

Name, Address, Telephone No. & I.D. No.



UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF CALIFORNIA
 325 West "F" Street, San Diego, California 92101-6991

In Re

Debtor.

BANKRUPTCY NO.

Date of Hearing:

Time of Hearing:

Name of Judge:

ORDER ON

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2) through _____ with exhibits, if any, for a total of _____ pages, is granted. Motion/Application Docket Entry No. _____

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DATED: **July 26, 2005**

Signature by the attorney constitutes a certification under Fed. R. of Bankr. P. 9011 that the relief in the order is the relief granted by the court.

Submitted by:

 (Firm name)

By: _____
 Attorney for Movant Respondent

 Judge, United States Bankruptcy Court

ORDER ON

DEBTOR:

CASE NO:

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12 UNITED STATES BANKRUPTCY COURT
13 SOUTHERN DISTRICT OF CALIFORNIA

14
15 IN RE:) Consolidated Bankruptcy
) Case No. 01-10606-H7
16 In re Grafton Partners, L.P., a California limited)
liability company,)
17 Debtor.) **FINAL APPROVAL ORDER**
) **APPROVING GREENE RADOVSKY**
18) **SETTLEMENT AS FAIR,**
) **REASONABLE AND IN GOOD FAITH**
) **WITHIN CALIFORNIA C.C.P. § 877.6**
19)
) TIME: 11:00 a.m.
20) DATE: July 14, 2005
) DEPT: 3
21) JUDGE: Hon. John J. Hargrove

22
23 On July 14, 2005, the above-captioned matter came on regularly for hearing in
24 Courtroom 3 of the above-entitled court. Charles G. Miller of Bartko, Zankel, Tarrant & Miller,
25 and Ali M.M. Mojdehi of Baker & McKenzie LLP appeared on behalf of Richard M. Kipperman,
26 as Chapter 7 trustee (the “Trustee”) of Allied Capital Partners, L.P. (“Allied”), Grafton Partners,

1 L.P. (“Grafton”), and Six Sigma, LLC, a/k/a 6 Sigma (“Sigma”) (collectively, Allied, Grafton and
2 Sigma may be referred to as the “Funding Entities”) and Peregrine Funding, Inc. (“Peregrine”)
3 (collectively, the Funding Entities and Peregrine may be referred to as the “Affiliated Entities”),
4 and other parties appeared as reflected on the record. At the hearing, the Court considered: (1) the
5 Motion for Order Approving Settlement (the “Settlement”) among (i) the Trustee, (ii) Thomas
6 Frame, Bruce Miller and Ronald G. VandenBerghe (“Investor Class Representatives”), as
7 confirmed in the Global Settlement Agreement approved in *Tom Frame et al. v. James Hillman, et*
8 *al.* in the United States District Court for the Southern District of California, Case No. 01-CV
9 2193 H (LAB) (the “Hillman Action”) and in this proceeding, and (iii) Charles G. La Bella (the
10 “Receiver”), the court appointed receiver and responsible natural person of PinnFund, USA, Inc.
11 (“PinnFund”), (collectively, the Trustee, the Receiver, and the Investor Class Representatives may
12 be referred to as the “Settling Parties”), on the one hand, and Greene, Radovsky, Maloney &
13 Share, a California limited liability partnership (“Greene Radovsky”), its insurer, American
14 Motorists Insurance Company (“AMIC”), and AMIC’s affiliated entity, the Kemper Insurance
15 Companies (“Kemper”), (Greene Radovsky and the insurers are sometimes referred to as the
16 “Settling Releasees”), on the other hand; and (2) the Motion for a good faith determination that the
17 Settlement is fair, reasonable, and satisfies the requirements of California C.C.P. § 877.6. After
18 having considered the arguments, pleadings and declarations filed in support of the Motions, and
19 all matters on file herein, and good cause appearing therefore, the Court hereby makes the
20 following findings of fact and conclusions of law:

- 21 1. The Court has jurisdiction over this matter;
- 22 2. Notice of the Motions was given (i) to all creditors of the estates, (ii) to all parties in
23 those actions pending in the Alameda County Superior Court known as *Grafton*
24 *Partners v. PricewaterhouseCoopers*, Case No. 2002056106, *Grafton Partners v.*
25 *Union Bank* Case No. RE03-086160 and *Grafton Partners v. Sheppard Mullin*,

1 *Richter & Hampton*, Case No. 2003087483 (collectively, the “Alameda County
2 Actions”), and (iii) to all parties requesting special notice;

3 3. The Settlement, more fully set forth in the Settlement Agreement, incorporated
4 herein by reference, is fair and equitable to all parties, including all parties in the
5 Alameda County Actions;

6 4. The Settlement is the by-product of difficult and arduous negotiations, held over
7 several days under the auspices of the Hon. Edward Infante, (Ret.), between the
8 Settling Parties and the Settling Releasees;

9 5. The Settlement resolves all claims and disputes between the Settling Parties and the
10 Settling Releasees on the terms set forth therein; and

11 6. The Settlement maximizes value to the estates.

12 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as
13 follows:

14 A. The Motions and relief requested therein are hereby granted.

15 B. The Settlement is approved.

16 C. The parties shall abide by the terms of the Settlement, and their officers, agents,
17 servants, employees, attorneys, and those persons in active concert or participation with any of
18 them, and each of them, shall likewise abide by the terms of the Settlement.

19 D. This Court shall retain jurisdiction over the parties to the Settlement for the purpose
20 of implementing and enforcing the terms of the Settlement and any dispute arising out of the
21 Settlement.

22 E. The Trustee and his respective agents shall be and hereby are authorized to execute
23 any such document, including those necessary to complete the Settlement, and take any and all
24 acts necessary to consummate the Settlement.

25 F. The Settlement has been made and entered into by the parties in good faith, within
26 the meaning and shall have the effect of Section 877.6 of the California Code of Civil Procedure,

1 as to all parties receiving notice of it, specifically including all parties to the Alameda County
2 Actions, and the settlement amount is allocated fully and exclusively to harm and damage to
3 Sigma, alone.

4 G. The Settlement is binding on all creditors of the estates, including all investors in
5 Grafton, Allied and Sigma who received notice of the Settlement, as the Global Settlement
6 Agreement, approved by this Court, authorizes the Trustee, the Receiver and the Litigation
7 Committee to compromise and resolve such investors' claims, if any, against third parties such as
8 the Settling Releasees here.

9 H. The Trustee shall serve this Order upon all parties-in-interest.

10 Prepared and submitted by:

11
12 /s/ Ali M. M. Mojdehi
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