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Liquidating Trusts of PCHLI, PCFI, and PCFC
7

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

11 In re:
12 PEOPLE'S CHOICE HOME LOAN, INC.,
et al¹

14 Debtors.

Case No. 2:12-bk-15811-RK

(Jointly Administered with 2:12-bk-16200-RK
and 2:12-bk-16201-RK)

(Transferred from 8:07-bk-10765-RK and Jointly
Administered with Case Nos. 8:07-bk-10767-RK
and 8:07-bk-10772-RK)

Chapter 11

**FOURTH STIPULATION TO CONTINUE
HEARING ON LIQUIDATING TRUSTS'
MOTION FOR ORDER DISALLOWING
PROOF OF CLAIM OF JOSEPH MUSSO
[PCHLI CLAIMS DOCKET NO. 305]**

Current Hearing Date

Date: October 1, 2013

Time: 2:30 p.m.

Place: Courtroom 1675

255 East Temple Street

Los Angeles, CA 90012

Proposed Hearing Date

Date: October 22, 2013

Time: 2:30 p.m.

Judge: Hon. Robert N. Kwan

Winston & Strawn LLP
333 S. Grand Avenue
Los Angeles, CA 90071-1543

1 The Debtors in these proceedings were: People's Choice Home Loan, Inc., People's Choice Funding, Inc. and
People's Choice Financial Corporation.



1 This *Fourth Stipulation to Continue Hearing on Liquidating Trusts' Motion for Order*
2 *Disallowing Proof of Claim of Joseph Musso [PCHLI Claims Docket No. 305]* (the "Stipulation") is
3 made as of September 6, 2013, by and among Ronald F. Greenspan, solely as the duly authorized
4 and acting as the trustee (the "Liquidating Trustee") for the Liquidating Trusts of People's Choice
5 Home Loan, Inc., People's Choice Funding, Inc., and People's Choice Financial Corporation (the
6 "PC Trusts") and Joseph Musso ("Musso," together with the Liquidating Trustee, the "Parties"),
7 with reference to the following agreed upon facts and circumstances:

8 **RECITALS**

9 A. On March 20, 2007, People's Choice Home Loan, Inc. ("PCHLI"), People's Choice
10 Funding, Inc. ("PCFI"), and People's Choice Financial Corporation ("PCFC" collectively, with
11 PCHLI and PCFI the "Debtors") filed voluntary petitions for relief under chapter 11 of title 11 of the
12 United States Code.

13 B. On August 6, 2008, the Court entered its order confirming the *Committee's First*
14 *Amended Liquidating Plan Under Chapter 11 of the Bankruptcy Code Dated May 28, 2008*
15 (the "Plan"). The Effective Date as defined in the Plan occurred on August 12, 2008.

16 C. On the Effective Date of the Plan, and subject to the terms and conditions of the Plan
17 and Confirmation Order, among other things, the Liquidating Trust Agreements (as defined in the
18 Plan) for each of the PC Trusts became effective and the Liquidating Trustee for each of the PC
19 Trusts began to manage and administer the PC Trusts subject to the terms and conditions of the
20 Liquidating Trust Agreements.

21 D. Pursuant to the Plan, and subject to the terms and conditions of the Plan, the
22 Confirmation Order and the Liquidating Trust Agreements, the Liquidating Trustee is directed to
23 administer the PC Trusts by, among other things, (i) reducing remaining property to cash,
24 (ii) evaluating claims against the Debtors and objecting to, allowing or otherwise resolving such
25 claims, (iii) evaluating and pursuing, releasing or otherwise resolving affirmative claims for relief
26 against Fourth-parties, and (iv) making distributions of cash to Beneficiaries under and as defined in
27 the Liquidating Trust Agreements.

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1 E. The Plan provides that the Liquidating Trustee is the representative of the estates
2 under 11 U.S.C. § 1123(b)(3)(B) and is a liquidator of assets of the estates.

3 F. On or about April 8, 2013, the Liquidating Trustee filed his *Motion for Order*
4 *Disallowing Proof of Claim of Joseph Musso [PCHLI Claims Docket No. 305]* [Docket No. 2692]
5 (the “Objection”), objecting to a proof of claim filed by Musso against PCHLI in an amount “in
6 excess of \$250,000” relating to purported “predatory loan practices” (the “Musso Claim”).

7 G. After the Trustee filed the Objection, Mr. Musso’s attorney contacted the Trustee and
8 requested a continuance so that (1) Mr. Musso could provide the Trustee with the information
9 needed to properly evaluate the Musso Claim, and (2) the Parties would have more time to determine
10 if a settlement will be possible.

11 H. The Liquidating Trustee and Mr. Musso have previously continued the hearing on the
12 Objection three times while they engaged in discussions concerning potential informal resolution;
13 the most recent stipulation was filed on August 20, 2013 [Docket No. 2773], which this Court
14 granted [Docket No. 2776]. The hearing is currently set for October 1, 2013.

15 I. The Parties have reached agreement in principle on, and are in the process of
16 documenting, a resolution of the Objection; in order to complete that process, they respectfully
17 request a continuance of the current hearing date to October 22, 2013, at 2:30 p.m., with the dates for
18 responsive and reply pleadings re-set based on the new date. It is the Parties’ expectation that,
19 barring an unforeseen problem, no hearing will be necessary and the Motion will be withdrawn by
20 the Trustee after an agreement has been executed.

21 **AGREEMENT**

22 NOW, THEREFORE, the Parties agree through their respective counsel as follows:

23 1. Subject to the approval of the Bankruptcy Court, the hearing date on the Objection
24 will be continued to October 22, 2013 at 2:30 p.m., with all dates for responsive and reply pleadings
25 re-set pursuant to Local Rule of Bankruptcy Procedure 9013-1.
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1 **AGREED TO BY:**

2 Dated: September 9, 2013

WINSTON & STRAWN LLP

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By: /s/ Rolf S. Woolner
Rolf S. Woolner
Counsel for Ronald Greenspan, as Trustee
of the Liquidating Trusts of PCHLI, PCFI,
and PCFC

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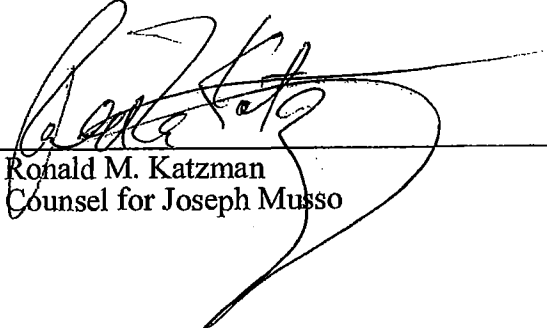
Dated: September 9 2013

LAW OFFICES OF RONALD M. KATZMAN PC

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By: 
Ronald M. Katzman
Counsel for Joseph Musso

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
Winston & Strawn, LLP, 333 S. Grand Avenue, 38th Floor, Los Angeles, CA 90071

A true and correct copy of the foregoing document entitled (*specify*): **FOURTH STIPULATION TO CONTINUE HEARING ON LIQUIDATING TRUSTS' MOTION FOR ORDER DISALLOWING PROOF OF CLAIM OF JOSEPH MUSSO [PCHLI CLAIMS DOCKET NO. 305]** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)**: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **September 9, 2013**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL**:

On **September 9, 2013**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **September 9, 2013**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

PRESIDING JUDGE'S COPY - Service by Overnight Mail

Hon. Robert Kwan
United States Bankruptcy Court
255 E. Temple Street, Suite 1682
Los Angeles, CA 90012
Via overnight mail with Fedex
Tracking Number: 796647346721

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

September 9, 2013

Lucy Fera

Date

Printed Name


Signature

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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.

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