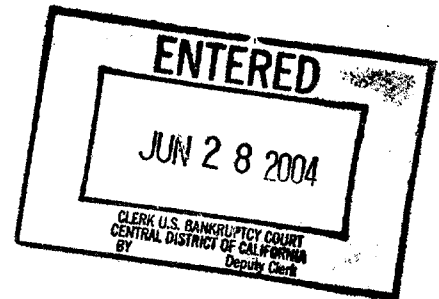
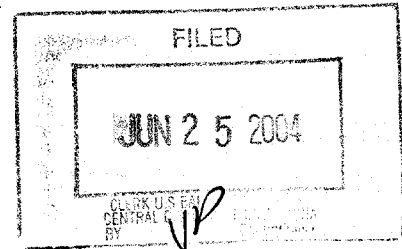


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of the "Estate of Reed E. Slatkin and Substantively  
10 Consolidated Affiliates Topsight Oregon, Inc. and  
Reed Slatkin Investment Club, L. P. Liquidating Trust"



12 UNITED STATES BANKRUPTCY COURT  
13 CENTRAL DISTRICT OF CALIFORNIA  
14 NORTHERN DIVISION

15 In re

16 REED E. SLATKIN and  
Substantively Consolidated Affiliates  
17 TOPSIGHT OREGON, INC. and  
REED SLATKIN INVESTMENT  
18 CLUB, L.P.,

19 Reorganized Debtors.

20 R. TODD NEILSON, Trustee of the  
Chapter 11 Bankruptcy Estate of Reed E.  
21 Slatkin,

22 Plaintiff,

23 v.

24 JAMES Q. FISHER, an individual;  
25 DIANNE L. FISHER, and individual; and  
DOES 1-25, Inclusive,

26 Defendants.  
27

Bk. No.: ND 01-11549-RR  
[substantively consolidated with  
former Case No. ND 01-12990-RR]

CHAPTER 11

Adv. No. AD 03-01157-RR

STIPULATION FOR DISMISSAL  
OF ADVERSARY PROCEEDING  
WITH PREJUDICE; AND ORDER  
THEREON

[No hearing required]

STATUS CONFERENCE:

DATE: July 23, 2004  
TIME: 10:00 a.m.  
PLACE: 1415 State Street  
Courtroom 201  
Santa Barbara, CA 93101  
[Judge Riblet]

28 ///

ODAU 13/2/04

1 This Stipulation is entered into by and between plaintiff R. Todd Neilson (the  
2 "Trustee"), trustee of the "Estate of Reed E. Slatkin and Substantively Consolidated Affiliates  
3 Topsight Oregon, Inc. and Reed Slatkin Investment Club, L.P. Liquidating Trust" (the  
4 "Liquidating Trust"), the successor-in-interest to the chapter 11 bankruptcy estate (the  
5 "Estate") of Reed E. Slatkin and substantively consolidated affiliates Topsight Oregon, Inc.  
6 and Reed Slatkin Investment Club, L.P. and defendants James Q. Fisher and Dianne L. Fisher  
7 (collectively, the "Fisher Parties") by and through their respective attorneys of record.

8 This Stipulation is made with respect to the following facts and circumstances:

9 1. On April 2, 2003, in his capacity as the chapter 11 trustee (the "Chapter 11  
10 Trustee") of the Estate, the Trustee filed his Complaint commencing this adversary  
11 proceeding. The Fisher Parties have answered the Complaint.

12 2. In In re Reed E. Slatkin, Case No. ND 01-11549-RR (the "Slatkin Case"), on  
13 December 20, 2002, the Court entered its "Order Authorizing Trustee To Settle Fraudulent  
14 Transfer and Preference Claims Without Further Court Order" (the "Settlement Authority  
15 Order"). In the Settlement Authority Order, the Court authorized the Chapter 11 Trustee, in  
16 certain circumstances specified therein, to enter into and perform settlement agreements  
17 without further court order but with the approval of the Official Committee of Unsecured  
18 Creditors (the "Creditors Committee") in the Slatkin Case and the Office of the United States  
19 Trustee ("OUST").

20 3. On June 20, 2003, in the Slatkin Case, the Bankruptcy Court entered an order  
21 (the "Confirmation Order") confirming the "Chapter 11 Trustee and Creditors' Committee's  
22 Second Amended Joint Plan of Reorganization Dated June 18, 2003" (the "Plan"). Pursuant  
23 to ¶ 6.3 of the Plan, the Liquidating Trust was created; pursuant to ¶¶ 2.1.66 and 6.3.1 of the  
24 Plan, the members of the Creditors Committee in the Slatkin Case became the initial members

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1 of the "Trust Board" of the Liquidating Trust; pursuant to ¶ 6.3.3 of the Plan, all property of  
2 the Estate was transferred to and vested in the Liquidating Trust; pursuant to ¶¶ 2.1.43, 6.3.3,  
3 and 6.3.5 of the Plan, all of the Estate's claims, rights, causes of action, counterclaims,  
4 objections, and defenses arising under §§ 541 through 558, inclusive, of the Bankruptcy Code  
5 were transferred to and vested in the Liquidating Trust; and pursuant to ¶ 6.3.6 of the Plan,  
6 the Trustee has the authority to settle "Litigation Claims" in accordance with the procedures  
7 established by the Court in the Settlement Authority Order.

8       4. In April 2004, the Trustee and the Fisher Parties entered into a Settlement  
9 Agreement and Mutual General Release (the "Settlement Agreement"), in which, among other  
10 things, the Fisher Parties agreed to pay to the Trustee the sum of \$310,400.00 (the "Settlement  
11 Payment"), which sum is approximately 80% of the principal amount (\$388,000.00) claimed  
12 by the Trustee in this adversary proceeding. The Settlement Agreement provides that the  
13 Settlement Payments to be made over time with interest on the unpaid principal balance at the  
14 rate of 4.25% per annum.

15       5. In accordance with the Settlement Authority Order, the Confirmation Order, and  
16 the Plan, the settlement described in ¶ 4 above has been approved by the Trust Board and  
17 OUST.

18       6. The Fisher Parties have pre-paid the entire Settlement Payment and, in  
19 consideration of such pre-payment, the parties have deleted the interest provision from the  
20 Settlement Agreement. The Settlement Agreement provides that, after the Settlement  
21 Payment has been paid in full and the payment has cleared the banking process, the Trustee  
22 and the Fisher Parties will execute and lodge with the Court a stipulation for the dismissal of  
23 this adversary proceeding with prejudice.

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1 AGREEMENT

2 NOW, THEREFORE, in accordance with the terms of the Settlement Agreement, the  
3 Trustee and the Fisher Parties agree that the Court should enter an order dismissing this  
4 adversary proceeding with prejudice.

5  
6 IT IS SO STIPULATED.


7  
8 Dated: June 23, 2004

GUMPORT, REITMAN & MONTGOMERY  
and  
KIRKLAND & ELLIS LLP

9  
10  
11 By:   
12 John P. Reitman  
13 Attorneys for Plaintiff R. Todd Neilson, Trustee of  
14 the "Estate of Reed E. Slatkin and Substantively  
15 Consolidated Affiliates Topsight Oregon, Inc. and  
16 Reed Slatkin Investment Club, L.P. Liquidating  
17 Trust"

16 Dated: June 1, 2004

DANNING, GILL DIAMOND & KOLLITZ, LLP

17  
18 By:   
19 Howard Kollitz  
20 Attorneys for Defendants James Q. Fisher and  
21 Dianne L. Fisher  
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**ORDER**

Based on the foregoing Stipulation, and good cause appearing therefor, Adversary No. AD 03-01157-RR is hereby dismissed with prejudice.

**IT IS SO ORDERED.**

Dated: June 25, 2004

Robin Riblet  
ROBIN L. RIBLET  
UNITED STATES BANKRUPTCY JUDGE

FILED  
JUN 25 2004  
CLERK U.S. BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
Deputy Clerk

ENTERED  
JUN 28 2004  
CLERK U.S. BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
Deputy Clerk

**NOTE TO USERS OF THIS FORM:**

*Physically attach this form as the last page of the proposed Order or Judgment.*

*Do not file this form as a separate document.*

In re REED E. SLATKIN, and Substantively Consolidated Affiliates TOPSIGHT OREGON INC. and REED SLATKIN INVESTMENT CLUB, L.P., Reorganized Debtor.	CHAPTER <u>11</u> CASE NUMBER ND 01-11549-RR
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**NOTICE OF ENTRY OF JUDGMENT OR ORDER  
AND CERTIFICATE OF MAILING**

TO ALL PARTIES IN INTEREST ON THE ATTACHED SERVICE LIST:

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021-1(a)(1)(E), that a judgment or order entitled *(specify)*: STIPULATION FOR DISMISSAL OF ADVERSARY PROCEEDING WITH PREJUDICE; AND ORDER THEREON

was entered on *(specify date)*:

**JUN 28 2004**

2. I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment to the persons and entities on the attached service list on *(specify date)*.

**JUN 28 2004**

**JUN 28 2004**

Dated:

**JON D. CERETTO**  
Clerk of the Bankruptcy Court

By: KAM RUST  
Deputy Clerk

**SERVICE LIST**

**UNITED STATES TRUSTEE**

Brian Fittipaldi, Esq.  
Office of the U.S. Trustee  
128 East Carrillo Street  
Santa Barbara, CA 93101

**LIQUIDATING TRUSTEE**

R. Todd Neilson  
Neilson Elggren LLP  
10100 Santa Monica Boulevard  
Suite 410  
Los Angeles, CA 90067

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SPECIAL LITIGATION COUNSEL TO  
LIQUIDATING TRUSTEE**

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Los Angeles, CA 90017

**COUNSEL TO DEFENDANTS  
JAMES O. FISHER AND  
DIANNE L. FISHER**

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Los Angeles, CA 90067-2904

**COUNSEL TO  
LIQUIDATING TRUSTEE**

John P. Reitman, Esq.  
Gumport, Reitman & Montgomery  
550 South Hope Street, Suite 825  
Los Angeles, CA 90071-2627

**PROOF OF SERVICE**

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF LOS ANGELES )

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is Gumport, Reitman & Montgomery, 550 South Hope Street, Suite 825, Los Angeles, CA 90071-2627.

On June 24, 2004, in the manner indicated below, the foregoing document described as: **STIPULATION FOR DISMISSAL OF ADVERSARY PROCEEDING WITH PREJUDICE; AND ORDER THEREON** was served on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as follows:

**[SEE ATTACHED SERVICE LIST]**


X (FIRST CLASS MAIL) I caused such envelope(s) to be mailed by first class mail by depositing them in an "OUT" box in the office of my employer, following this business's ordinary practice, with which I am readily familiar. On the same day correspondence is placed for collection and mailing in that "OUT" box, such correspondence is deposited in the ordinary course of business with the United States Postal Service by Desmond Mail Delivery Service pursuant to its contract with Gumport, Reitman & Montgomery. (C.C.P. § 1013(a)(3)).

\* \* \* \* \*

\_\_\_\_ (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

X (FEDERAL) I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made.

EXECUTED June 24, 2004, at Los Angeles, California.

  
\_\_\_\_\_  
TRAVIS MICHAEL TERRY

**SERVICE LIST**

**UNITED STATES TRUSTEE**

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