

FILED

MAR 12 2004

CLERK U.S. BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
BY Deputy Clerk

1 JOHN P. REITMAN (Bar No. 80579)  
SUSAN I. MONTGOMERY (Bar No. 120667)  
2 ANDREW S. ROTTER (Bar No. 86725)  
GUMPORT, REITMAN & MONTGOMERY  
3 550 South Hope Street, Suite 825  
Los Angeles, California 90071-2627  
4 Telephone: (213) 452-4900  
Facsimile: (213) 623-3302

5 Attorneys for Plaintiff R. Todd Neilson, Trustee of the  
6 Estate of Reed E. Slatkin and Substantively  
Consolidated Affiliates Topsight Oregon, Inc. and the  
7 Reed Slatkin Investment Club, L.P., Liquidating Trust

8 RICHARD L. WYNNE (Bar No. 120349)  
R. ALEXANDER PILMER (Bar No. 166196)  
9 KIRKLAND & ELLIS  
777 South Figueroa Street  
10 Los Angeles, California 90017  
Telephone: (213) 680-8400  
11 Facsimile: (213) 680-8500

12 Special Litigation Counsel for Plaintiff  
R. Todd Neilson, Trustee

ENTERED  
MAR 15 2004  
CLERK U.S. BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
BY Deputy Clerk

14 UNITED STATES BANKRUPTCY COURT  
15 CENTRAL DISTRICT OF CALIFORNIA  
16 NORTHERN DIVISION

17 In re )  
18 REED E. SLATKIN, )  
19 Debtor. )

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

22 )  
23 Plaintiff, )  
24 v. )

25 NORMAN HERRING, an individual; )  
26 JANET HERRING, an individual; and )  
DOES 1-25, Inclusive, )

27 Defendants. )  
28

Bk. No.: ND 01-11549-RR  
CHAPTER 11  
Adv. No. AD 03-01079-RR

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

Status Conference

DATE: March 26, 2004  
TIME: 10:00 a.m.  
PLACE: 1415 State Street  
Courtroom 201  
Santa Barbara, CA 93101  
[Judge Riblet]

14-477  
14A

1 This Stipulation is entered into by and between R. Todd Neilson, the plaintiff and  
2 Trustee of the Estate of Reed E. Slatkin and Substantively Consolidated Affiliates Topsight  
3 Oregon, Inc. and the Reed Slatkin Investment Club, L.P., Liquidating Trust ("Trustee"), and  
4 defendants Norman and Janet Herring (the "Herrings"). The Stipulation is based on the  
5 following facts:

6 1. On February 13, 2003, the Trustee commenced this adversary proceeding to,  
7 among other things, set aside and recover transfers made by Slatkin to the Herrings. On  
8 March 17, 2003, the Herrings answered the complaint.

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

16 3. On June 20, 2003, the Bankruptcy Court entered an order (the "Confirmation  
17 Order") confirming the "Chapter 11 Trustee and Creditors' Committee's Second Amended  
18 Joint Plan of Reorganization Dated June 18, 2003" (the "Plan"). Pursuant to ¶ 6.3 of the Plan,  
19 the Liquidating Trust was created; pursuant to ¶¶ 2.1.66 and 6.3.1 of the Plan, the members of  
20 the Committee in the Slatkin Case became the initial members of the "Trust Board" of the  
21 Liquidating Trust; pursuant to ¶ 6.3.3 of the Plan, all property of the Estate was transferred to  
22 and vested in the Liquidating Trust; pursuant to ¶¶ 2.1.43, 6.3.3, and 6.3.5 of the Plan, all of the  
23 Estate's claims, rights, causes of action, counterclaims, objections, and defenses arising under  
24 §§ 541 through 558, inclusive, of the Bankruptcy Code were transferred to and vested in the  
25 Liquidating Trust; and pursuant to ¶ 6.3.6 of the Plan, the Trustee has the authority to settle  
26 "Litigation Claims" in accordance with the procedures established by the Court in the  
27 Settlement Authority Order.

28 ///

1 4. In February 2004, the Trustee and the Herrings entered into a Settlement  
2 Agreement and Mutual General Release (the "Settlement Agreement") pursuant to which the  
3 Herrings agreed to pay the Liquidating Trust \$22,000. That payment has been received by  
4 the Trustee.

5 5. In accordance with the Settlement Authority Order, the payment amount and  
6 terms set forth in the Settlement Agreement have been approved by the Official Committee of  
7 Unsecured Creditors and the Office of the United States Trustee.


8 **AGREEMENT**

9 Pursuant to the Settlement Agreement, the parties agree that the adversary proceeding  
10 should be dismissed with prejudice.

11 IT IS SO STIPULATED.

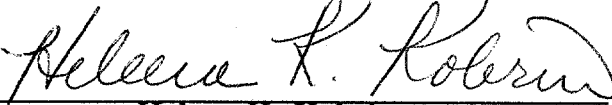
12 DATED: March 11, 2004

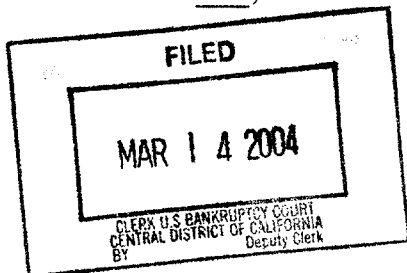
GUMPORT, REITMAN & MONTGOMERY

13  
14 By   
15 Susan I. Montgomery  
16 Attorneys for Plaintiff R. Todd Neilson, Trustee of  
17 the Estate of Reed E. Slatkin and Substantively  
Consolidated Affiliates Topsight Oregon, Inc. and  
the Reed Slatkin Investment Club, L.P., Liquidating  
Trust

18 DATED: March 8, 2004

MOXON & KOBRIN

19  
20 By   
21 Helena K. Kobrin  
22 Attorneys for Norman and Janet Herring



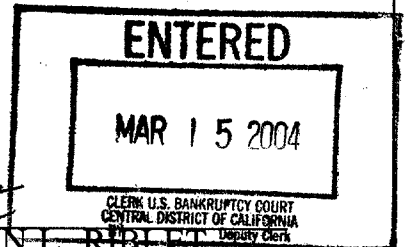
23 **ORDER**

24 Based on the foregoing Stipulation, Adv. No. 03-01079 is hereby dismissed with  
25 prejudice as to all defendants.

26 IT IS SO ORDERED.

27 DATED: March 14, 2004

28   
THE HONORABLE ROBIN E. RIBLETT  
UNITED STATES BANKRUPTCY JUDGE



**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 **March 11, 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 **March 11, 2004**, at Los Angeles, California.

  
STEPHANIE L. MOORE

**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

**COUNSEL TO LIQUIDATING  
TRUSTEE**

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

**COUNSEL TO CREDITORS  
COMMITTEE and SPECIAL  
LITIGATION COUNSEL TO  
LIQUIDATING TRUSTEE**

R. Alexander Pilmer, Esq.  
Kirkland & Ellis  
777 S. Figueroa, 34th Floor  
Los Angeles, CA 90017

**COUNSEL TO DEFENDANTS  
NORMAN HERRING AND  
JANET HERRING**

Helena K. Kobrin, Esq.  
Moxon & Kobrin  
3055 Wilshire Boulevard, Suite 900  
Los Angeles, CA 90010

**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
---	---

**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*):

**MAR 15 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*):

**MAR 15 2004**

Dated:

**MAR 15 2004**

**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

**COUNSEL TO LIQUIDATING  
TRUSTEE**

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

**COUNSEL TO CREDITORS  
COMMITTEE and SPECIAL  
LITIGATION COUNSEL TO  
LIQUIDATING TRUSTEE**

R. Alexander Pilmer, Esq.  
Kirkland & Ellis  
777 S. Figueroa, 34th Floor  
Los Angeles, CA 90017

**COUNSEL TO DEFENDANTS  
NORMAN HERRING AND  
JANET HERRING**

Helena K. Kobrin, Esq.  
Moxon & Kobrin  
3055 Wilshire Boulevard, Suite 900  
Los Angeles, CA 90010