



ORDERED in the Southern District of Florida on August 1, 2012.

A handwritten signature in black ink that reads "Paul Hyman". The signature is written in a cursive style and is positioned above a horizontal line.

**Paul G. Hyman, Chief Judge
United States Bankruptcy Court**

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

In re:

CHAPTER 11

PALM BEACH FINANCE PARTNERS, L.P.,
PALM BEACH FINANCE II, L.P.,

Case No. 09-36379-PGH
Case No. 09-36396-PGH
(Jointly Administered)

Debtors.

**ORDER APPROVING LIQUIDATING TRUSTEE'S
MOTION (1) TO APPROVE SETTLEMENT WITH G. CRAIG
HOWSE AND HOWSE & THOMPSON P.A.; (2) FOR ENTRY OF A BAR
ORDER; AND (3) TO APPROVE PAYMENT OF CONTINGENCY FEE [ECF NO. 1284]**

The Court conducted a hearing on July 27, 2012 at 1:00 p.m. on the Liquidating Trustee's Motion (1) to Approve Settlement with G. Craig Howse and Howse & Thompson P.A.; (2) for Entry of a Bar Order; and (3) to Approve Payment of Contingency Fee [ECF No. 1284] (the "*Motion*").¹ The Court finds that the notice of the proposed compromise and settlement is sufficient to comply with

¹ Capitalized terms not defined in this Order shall have the meaning ascribed to such term as set forth in the Motion.

Bankruptcy Rules 9019 and 2002(a)(3), Local Rule 9013-1(D) and any other applicable notice requirement, and accordingly, it is:

ORDERED as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, and authority to enter this Order pursuant to 11 U.S.C. § 105(a).
2. The Motion is granted. The Settlement is approved.
3. The Settlement Payment shall be apportioned between the Palm Beach Liquidating Trusts pursuant to the Pro Rata Allocation Formula.
4. MRB's Contingency Fee is approved. The Liquidating Trustee is authorized and directed to make payment of the Contingency Fee without the need of further Court Order, in accordance with the Pro Rata Allocation Formula, promptly upon receipt of the Settlement Payment.
5. The form and means of the notice of the Bar Order and the Motion are determined to have been the best notice practicable under the circumstances and to be good and sufficient notice to all persons whose interests would or could be affected by this Order.
6. The Court has been apprised of the negotiations that preceded the Settlement Agreement and finds that the Motion and request for Bar Order is a result of arms' length bargaining among the parties. There is no evidence that the settlement reached by the Liquidating Trustee with Howse is the result of collusion among the parties or that there has been any intent to prejudice any interested parties.
7. The Court finds that entry of this Order is appropriate in order to achieve the finality and repose that is contemplated as a term of the proposed settlement and that good cause therefore exists for the entry of this Order, is fair and equitable and that this Order is necessary and appropriate to carry out the provisions of 11 U.S.C. § 105. *See In re U.S. Oil & Gas Litigation*, 967 F.2d 489, 495-96 (11th Cir. 1992); *Munford, Inc. v. Munford, Inc.*, 97 F.3d 449, 454-55 (11th Cir. 1996); *In re Jiffy Lube Securities Litigation*, 927 F.2d 155 (4th Cir. 1991); *Eichenholtz v. Brennan*, 52 F.3d 478 (3d Cir. 1995).

8. The following additional definitions apply to the provisions of this Order barring certain claims as set forth in paragraph 9 below:

a) “*Claims*” shall mean all liabilities, judgments, rights, claims, cross-claims, counterclaims, third-party claims, demands, suits, matters, obligations, damages, debts, losses, costs, actions and causes of action, of every kind and description, including but not limited to those pertaining to any dealings with, loans to or investments in the Debtors, arising under common law, rule, regulation or statute, whether arising under state or federal law, whether presently known or unknown that relate in any manner whatsoever to the Debtors.

b) “*Debtors*” shall mean Palm Beach Finance Partners, LP, Palm Beach Finance II, LP, Palm Beach Offshore, Ltd. and Palm Beach Offshore II, Ltd.

c) “*Debtor Releasor*” shall mean (i) the Trustee (but only in its capacity as the Trustee and as a representative of the bankruptcy estates of the Debtors and not in any other capacity), and its successors and assigns (but only to the extent of any such successors’ and assign(s)’ rights to serve in the capacity of the Trustee or as a representative of the Debtors and not in any other capacity) (ii) the Debtors and their respective current and former parents, subsidiaries and affiliates, all of the respective current and former partners, shareholders, directors, officers, employees, members, managers, agents, attorneys, representatives and insurers of each of them, and the heirs, executors, administrators, trustees, beneficiaries, predecessors, successors and assigns of any of the foregoing; and (iii) the Debtors’ bankruptcy estates and their respective successors and assigns.

d) “*Howse Parties*” shall mean Howse and Thompson, P.A. together with its current and former partners, subsidiaries and affiliates, (including but not limited to Winners Edge Holding Company), all of its and their respective current and former partners, shareholders, directors, officers, employees, members, managers, agents, attorneys, representatives and their

insurers, and the heirs, executors, administrators, trustees, beneficiaries, predecessors, successors and assigns of any of the foregoing.

9. Bar Order:

a) The commencement, prosecution or assertion of the following claims in this Court, in any federal or state court, or in any court, arbitration proceeding, administrative agency or other forum in the United States or elsewhere are hereby permanently barred, enjoined and restrained: (i) any Claim of any kind by any Debtor Releasor, against any Howse Party which directly or indirectly arises from or relates to, in whole or in part, any services rendered or actions performed by any Howse Party at any time to any Debtor Releasor; (ii) any Claim of any kind by any party in interest of any of the Debtors against any Howse Parties which directly or indirectly arises from or relates to, in whole or in part, any services rendered or action performed by any Howse Party at any time to any Debtor; and (iii) any Claim for indemnity or contribution brought by any person or entity (together with any Debtor Releasor, collectively the “*Enjoined Parties*”) against any Howse Party, asserted in any suit, action, cause of action or other proceeding, including proceedings in arbitration, whether in the nature of a claim, cross-claim or counterclaim, as a result of or relating to a claim initiated by any person asserting rights derivative of any Debtor, including without limitation any past or present partner, principal, officer, director, shareholder, employee, related entity, subsidiary entity, affiliated entity, parent entity, administrator, predecessor, successor, assign, debtor-in-possession, bankruptcy trustee, agent, attorney, accountant, representative or insurer thereof against any such third party (collectively, the “*Barred Claims*”). In the event any Enjoined Party asserts a Barred Claim, the Howse Parties and/or the Liquidating Trustee promptly shall provide notice of this Order to the Court or Tribunal hearing such Barred Claim.

b) In the event that (i) any person asserting rights derivative of any Debtor, including without limitation any past or present partner, principal, officer, director, shareholder, employee, related entity, subsidiary entity, affiliated entity, parent entity, administrator, predecessor, successor, assign, debtor-in-possession, bankruptcy trustee, agent, attorney, accountant, representative or insurer thereof (the Debtors) and all such persons, collectively, (“*Initiators*”), initiates any suit, action, cause of action or other proceeding, including proceedings in arbitration, whether in the nature of a claim, cross-claim or counterclaim, against any person (each a “*Defendant/Third-Party Plaintiff*”, such term to include any subrogee thereof) with respect to any matter (a “*Proceeding*”), and (ii) such Defendant/Third-Party Plaintiff brings a cross-claim for contribution or indemnity against a Howse Party (each an “*Indemnified Party*” such term to include any subrogee thereof) seeking to recover any loss, liability, cost or expense suffered or incurred by such Defendant/Third-Party Plaintiff, as a result of or relating to the Proceeding (an “*Indemnified Claim*”), then the Court or Tribunal hearing said Indemnified Claim shall reduce any judgment in favor of the Debtors, jointly and severally, against a Defendant/Third-Party Plaintiff asserting said Indemnified Claim by an amount equal to the amount of the judgment multiplied by the aggregate proportionate share of fault of the Indemnified Party or the amount of the Settlement payment, whichever is greater.

c) If any Initiator enters into a settlement with any person with respect to one or more causes of action based upon, arising from or related to any Claim described in paragraph 7(a)(i) above, or any transaction underlying such Claim, then such Initiator shall use best efforts to cause to be included in the Settlement Agreement, and in all events the settlement shall be deemed to include, a dismissal, release and waiver of any Barred Claims.

d) Any Initiator or person against whom any Initiator initiates any suit, cause of action or other proceeding is hereby enjoined and restrained from seeking relief or collecting judgments in any manner that fails to conform to the terms of this Order.

e) Provided that nothing in this Order shall (i) enjoin, impair or delay the Securities and Exchange Commission (“*SEC*”) from commencing or continuing any claims, causes of action, proceedings or investigations against any person or entity, including the Howse Parties or (ii) release or discharge any person or entity, including the Howse Parties from any claims, rights, powers or interest held or assertable by the SEC.

10. The Court retains exclusive jurisdiction to enforce or interpret the terms of the Settlement or this Order.

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Submitted By:

s/ Jonathan S. Feldman, Esq.

Jonathan S. Feldman, Esquire

Florida Bar No. 12682

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Copies Furnished To:

Jonathan S. Feldman, Esquire, is directed to serve copies of this Order on all parties in interest and to file a Certificate of Service.