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8 Trustee of Radical Bunny, L.L.C.

8 **IN THE UNITED STATES BANKRUPTCY COURT**
9 **FOR THE DISTRICT OF ARIZONA**

11 In re:

12 MORTGAGES LTD.,

13 Debtor.

Chapter 11

Case No. 2:08-bk-07465-RJH

**NOTICE OF LODGING ORDER
GRANTING RADICAL BUNNY, L.L.C.'S
MOTION TO COMPEL IMMEDIATE
PAYMENT (OR PROVIDE SECURITY
FOR ADMINISTRATIVE CLAIM PENDING
APPEAL) AND DENYING LIQUIDATING
TRUST'S MOTION TO APPROVE
MODIFIED SUPERSEDEAS**

20 Pursuant to Rule 9022-1(b) of the Local Rules of Bankruptcy Procedure for
21 the District of Arizona, RADICAL BUNNY, L.L.C. ("RBLLC"), by and through its
22 undersigned counsel, hereby gives notice of the lodging of the attached form of
23 "Order Granting Radical Bunny, L.L.C.'s Motion to Compel Immediate Payment
24 (or Provide Security for Administrative Claim Pending Appeal) and Denying
25 Liquidating Trust's Motion to Approve Modified Supersedeas".
26

1 DATED this 11th day of January, 2010.

2 DECONCINI McDONALD YETWIN & LACY, P.C.

3
4 BY /s/ SHELTON L. FREEMAN

5 Shelton L. Freeman

6 Counsel to Radical Bunny, L.L.C. and
7 Special Counsel to G. Grant Lyon, Chapter
8 11 Trustee of Radical Bunny, L.L.C.

9 COPY served electronically
10 via ECF automatic noticing this
11 11th day of January, 2010.

12 COPY served via electronic mail
13 this 11th day of January, 2010, to:

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15 Michael R. Walker, Esq.

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16 By /s/ Kara Gibson Schrader

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

In re:

MORTGAGES LTD.,

Debtor.

Chapter 11

Case No. 2:08-bk-07465-RJH

**ORDER GRANTING RADICAL
BUNNY, L.L.C.'S MOTION TO
COMPEL IMMEDIATE PAYMENT (OR
PROVIDE SECURITY FOR
ADMINISTRATIVE CLAIM PENDING
APPEAL) AND DENYING
LIQUIDATING TRUST'S MOTION TO
APPROVE MODIFIED SUPERSEDEAS**

The Court having considered:

- (1) this Court's "Order Granting Radical Bunny's Administrative Claim for Substantial Contribution" (Docket No. 2514);
- (2) this Court's "Order Approving Allowance & Payment Of Substantial Contribution Claim Pursuant To 11 U.S.C. § 503(b)(3)(D) And (4)" (Docket No. 2521)("RBLLC Payment Order");
- (3) this Court's Order Granting in Part and Denying in Part Motion for Stay Pending Appeal" (Docket No. 2552); and

1 (4) Radical Bunny, L.L.C.'s "Motion to Compel Immediate Payment" (Docket No.
2 2548);

3 (5) the Liquidating Trust's "Motion to Approve Modified Supersedeas" (Docket
4 No. 2578);

5 and the related filings and arguments of Radical Bunny, L.L.C. and the Liquidating
6 Trustee in connection with the foregoing orders and motions, and good cause
7 appearing:

8 IT IS HEREBY ORDERED that on or before Friday January 15, 2010, the
9 Liquidating Trust shall make the payment required by the RBLLC Payment Order
10 unless the Liquidating Trustee has, prior to that date: (1) provided a supersedeas
11 bond to secure payment of the RBLLC Payment Order pending appeal in the
12 amount of (1) Five Hundred Ninety Five Thousand Seven Hundred Ninety Eight
13 and 25/100 United States Dollars (\$595,798.25), plus (2) interest at the statutory
14 rate of ten percent (10%) for one year (collectively, "Security Amount"), or (2)
15 deposited the Security Amount into the trust account of Radical Bunny, L.L.C.'s
16 counsel, DeConcini McDonald Yetwin & Lacy, P.C., to be held in trust pending
17 disposition of the appeal, or deposited the Security Amount into an escrow with an
18 Arizona licensed escrow agent pursuant to an escrow agreement agreed to by the
19 Liquidating Trustee and RBLLC that provides that the Security Amount shall be
20 held in escrow until the date that escrow agent receives a further Order of this
21 Court or notice from attorneys for Liquidating Trust or RBLLC that they are entitled
22 to receipt of such funds based on the judgment entered on appeal; and

23
24 IT IS FURTHER ORDERED that if the Liquidating Trust is financially unable
25 to comply with the foregoing provisions of this Order, then the Liquidating Trustee
26 shall file the following (and provide notice of filing to all administrative claimants
27 and all creditors of this estate), on or before Wednesday January 20, 2010, by 1:00
28 p.m.:

1 (1) all documents evidencing the terms of the Exit Financing (as defined
2 in the confirmed plan of reorganization entered in this matter); and

3 (2) A report summarizing (a) the amount, by payee, of advances already
4 made under the Exit Financing, the current balance of the Exit Financing and the
5 amounts available for borrowing on the Exit Financing; (b) the amount, by
6 claimant, of allowed administrative claims paid, allowed administrative claims
7 remaining to be paid, outstanding administrative claims asserted in this case, and
8 reserves held for payment of such claims; (c) a summary of expenses of the
9 Liquidating Trust incurred to date, including the amount of expenses for counsel
10 for, or paid by, the Liquidating Trust, and the amount of paid and unpaid expenses;
11 (d) a summary of the expenses of ML Manager LLC to date, including the amount
12 of expenses for counsel for, or paid by, ML Manager LLC, and the amount of paid
13 and unpaid expenses; (e) a list of the remaining assets held in the Liquidating
14 Trust, by asset, and an estimate of value of such assets; (f) a list of estimated
15 expenses of the Liquidating Trust and ML Manager LLC (and their legal counsel)
16 during the remaining liquidation of the assets of the Liquidating Trust, on a monthly
17 basis; (g) a cash flow analysis for the Liquidating Trust and one for ML Manager,
18 LLC covering the time period from January 1, 2010 through December 31, 2010;
19 and (h) to the extent not reflected in amounts paid from advances from the Exit
20 Financing, a list, by payoff, of all Secured Claims paid on the Non-Loan Assets by
21 the Liquidating Trust.
22

23 IT IS FURTHER ORDERED that, concurrent with the filing to be made on
24 Wednesday January 20, 2010, by 1:00 p.m., the Liquidating Trust shall provide
25 copies of the following documents to RBLLC's counsel, and to any other
26 administrative claimants who make written requests to Liquidating Trust for copies
27 of such documents at least three business days prior to January 20, 2010 (and
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1 such documents shall also be provided within three business days of Liquidating
2 Trust's receipt of any request made after January 15, 2010):

3 (1) all documents evidencing advances already made under the Exit
4 Financing;

5 (2) all documents evidencing the payment of administrative claims in this
6 case, outstanding administrative claims asserted in this case, and reserves held
7 for payment of claims in this case (unless already reflected in the record of this
8 case);

9 (3) all documents evidencing the expenses of the Liquidating Trust
10 incurred to date, including all expenses for counsel for, or paid by, the Liquidating
11 Trust, and all documents evidencing the payment of such expenses;

12 (4) all documents evidencing the expenses of ML Manager LLC to date,
13 including all expenses for counsel for, or paid by, ML Manager LLC, and all
14 documents evidencing the payment of such expenses;

15 (5) all documents evidencing the value of the remaining assets held in the
16 Liquidating Trust; and

17 (7) all documents supporting the estimated expenses of the Liquidating
18 Trust and ML Manager LLC (and their legal counsel) during the remaining
19 liquidation of the assets of the Liquidating Trust, on a monthly basis, including all
20 budgets prepared by the Liquidating Trust and ML Manager LLC estimating such
21 expenses.
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23 IT IS FURTHER ORDERED that if the Liquidating Trustee is financially
24 unable to comply with the orders for payment or security for payment of the
25 Payment Order, and is required to make the foregoing financial disclosures, then
26 any administrative claimant may set a hearing in this matter on applicable
27 remedies required to ensure equal priority payment of administrative claims in this
28

1 case, including possible disgorgement from recipients of funds already paid for
2 allowed administrative claims.

3 IT IS FURTHER ORDERED that the Liquidating Trust's "Motion to Approve
4 Modified Supersedeas" is denied.

5 IT IS FURTHER ORDERED that Radical Bunny, L.L.C. shall immediately
6 serve a copy of this Order on all interested parties and file a Certificate of Service
7 for same.

8 ORDERED, DATED AND SIGNED ABOVE.
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