
- Nicholas W Sarris nsarris@kbrlaw.com
- Robert M Saunders rsaunders@pszjlaw.com, rsaunders@pszjlaw.com
- Kristin A Schuler-Hintz bknotice@mccarthyholthus.com
- Nathan A Schultz nschultzesq@gmail.com
- David B Shemano dshemano@peitzmanweg.com
- Timothy J Silverman tim@sgsslaw.com
- Michael R Stewart mstewart@faegre.com
- Sean Sullivan seansullivan@dwt.com
- Julia Szafranec bknotice@mccarthyholthus.com
- Derrick Talerico dtalerico@loeb.com, kpresson@loeb.com
- Patricia B Tomasco ptomasco@mailbmc.com
- Robert Trodella robert.trodella@hellerehrman.com
- Robert Trodella rtrodella@jonesday.com
- United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov
- Darlene C Vigil cdcaecf@bdfgroup.com
- Andrew F Whatnall awhatnall@daca4.com
- John M White - SUSPENDED - scleere@houser-law.com
- David L Wilson dlwilson@winston.com
- Marc J Winthrop mwinthrop@winthropicouchot.com,
pj@winthropicouchot.com;vcorbin@winthropicouchot.com
- David M Wiseblood dwiseblood@seyfarth.com
- Jennifer C Wong bknotice@mccarthyholthus.com
- Rolf S Woolner rwoolner@winston.com
- Donald A Workman dworkman@bakerlaw.com
- S Christopher Yoo cyoo@adornoca.com
- Les A Zieve bankruptcy@zivelaw.com

3. SERVED BY UNITED STATES MAIL:
TO BE SERVED BY THE LODGING PARTY:

Liquidating Trustee

Ronald Greenspan/Tamara McGrath
FTI Consulting, Inc.
633 West 5th Street, Suite 1600
Los Angeles, CA 90071-2027

U.S. Trustee's Office

Nancy S. Goldenberg, Esq.
Office of the U.S. Trustee
411 W. Fourth Street, Ste. 9041
Santa Ana, CA 92701-4593

Nationstar Mortgage LLC

Michael J. Riela
Latham & Watkins LLP
885 Third Avenue
New York, NY 10022-4834

**POST-EFFECTIVE DATE
COMMITTEE**

Attorneys for Fidelity (f/k/a LSI)

Donald A. Workman, Esq.
Baker Hostetler
1050 Connecticut Ave., NW, Ste. 1100
Washington, DC 20036-5304

Michael A. Criscito/Megan Kane
DLJ Mortgage Capital, Inc.
11 Madison Avenue
New York, NY 10010

Attys. for DLJ

Samuel Newman/Sarah Powers
Gibson, Dunn and Crutcher LLP
333 S. Grand Ave., Ste. 4600
Los Angeles, CA 90071-3197

Dennis Hastings/Carla Hastings

iDirect Marketing, Inc.
6789 Quail Hill Parkway, Suite 550
Irvine, CA 92603

Neil Luria/George Koutsonicolis
Residential Funding Corporation
c/o Navigant Capital Advisors, LLC
15900 South Park Blvd.
Shaker Heights, OH 44120

Attys. for Residential Funding

David J. McCarty/Theodore Cohen
Sheppard, Mullin, Richter & Hampton
LLP
333 S. Hope St., 48th Flr.
Los Angeles, CA 90071

**REQUEST FOR SPECIAL NOTICE
POST-PETITION**

Ben Barker
2932 Zircon Pl.
Carlsbad, CA 92004-4414

Attys. for Robert Harris and David
Cronenbold

Richard B. Specter, Esq.
Corbett, Steelman & Specter
18200 Von Karman Avenue, Ste. 900
Irvine, CA 92612-1086

Attys. for Residential Funding
Company

Michael Stewart/Theresa Dykoschak
Faegre & Benson LLP
90 South Seventh Street
Minneapolis, MN 55402-3901

Attys. for Residential Funding
Company

David McCarty/Theodore Cohen
Sheppard, Mullin, Richter & Hampton
LLP
333 S. Hope Street, 48th Flr.
Los Angeles, CA 90071-1448

Attys. for Fidelity National

Donald A. Workman, Esq.
Baker & Hostetler LLP
1050 Connecticut Ave., N.W., Ste.
1100
Washington, DC 20036-5304

Attys. for Fidelity National

Joseph L. Chairez, Esq.
Baker & Hostetler LLP
600 Anton Blvd., Ste. 900
Costa Mesa, CA 92626

Attys. for HSBC Mortgage Services,
Inc.

Lance Jurich / Derrick Talerico
Loeb & Loeb LLP
10100 Santa Monica Blvd., Ste. 2200
Los Angeles, CA 90067

Attys. for HSBC Mortgage Services,
Inc.

Stanley Orszula, Esq.
Loeb & Loeb LLP
321 North Clark Street, Suite 2300
Chicago, IL 60654

Attys. for Washington Mutual Bank

Robert A. Trodella, Jr.
Jones Day
555 California Street, 26th Floor
San Francisco, CA 94104

Hain Capital Group, LLC

James Yenzer
Hain Capital Group, LLC
301 Route 17, 7th Floor
Rutherford, NJ 07070

Attys. for Neil Kornswiet

Daniel L. Alexander, Esq.
Coleman Frost LLP
429 Santa Monica Blvd., Suite 700
Santa Monica, CA 90401

Attys. for The C-BASS Liquidation

Trust

Mark Power/Jeffrey Zawadzki/
Christopher Hunker
Hahn & Hessen LLP
488 Madison Avenue
New York, NY 10022

ADMINISTRATIVE CLAIMS

Attys. for Neil Kornswiet

Gary Klausner/H. Fisch
Stutman, Treister & Glatt
1901 Avenue of the Stars, 12th Floor
Los Angeles, CA 90067

Attorneys for Creditor David Zimmer

Sara Chenetz, Esq.
Blank Rome LLP
1925 Century Park E 19th FL
Los Angeles, CA 90067

D&O DEFENDANTS

Attorneys for Neil B. Kornswiet

Mark Holscher, Esq., Michael Baumann, Esq.
David I. Horowitz, Esq., Jay L. Bhimani, Esq.
Kirkland & Ellis LLP
333 S. Hope Street
Los Angeles, CA 90071

Attorneys for Robert L. Harris, David F.

Cronenbold, and Victor Coleman
Richard B. Specter, Esq.
Laura E. Mascheroni, Esq.
Corbett, Steelman & Specter
18200 Von Karman Ave., #900
Irvine, CA 92612-1023

Attorneys for Kathleen Lipps

Russell F. Sauer Jr., Esq., Charles W. Cox,
Esq.
Anita P. Wu, Esq.
Latham & Watkins LLP
355 South Grand Avenue
Los Angeles, CA 90071-1560

Attorneys for Brad Plantiko

A. Matthew Ashley, Esq.,
Scott D. Baskin, Esq.
Kevin A. Crisp, Esq.
Irell & Manella LLP
840 Newport Center Drive, Suite 400
Newport Beach, CA 92660-6324