

1 SHELTON L. FREEMAN (AZ #009687)
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6 Counsel to Radical Bunny, L.L.C.

7
8 **IN THE UNITED STATES BANKRUPTCY COURT**
9 **FOR THE DISTRICT OF ARIZONA**

10 In re:

11 MORTGAGES LTD.,

14 Debtor.

Chapter 11

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

12 **NOTICE OF LODGING**

13 (Related Docket Nos.: 1888, 2014,
14 2027, 2088, 2395, 2398, 2407, 2514,
15 2521, 2529, 2595, 2982, 3009, 3018,
16 3021, 3048 & 3058)

17 NOTICE IS HEREBY GIVEN that on June 13, 2011, Shelton L. Freeman
18 caused the attached "Stipulated Order for Payment of Administrative Claims
19 Awarded to Creditor Radical Bunny" ("Stipulated Order") in the form attached as
20 **Exhibit "A"** to be sent via electronic mail to:

21 Richard M. Lorenzen, Esq.
22 Perkins Coie Brown & Bain P.A.
23 rlorenzen@perkinscoie.com
24 Attorneys for RB Liquidation Manager Corp.,
25 and the Official Committee of Unsecured
26 Creditors of Radical Bunny, LLC

27 NOTICE IS FURTHER GIVEN that on this date creditor Radical Bunny,
28 L.L.C. ("RBLLC"), by and through undersigned counsel, has lodged the Stipulated
Order.

1 DATED this 14th day of June, 2011.

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.

7 COPY sent via the U.S. Bankruptcy
8 Court's ECF noticing system this
9 14th day of June, 2011.

10 COPY served by e-mail
11 this 14th day of June, 2011, to:

12 Sharon B. Shively, Esq.
13 Sacks Tierney P.A.
14 sharon.shively@sackstierney.com
15 Attorneys for ML Liquidating Trustee

16 Mark J. Dorval, Esq.
17 Stradley Ronon Stevens & Young LLP
18 mdorval@stradley.com
19 Attorneys for ML Liquidating Trust

20 Cathy L. Reece, Esq.
21 Fennemore Craig, P.C.
22 creece@fclaw.com
23 Attorneys for ML Manger, LLC

24 Richard M. Lorenzen, Esq.
25 Perkins Coie Brown & Bain P.A.
26 rlorenzen@perkinscoie.com
27 Attorneys for RB Liquidation Manager Corp.,
28 and the Official Committee of Unsecured
Creditors of Radical Bunny, LLC

William Scott Jenkins, Esq.
Myers & Jenkins, P.C.
[wsj@mjlegal.com](mailto:wj@mjlegal.com)
Attorneys for ML Liquidating Trustee

By /s/ Heidi A. Cooling

EXHIBIT A

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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

**STIPULATED ORDER FOR PAYMENT
OF ADMINISTRATIVE CLAIMS
AWARDED TO CREDITOR RADICAL
BUNNY**

(Related DE 1888, 2514, 2521, 3018 &
3058)

This matter having come before the Court upon submission of this Stipulated Order for Payment of Administrative Claims Awarded to Creditor Radical Bunny ("Stipulated Order") by RADICAL BUNNY, L.L.C. ("RBLLC") and the ML Liquidating Trust, and upon consideration of the following:

1. RBLLC submitted an "Application Pursuant To 11 U.S.C. § 503(B)(3)(D) and (4) For Allowance And Payment Of Administrative Claim Of Creditor Radical Bunny" ("Application"), DE 1888. The Application sought an award of \$595,798.25 ("Substantial Contribution Claim"), as an administrative expense, calculated on the cost of professional services provided by RBLLC's attorneys, DeConcini McDonald Yetwin & Lacy, P.C. ("DMYL") on behalf of RBLLC. The ML Liquidating Trust objected to the Application.

1 2. This Court awarded that Substantial Contribution Claim in its entirety
2 pursuant to this Court's "Order Granting Radical Bunny's Administrative Claim for
3 Substantial Contribution" dated December 17, 2009 (DE 2514), and the "Order
4 Approving Allowance & Payment Of Substantial Contribution Claim Pursuant To
5 11 U.S.C. § 503(b)(3)(D) And (4)" entered by the Court in this bankruptcy case on
6 December 21, 2009 (DE 2521) (collectively, "Initial Orders"). The ML Liquidating
7 Trust appealed the Initial Order, DE 2529, and the United States Bankruptcy
8 Panel of the Ninth Circuit, in BAP NO. AZ-09-1412-KiJuMk ("BAP Appeal")
9 reversed and remanded the Initial Orders.

10 3. Pursuant to an Escrow Agreement dated January 22, 2010, between
11 the ML Liquidating Trust and DMYL, for itself and as counsel for RBLLC, the ML
12 Liquidating Trust deposited \$655,378.07 ("Escrowed Funds") into escrow with
13 First American Title Insurance Company ("Escrow Agent"), as security for the
14 granting of a stay pending appeal.

15 4. On remand, this Court again awarded the \$595,798.25 Substantial
16 Contribution Claim pursuant to "Findings of Fact and Conclusions of Law and
17 Amended Order Granting Radical Bunny's Administrative Claim For Substantial
18 Contribution" entered by the Court in this bankruptcy case on December 21, 2010,
19 DE 3018 ("Amended Order").

20 5. Based on the terms of the Amended Order, RBLLC submitted its
21 Supplemental Application Pursuant to 11 U.S.C. § 503(B)(3)(D) and (4) for
22 Allowance and Payment of Administrative Claim of Creditor Radical Bunny", DE
23 3021 ("Supplemental Application"). The Supplemental Application sought an
24 additional \$128,763.50 for attorneys fees and costs incurred by DMYL in
25 connection with establishing the Substantial Contribution Claim. The ML
26 Liquidating Trust objected to the Supplemental Application. This Court awarded
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1 the \$128,763.50 sought in the Supplemental Application pursuant to a signed
2 Minute Entry, DE 3058 (“Supplemental Order”).

3 6. The ML Liquidating Trust has appealed: (1) the Amended Order, DE
4 3024, and (2) the Supplemental Order, DE 3102. The parties have stipulated to
5 substantive consolidation of those appeals, hereinafter referred to as “Appeal”.

6 7. The ML Liquidating Trust, RBLLC and DMYL have agreed to resolve
7 the Appeal through this Stipulated Order to avoid the cost and uncertainty of
8 continued litigation, reduce further expenses that would be incurred by ML
9 Liquidating Trust, DMYL and RBLLC in pursuing the Appeal, and to provide for
10 the release of the Escrowed Funds.

11 8. Distribution of the settlement amounts herein have been authorized
12 by a Stipulated Order entered in RBLLC’s Chapter 11 Proceedings, Case No. 2-
13 08-bk-13884-CGC (“RBLLC Case”), attached as **Exhibit 1** hereto (“RB Order”).

14 9. The ML Liquidating Trust and RBLLC have agreed to resolve the
15 pending Appeal on the following terms:

16 (1) The ML Liquidating Trust, RBLLC and DMYL stipulate to the following in
17 settlement of the administrative claims granted in the Amended Order, *i.e.*,
18 \$595,798.25, and the Supplemental Order, *i.e.*, \$128,763.50: (a) the
19 payment of \$400,000 (“Settlement Payment”) as an administrative claim to
20 be allocated for payment of \$271,236 of the amount of the Amended Order
21 and for payment of \$128,764 for the Supplemental Order, subject to the
22 stipulated distribution of those funds as described in the RB Order; and (b)
23 the allowance of the remaining portion of the \$595,798.25 administrative
24 claim owed under the Amended Order (\$324,562) as additional amounts to
25 be distributed to Radical Bunny, L.L.C. for its Class 11B Unsecured Claim,
26 from the ML Liquidating Trust, under the terms of the confirmed plan of
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1 reorganization in this case, and such amounts shall be distributed as
2 provided in the RB Order.

3 (2) The ML Liquidating Trust, RBLLC and DMYL stipulate that:

4 (a) Upon this Order becoming a final order, the Escrow Agent is
5 authorized to disburse \$400,000.00 from the Escrowed Funds as follows: (i)
6 payment of \$220,113 to DMYL and \$179,887 to RB Liquidation, LLC (RBLLC, as
7 reorganized), as described in the RB Order.

8 (b) Upon this Order becoming a Final Order, the Escrow Agent is
9 authorized to disburse the Escrowed Funds remaining (after distribution of
10 \$400,000.00) to the ML Liquidating Trust (after withholding for payment of any
11 escrow fees or other amounts due to the Escrow Agent from the remaining
12 Escrowed Funds). Upon such distribution of all Escrowed Funds, the escrow
13 created by the Escrow Agreement will terminate as provided in the Escrow
14 Agreement.

15 (c) Upon this Order becoming a final order, the ML Liquidating Trust and
16 DMYL (as counsel for RBLLC) shall file a stipulation for dismissal of the Appeal
17 with prejudice, each party bearing its own attorneys fees and costs of the Appeal
18 (which does not include attorneys fees and costs awarded under the
19 Supplemental Order and to be paid pursuant to this Stipulated Order).

20 Based on the foregoing, and good cause appearing therefore, IT IS
21
22 HEREBY ORDERED that:

23 A. Upon this Order becoming a final order, the Escrow Agent is ordered
24 to disburse \$400,000.00 from the Escrowed Funds to be applied to
25 RBLLC's administrative claims as described above. The net sums to
26 be disbursed shall be in the total sums of \$220,113 to DMYL and
27 \$179,887 to RB Liquidation, as described in the RB Order.

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- 1 B. Upon this Order becoming a final order, the Escrow Agent is ordered
2 to disburse the Escrowed Funds remaining (after distribution of
3 \$400,000.00 to DMYL and RB Liquidation) to the ML Liquidating
4 Trust (after withholding payment of any escrow fees or other amounts
5 due to the Escrow Agent).
6
7 C. The remaining portion of the Amended Substantial Contribution
8 Award (\$324,562) will be added to the amounts to be distributed to
9 Radical Bunny, L.L.C. from the ML Liquidating Trust for its Class 11B
10 Unsecured Claim under the terms of the confirmed plan of
11 reorganization in this case, but shall be distributed as provided in the
12 RB Order.
13
14 D. Upon this Order becoming a final order, ML Liquidating Trust and
15 RBLLC shall dismiss the Appeal with prejudice.
16
17 E. Based on the stipulation of the ML Liquidating Trust, the sole party to
18 the Appeal, as evidenced by the signature of its counsel below, no
19 further notice or hearing shall be required with respect to the entry of
20 this Stipulated Order, whether pursuant to Rule 9019, Federal Rules
21 of Bankruptcy Procedure, or otherwise.

22 ORDERED, DATED AND SIGNED ABOVE.

23 APPROVED AS TO FORM AND CONTENT:

24 DECONCINI McDONALD YETWIN & LACY, P.C.

25 BY /S/ SHELTON L. FREEMAN

26 Shelton L. Freeman
27 Counsel to Radical Bunny, L.L.C.

28 STRADLEY RONON STEVENS & YOUNG, LLP

By /S/ MARK J. DORVAL

Mark J. Dorval
Counsel for ML Liquidating Trust

EXHIBIT 1

DECONCINI McDONALD YETWIN & LACY, P.C.
6909 East Main Street
Scottsdale, Arizona 85251

SO ORDERED.

Dated: June 13, 2011



Charles G. Case, II, Bankruptcy Judge

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

In re:
RADICAL BUNNY, L.L.C.,

Debtor.

In Proceedings Under Chapter 11
Case No. 2:08-bk-13884-CGC

**STIPULATED ORDER GRANTING
APPLICATION FOR ORDER
ALLOCATING PROCEEDS OF
SUBSTANTIAL CONTRIBUTION
CLAIM TO DeCONCINI McDONALD
YETWIN & LACY, P.C. AND RB
LIQUIDATION, LLC**

(Related DE's 874, 1197 & 1198)

This matter came before the Court pursuant to the "Application for Order Allocating Proceeds of Substantial Contribution Claim to DeConcini McDonald Yetwin & Lacy, P.C. and RB Liquidation, LLC" (the "Application"), DE 1197, filed by the law firm of DeConcini McDonald Yetwin & Lacy, P.C. ("DMYL").

The Court, having considered the Application, and this Court's "Order Granting First and Final Application of DeConcini McDonald Yetwin & Lacy, P.C., For Allowance and Payment of Fees and Expenses For Services Rendered As Special Counsel For Debtor and the Trustee of Radical Bunny, LLC In Part and

1 Reserving Ruling In Part and Request to Vacate Hearing", DE 874, a hearing
2 having been held on June 7, 2011 at 11:00 a.m., and good cause appearing
3 therefore,

4 IT IS HEREBY ORDERED:

5 Approving the distribution and payment of the \$400,000 Settlement Payment
6 and allocation of the remaining Substantial Contribution Claim, as follows:

- 7 1. DMYL is entitled to the distribution and payment of \$220,113 from
8 the Settlement Payment directly from escrow consisting of the
9 Fees/Costs Award, and the pro-rata allocation of the Substantial
10 Contribution Award, subject to the 15% holdback to RB Liquidation,
11 LLC;
- 12 2. RB Liquidation, LLC is entitled to the distribution and payment of
13 \$179,887 from the Settlement Payment directly from escrow,
14 consisting of its pro-rata allocation of the Substantial Contribution
15 Award and the holdback amounts.
- 16 3. In the event the Liquidating Trust pays any additional sums under
17 the Substantial Contribution Award, those amounts will be allocated
18 and distributed (and paid by the Liquidating Trust), 52% to RB
19 Liquidation, LLC, and 48% to DMYL (subject to the 15% holdback
20 to RB Liquidation, LLC).
- 21 4. DMYL shall be entitled to the amounts provided in this Order in lieu
22 of any additional claims for compensation from RB Liquidation, LLC
23 related to the Substantial Contribution Claim, or any other matter,
24 other than DMYL's allowed Administrative Claim in the amount of
25 \$768,618.73 (DE 874).

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5. RB Liquidation, LLC agrees that it will use its best efforts to make a pro-rata distribution to allowed Administrative Claims of available funds on or before July 6, 2011.

ORDERED, SIGNED AND DATED ABOVE.

APPROVED AS TO FORM:

PERKINS COIE BROWN & BAIN P.A.

DeCONCINI McDONALD YETWIN & LACY, P.C.

By: /s/ Richard M. Lorenzen
Richard M. Lorenzen
Counsel for RB Liquidation, LLC

By: /s/ Shelton L. Freeman
Shelton L. Freeman
Special Counsel for Chapter 11
Trustee and Special Counsel for Debtor