



ORDERED in the Southern District of Florida on May 18, 2007.

A Jay Cristol

A. Jay Cristol, Judge
United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
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In re

CASE NO. 01-11281-BKC-AJC

PACIFIC FOREST PRODUCTS CORP.,

Debtor

LEWIS B. FREEMAN, Liquidating Trustee
of Pacific Forest Products Corp.,

ADV. NO. 03-1092-BKC-AJC-A

Plaintiff,

vs.

ANDRES DELGADO, an individual, *et al.*,

Defendants.

**ORDER GRANTING TRUSTEE'S MOTION TO APPROVE SETTLEMENT
AND COMPROMISE WITH SUNTRUST BANK AND COLONIAL BANK**

THIS MATTER came before the Court on the Trustee's Motion to Approve Settlement and Compromise with SunTrust Bank and Colonial Bank (Main Case C.P. #382; Adv. Case C.P. #669) (the "Motion"). The Court, having reviewed the Motion and the Settlement Agreements attached

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thereto, heard argument of counsel, considered and overruled any objections asserted, and being otherwise fully advised in the premises,

FINDS AND DETERMINES as follows:

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

B. To the extent any of the following findings of fact constitute conclusions of law or mixed questions of law and fact, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. The settlements and compromises contained in the Settlement Agreements are reasonable and in the best interests of the Estate and its creditors.

D. The settlements and compromises contained in the Settlement Agreements fall well above the lowest point in the range of reasonableness.

E. Notice of the settlements and compromises is appropriate in the particular circumstances, and the opportunity for a hearing is appropriate in the particular circumstances.

F. In reaching such findings, the Court has considered and balanced (i) the Trustee's probability of success on the merits of prosecuting the Trustee's claims against SunTrust Bank and Colonial Bank in the Adversary Proceeding, (ii) the complexity of such litigation and the risk, expense, inconvenience and delay associated with such litigation, and (iii) the paramount interests of creditors. The Court has also given a proper deference to the reasonable views of creditors of the Estate. *See In re Justice Oaks II, Ltd.*, 898 F.2d 1544, 1549 (11th Cir. 1990).

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G. The Court also finds that settlements are in the best interests of the Debtor's estate, and in so finding has determined that the value of the settlement outweighs the value of the claim by considering the following five factors: (1) the probability of success in litigation; (2) the likely difficulties in collection; (3) the complexity of the litigation; (4) the expense, inconvenience and delay attending the litigation; and (5) the paramount interests of the creditors. See In re Justice Oaks II, Ltd., 898 F.2d 1544, 1549 (11th Cir. 1990). The Court has also given a proper deference to the reasonable views of creditors in this chapter 11 case. See Id.

Upon the foregoing findings and conclusions, the Court ORDERS and ADJUDGES that:

1. The Motion is Granted.
2. The terms of the Settlement Agreements as set forth in Exhibits A and B to the Trustee's Motion are hereby approved and incorporated by reference as if set forth herein.
3. The Trustee is hereby authorized and empowered to execute and deliver the Settlement Agreements and any and all documents required in connection therewith or required to consummate the transactions contemplated therein. The Trustee is further authorized and empowered to perform and take any and all actions required by or necessary to effectuate the terms of the Settlement Agreements and the transactions contemplated therein; and
4. This Court shall retain exclusive jurisdiction to enforce the provisions of this Order and the Settlement Agreements and to resolve any dispute concerning this Order, the Settlement Agreements, or the rights and duties of the parties hereunder or thereunder or any issues relating to the Settlement Agreements and this Order, including, but not limited to, the interpretation of the

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terms, conditions and provisions hereof and thereof and all issues and disputes arising in connection with the relief authorized herein..

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Submitted by: Brett M. Amron, Esq.
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*Copy to: Brett M. Amron, Esq., who shall
serve all interested parties.*