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6 IN THE UNITED STATES BANKRUPTCY COURT
7 FOR THE DISTRICT OF ARIZONA

8 In re
9 MORTGAGES LTD.,
10 Debtor.

Chapter 11

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

**NOTICE OF LODGING ORDER
APPROVING SETTLEMENT WITH
MORTGAGES LTD 401k PLAN**

**Hearing Date: December 11, 2012
Hearing Time: 11:00 a.m.**

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16 NOTICE IS HEREBY GIVEN that ML Manager has lodged a proposed *Order*
17 *Approving Settlement with Mortgages Ltd 401k Plan*, which Order is attached as Exhibit
18 A.

19 DATED: December 11, 2012

20 FENNEMORE CRAIG, P.C.

21 By /s/ Cathy L. Reece

22 Cathy L. Reece
23 Attorneys for ML Manager LLC
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25
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EXHIBIT

A

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11 FOR THE DISTRICT OF ARIZONA

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13 MORTGAGES LTD.,
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Chapter 11

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

**ORDER APPROVING SETTLEMENT
WITH MORTGAGES LTD 401K PLAN**

**Hearing Date: December 11, 2012
Hearing Time: 11:00 a.m.**

17 ML Manager LLC (“ML Manager”) filed a Motion to Approve Settlement With
18 Mortgages Ltd. 401k Plan (Docket No. 3653) (“Motion”) requesting that the Court enter
19 an order authorizing ML Manager, as the manager for Bison Loan LLC and VF I Loan
20 LLC and as the agent for certain Pass-Through Investors in the loans in which the
21 Mortgages Ltd. 401k Plan (“401k Plan”) has an interest and on behalf of all other
22 Investors for which it is manager or agent, to enter into and implement a global settlement
23 with the 401k Plan as presented in the Motion and fully executed Settlement Agreement,
24 which was filed with the Court (Docket No. 3670), including the settlement and dismissal
25 with prejudice of Adversary Proceeding 2:11-ap-2053 and the releases of the parties as set
26 forth in the Settlement Agreement. The Motion was properly noticed. Mr. Furst filed a

1 Response which approved and agreed to the Settlement. The Rev Op Group, through their
2 counsel, sent a letter to ML Manager's counsel and expressed on the record at the hearing
3 a reservation of rights. No other objections were filed. The Court heard the oral argument
4 at a hearing on December 11, 2012 at 11:00 a.m. and at the conclusion of the hearing the
5 Court made findings of fact and conclusions of law on the record which is incorporated in
6 this Order. Upon consideration of the Motion, and the statements of counsel, the Court
7 finds and concludes as follows:

8 (a) This Court has jurisdiction to rule upon the issues presented in the Motion
9 and to authorize and approve the Settlement and Motion;

10 (b) The investors in Bison Loan LLC and VF I Loan LLC and the applicable
11 MP Funds have agreed by the applicable dollar vote to the Settlement;

12 (c) ML Manager is authorized, among other things, to enter into the Settlement,
13 to implement and proceed with the Settlement and to execute any and all necessary
14 documents to implement the Settlement; and

15 (d) The Settlement and ML Manager's decision to enter into the Settlement
16 reflect a reasonable compromise, are in the best interests of the investors, and are
17 supported by the best exercise of business judgment consistent with ML Manager's
18 fiduciary duties and responsibilities.

19 **IT IS THEREFORE ORDERED THAT:**

20 (1) The Motion is granted in its entirety and the Settlement is approved,
21 including the releases as provided for in the Settlement Agreement. The 401k Plan's
22 liability, if any, for its share of the exit financing, interest or other costs and the other
23 General Costs and the Loan Specific Costs under the Plan of Reorganization,
24 Confirmation Order and the Allocation Model which have been approved by the Court are
25 settled and resolved as set forth in the Settlement Agreement and for the consideration
26 provided therein.

1 (2) ML Manager’s execution and entry into the Settlement Agreement on behalf
2 of all persons and entities included in the definition of “MLM” contained in the
3 Settlement Agreement is authorized, and ML Manager is authorized to implement the
4 terms set forth in the Settlement Agreement and to execute any and all necessary
5 documents to implement the Settlement. The Assignments by the 401k Plan to ML
6 Manager as provided for in the Settlement Agreement and the releases provided for in the
7 Settlement Agreement by and for the benefit of the persons and entities set forth in the
8 Settlement Agreement shall be effective upon the Settlement Agreement becoming
9 unconditional as set forth in the Settlement Agreement.

10 (3) All objections to the Motion and Settlement are hereby overruled.

11 ORDERED, SIGNED AND DATED AS STATED ABOVE.

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