

**FILED & ENTERED**  
**JUN 13 2013**  
CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gae DEPUTY CLERK

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Liquidating Trusts of PCHLI, PCFI and PCFC

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

**Winston & Strawn LLP**  
333 S. Grand Avenue  
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In re:  
  
PEOPLE'S CHOICE HOME LOAN, INC.,  
*et al.*,<sup>1</sup>  
  
Debtors.

**Case No.: 2:12-bk-15811-RK**  
  
(Transferred from 8:07-bk-10765-RK)  
(Jointly Administered with Case Nos. 8:07-bk-10767-RK and 8:07-bk-10772-RK)  
  
Chapter 11  
  
**PRELIMINARY ORDER GRANTING  
THE LIQUIDATING TRUSTEE'S  
MOTION FOR ORDER APPROVING  
COMPROMISE WITH RONALD POOLE,  
INDIVIDUALLY, AND AS  
REPRESENTATIVE FOR A PROPOSED  
CONDITIONALLY CERTIFIED  
SETTLEMENT CLASS PURSUANT TO  
FEDERAL RULES OF BANKRUPTCY  
PROCEDURE 7023 AND 9019**  
  
Date: June 11, 2013  
Time: 2:30 p.m.  
Place: Courtroom 1675  
255 E. Temple Street  
Los Angeles, CA 90012  
  
Judge: Honorable Robert N. Kwan

<sup>1</sup> The Debtors in these proceedings were: People's Choice Hon and People's Choice Financial Corporation.



1 On May 13, 2013, Ronald F. Greenspan, solely in his capacity as the duly authorized and  
2 acting liquidating trustee (the "Liquidating Trustee") for each of the Liquidating Trusts of People's  
3 Choice Home Loan, Inc., People's Choice Funding, Inc., and People's Choice Financial Corporation  
4 (the "PC Trusts"), filed the *Liquidating Trustee's Motion for Order Approving Compromise with*  
5 *Ronald Poole, Individually, and as Representative for a Proposed Conditionally Certified Settlement*  
6 *Class Pursuant to Federal Rules of Bankruptcy Procedure 7023 and 9019* (the "Motion") [Docket  
7 No. 2716]. The Motion came on for an initial hearing on June 11, 2013; appearances were as noted  
8 in the record of the Court.

9 This Court having reviewed the Motion, the Settlement Agreement attached to the Motion,  
10 the other papers filed in connection with the Motion, and the other pleadings and papers filed in this  
11 case, and the arguments of counsel; having determined that adequate notice has been given under the  
12 circumstances; and good cause appearing therefor;

13 IT IS HEREBY ORDERED, ADJUDGED and DECREED:

- 14 (1) The Settlement Agreement is preliminarily approved in all respects, pending  
15 final determination at the Final Fairness Hearing (defined below).
- 16 (2) For settlement purposes only, the Settlement Class described in the Settlement  
17 Agreement is certified pursuant to Rule 7023 of the Federal Rules of Bankruptcy  
18 Procedure and Rule 23(b)(3) of the Federal Rules of Civil Procedure.
- 19 (3) For settlement purposes only, Ronald Poole is appointed as class representative  
20 of the Settlement Class.
- 21 (4) For settlement purposes only, Brian W. Davey, Esq., of St. Denis & Davey P.A.,  
22 and Steve Watrel, Esq., of Steve Watrel, P.A. are appointed as Class Counsel for  
23 the Settlement Class.
- 24 (5) Class Counsel shall cause notice of the proposed settlement to be given to the  
25 Settlement Class members pursuant to the terms of the Settlement Agreement  
26 and may use the services of Class Action Administration Inc. as Class  
27 Administration Service (as defined in the Settlement Agreement) for that  
28 purpose. The Liquidating Trustee is authorized to provide to Class Counsel the

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information concerning members of the Settlement Class contemplated in section 2.12 of the Settlement Agreement; Class Counsel and the Class Administration Service may use such information in causing service to be made but shall otherwise maintain the confidentiality of non-public information thus provided to them by the Liquidating Trustee.

- (6) The following deadlines are established with respect to the Motion:
  - Deadline to mail the Class Notice to the Class: **15 days after the entry of this Order;**
  - Deadline to Opt-Out of the Settlement Class: **35 days after the mailing of the Class Notice;**
  - Deadline for any Settlement Class member or other party in interest to object to final approval of the Settlement Agreement and Class Counsel's request for Attorney Fees: **10 days before the Final Fairness Hearing; and**
  - Final Fairness Hearing: **August 20, 2013 at 3:00 p.m.**
- (7) All Settlement Class members who do not opt out of the Settlement Class by the deadline specified in section (6) above shall be bound by the Settlement Agreement to the extent it is approved at the Final Fairness Hearing.
- (8) Certain Settlement Class members have also filed individual proofs of claim in these cases relating to the matters released under the Settlement Agreement; if such individuals do not opt out of the Settlement Class, their individual claims will be barred and disallowed and they will be entitled only to share in the recovery to the Settlement Class as provided in the Settlement Agreement.

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(9) The Court preliminarily finds that the parties negotiated and entered into the Settlement Agreement in good faith on a reasonable basis (under Bankruptcy Rule 9019 and California Civil Procedure Code § 877 et seq. and other similar laws if applicable), and that the settlement is fair and reasonable to all parties, and in the best interests of the estate.

###

Date: June 13, 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 (*specify*): **PRELIMINARY ORDER GRANTING THE LIQUIDATING TRUSTEE'S MOTION FOR ORDER APPROVING COMPROMISE WITH RONALD POOLE, INDIVIDUALLY, AND AS REPRESENTATIVE FOR A PROPOSED CONDITIONALLY CERTIFIED SETTLEMENT CLASS PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE 7023 AND 9019** 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 **June 12, 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:

Liquidating Trustee  
Ronald F. Greenspan  
FTI Consulting, Inc.  
633 West 5th Street, Suite 1600  
Los Angeles, CA 90071-2027

Service information continued on attached page

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**REQUEST FOR SPECIAL NOTICE  
POST-PETITION**

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