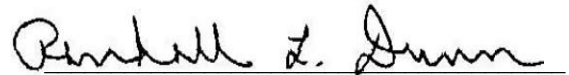


Below is an Order of the Court.



RANDALL L. DUNN
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re:

Case no. 12-30656-rld11

**AMERICAN AMEX, INC., a Nevada
corporation**, a Nevada corporation

Chapter 11

Debtor.

ORDER CONFIRMING PLAN

Debtor having proposed a Plan of Reorganization under Chapter 11 of Title 11, United States Code, docket 182; and such Plan having come before the Court for confirmation, and it appearing that there are no objections to confirmation or that any have been resolved, and the Court having reviewed the Pre-Hearing Report on Confirmation filed by Debtor, and the inquiries of the Court having been satisfactorily answered, and it therefore having been determined after notice and a hearing that:

1. The Plan of Reorganization complies with the provisions of this chapter and with other applicable provisions of this title;

2. The Plan of Reorganization has been proposed in good faith and not by any means

forbidden by law;

3. The requisite classes of creditors have voted in favor of confirmation, and all objections have been resolved,

4. With respect to each impaired class of creditors, each holder of a claim or interest provided for by the plan---

a. has accepted the plan; OR

b. the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim is not less than the amount that would be paid if the debtor were liquidated under Chapter 7;

5. Confirmation of this Plan is not likely to be followed by the liquidation, or the need for further reorganization, of the debtor;

6. Creditor Sable Palm has filed responses to both the Motion to Sell and the Confirmation of the Plan (dockets 196 and 197), and Debtor and Sable Palm having entered into that certain Stipulation entered at Dkt. #16 in *Sable Palm Development v. American Amex, Inc., et al.*, Adv. Case #13-30656, Bankr. D. Or., (the “Stipulation”);

7. Creditor Fred Quimby having submitted documentation that is not an objection to confirmation of the Plan, but may be an attempt to assert a Proof of Claim in this case, which will be resolved after confirmation of the Plan;

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

The Plan of Reorganization, docket 182, is confirmed, incorporating the following modifications:

1. The Stipulation is approved, the terms and conditions of the Stipulation are incorporated herein by reference as though fully set forth here; and the Stipulation is binding upon the Debtor

and Sable Palm Development according to its terms.

2. Debtor may consummate the sale of the property described in Exhibit A hereto.
3. The Terms of Sale in accordance with the Purchase and Sale Agreement and related documents attached to the Plan, commencing at page 10, are approved.
4. The property is to be sold free and clear of liens, claims, and interests. In particular, reference is made to the Title Report attached to the Motion for Sale, docket 187. The Court ORDERS that:

- ✓ Exceptions numbered 22, 24 and 28 are governed by the provisions of the Second Amended Chapter 11 Plan, docket 182, and the sale shall be free and clear of those exceptions. The affected parties are Fred Quimby and Stan Quimby, PF Enterprises, and Golden Isles Company, Gold Nickel Mining LLC, and American Amex, Inc.¹
- ✓ The General Judgment, exception no. 34, serves to clarify and eliminate the exceptions numbered 23, 30, 31, 32, 33, 36, 37 and 38. The sale shall be free and clear of those exceptions.
- ✓ A Supplemental Judgment was entered by the Grant County Circuit Court on November 30, 2012, copy of which is attached, and which provides that the settlement agreement referred to and adopted in the General Judgment, exception 34, is an equitable mortgage. The sale shall be free of that exception.
- ✓ ALL of the foregoing exceptions are governed by the terms of the Second Amended Plan.

¹ Which American Amex, Inc., is NOT this Debtor.

5. Debtor has other potential offers to purchase the property being sold for the same or a higher amount, and believes that the fair market value of the property, based on the offers and discussions with proposed purchasers, is \$27 million, more or less. The Court hereby authorizes Debtor, should the proposed purchaser (Erwin Singh Braich as Trustee of the Peregrine Trust) not close, then the Debtor may offer the property to another qualified backup bidder on the same terms and conditions or better and close the sale thereafter as soon as practicable. Should there be no qualified backup bidders on such terms or better, then debtor may renote the sale hereafter to another party. Under any alternative disposition of the property under this paragraph 5, creditors with secured claims may credit bid some or all of their secured claim(s); provided, however, that the balance of any additional amounts bid must be paid on the same terms applicable to other bidders without secured claims.

6. The closing agent shall pay the following liens and encumbrances:

A. GRANT COUNTY: See exceptions 8, 9, 10 and 11 on the Title Report. These claims will accrue 16% statutory interest from the due date of each and may be paid at closing.

B. SABLE PALM: Pursuant to the Stipulation, Sable Palm Development has an allowed secured claim in the amount of \$3,813,647.28 as of October 31, 2013, plus interest accruing thereafter in the per diem amount of \$424.66, plus attorney fees incurred in this bankruptcy case after October 31, 2013.

C. ROBERT P. HILLS: See Exception 25 on the Title Report. The amount of the claim, per the ballot filed by Mr. Hills, is \$1,510,831.26. Interest shall accrue at \$381.54 from the date of the ballot submitted by Mr. Hills of 10/31/13.

D. RAY WEILAGE: *This creditor is an insider of the Debtor.* His claim is secured with two written and recorded mortgages as set forth in the Title Report attached to the Disclosure

Statement. The amount of the mortgages, per the title report, would be \$3,254,000.00; the claim with interest per the notes is \$7,079,000. This claim is contested by creditor Sable Palm. From the sale proceeds of the property to be sold pursuant to the Plan, \$2,000,000.00 can be released at closing to Mr. Weilage, with the balance being held in escrow pending further order of the Court after resolution of the claim litigation involving Mr. Weilage's claim; provided, however, the \$2,000,000.00 distribution is subject to recharacterization, if applicable, depending upon the adjudication of claims identified in the Stipulation

7. OTHER EXCEPTIONS (SEE TITLE REPORT):

A. Milling Agreement, exception 22. This is being treated in the Plan as a rejected executory contract. As stated in the Title Report, it has been released. Mr. Quimby was given notice of the Chapter 11 Plan and the Motion for Sale. The sale shall be free and clear of this contract.

B. Lease Agreement, PF Enterprises, exception 24. This has been abandoned by P.F. Enterprises several years previously. Mr. Partee, the designated agent of P.F. Enterprises, was given notice of the Chapter 11 Plan and of the Motion. The sale shall be free and clear of this contract.

C. Mr. Braich, exceptions 35 and 40, were resolved by this sale.

8. There is no brokers' commission allowed or payable.

9. This is a PRIVATE sale, and at this point, no competitive bids are contemplated. Should Mr. Braich decline to purchase and fails to close within thirty (30) days after the entry of this order (assuming no appeal is taken therefrom), then any other party may purchase the property on the same terms and conditions as set forth herein. Should there be more than one such entity desiring to purchase, the Court will set a hearing on the sale to determine the highest and best offers.

Should no purchaser desire to exercise the terms and conditions set forth herein, then the Court will allow offers on different terms and conditions, which will be determined after November 26, and a further hearing will be set. In that event only, the Court will be asked to determine the offer that is in the “best interests of the estate.” Under any alternative disposition of the property under this paragraph, creditors with secured claims may credit bid some or all of their secured claim(s); provided, however, that the balance of any additional amounts bid must be paid on the same terms applicable to other bidders without secured claims.

10. The closing agent shall pay all claims set forth in paragraph 6.A–D inclusive, subject to the restriction in paragraph 6.D for the partial payment of Ray Weilage’s contested secured claim and the retention of funds pending the resolution of claim litigation over Ray Weilage’s contested secured claim. The remaining proceeds will be held in an interest bearing account by the closing agent pending further order of the Court.

11. Notice was given to the persons shown in the title report as follows:

EXCEPTION	CREDITOR/PARTY	NOTICE
8, 9, 10, 11	Grant County	On Court mailing list; notice sent by counsel.
22	Fred Quimby	Address infra. Objection will be filed to his “claim” and determined by the Court.
23, 32, 38	Sable Palm	See docket 196. Proof of service also sent by ECF to Mr. Goergen, and by first class mail to its address.
24	PF Enterprises	On Court mailing list; notice sent by counsel.
25	Robert Hills	Mr. Hills has appeared by counsel and filed a claim. He has also filed a ballot in favor of the Plan.
26, 27, 30, 31	Ray Weilage	He is the principal of the Debtor and was sent notice by counsel.
28	Golden Isles, Gold Nickel, and “American Amex.”	This is the “phony” American Amex, and notice was sent to all such entities. They are on the Court mailing list and were sent notice by first class mail.

33	Sable Palm and American Amex, Incorporated	This is the “phony” American Amex, and notice was sent to all such entities. They are on the Court mailing list.
34	Sable Palm	This was the subject of the trial held last year in Grant County, in which Judge Cramer ruled that the claim was an equitable mortgage.
35, 40	Erwin Singh Braich	This lawsuit has been dismissed; Mr. Braich is the purchaser.
36	Clearwater Management	Clearwater Management was sent notice to both addresses as shown in the Court mailing list, by the undersigned.
37	Clearwater Management, Sable Palm	Sable Palm’s claim is being paid. Clearwater Management has no title to the property. It has been on the mailing list of this Court

12. Pursuant to 11 USC §363(m), the Court specifically finds that Braich is a good faith purchaser for value. Therefore, the reversal or modification on appeal of this authorization for the sale does not affect the validity of the sale under this authorization.

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Presented by:
D. Blair Clark, OSB# 05030
1513 Tyrell Lane, Suite 130
Boise, ID 83706
Telephone: (208) 475-2050
Email: dbc@dbclarklaw.com
Attorney for Debtor in Possession

Approved by:

<u>/s/ Brent G. Summers</u>	<u>OSB #824060</u>
<u>/s/ Patrick M. Gregg</u>	<u>OSB #093698</u>
Brent G. Summers/Patrick M. Gregg Attorney for Braich et al	
<u>/s/ Gary L. Blacklidge</u>	<u>OSB #902089</u>
Gary L. Blacklidge, Attorney for Robert Hills	
<u>/s/ Brad Goergen</u>	<u>OSB #072638</u>
Brad Goergen, Attorney for Sable Palm et al	

Land Title Co of Grant County, Inc

145 NE Dayton Street
John Day, OR 97845-1092

Phone: (541) 575-1830 or 575-1529
Fax: (541) 575-0149
E-Mail: landtitleco@centurytel.net

Date: October 21, 2013

Our Order No. 23848

PRELIMINARY TITLE REPORT FOR INSURANCE

Martin Leuenberger, Attorney
Attention: Martin Leuenberger
PO Box 1026
Baker City, OR 97814

ALTA Owner's Policy Standard

Liability
\$27,500,000.00

Premium
\$36,850.00

Land Title Company of Grant County, Inc., is prepared to issue on request and on recording of the appropriate documents, a policy or policies of Stewart Title Guaranty Company, as applied for, with coverages as indicated, based on this preliminary report that as of **October 14, 2013** at 8:00 A.M. the title to the property described is vested in:

AMERICAN AMEX, INC., AN INACTIVE NEVADA CORPORATION, a Nevada corporation

Subject only to the exceptions shown herein and to the terms, conditions and stipulations contained in the policy form. No liability is assumed until a full premium has been paid and a policy is issued.

LEGAL DESCRIPTION:

FOR LEGAL DESCRIPTION SEE EXHIBIT 'A'

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SCHEDULE B

GENERAL EXCEPTIONS

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien, or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

SPECIAL EXCEPTIONS

6. Unpatented mining claims, if any.
7. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
8. Unpaid taxes for 2010-2011:
Levied Amount : \$1,084.21
Balance Owning : \$672.39, plus interest and fees, if any
Account No. : 4 8-35V TL700; Ref. 2467
9. Unpaid taxes for 2011-2012:
Levied Amount : \$717.26, plus interest and fees, if any
Account No. : 4 8-35V TL700; Ref. 2467
10. Unpaid taxes for 2012-2013:
Levied Amount : \$687.14, plus interest and fees, if any
Account No. : 4 8-35V TL700; Ref. 2467

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11. Unpaid taxes for 2013-2014:
Levied Amount : \$671.82, plus interest and fees, if any
Account No. : 4 8-35V TL700; Ref. 2467
12. As disclosed by the tax roll the premises herein described have been zoned or classified for forest land use. At any time that said land is disqualified for such use, the property may be subject to additional taxes or penalties and interest.
13. This report does not include a search for financing statements or agricultural services liens which are filed with the Secretary of State and any matters which would be disclosed thereby are expressly excluded from coverage herein.
14. Rights of the public in and to any portion of the herein described premises lying within the boundaries of streets, roads or highways.
15. Notwithstanding Paragraph 4 of the insuring clauses of the policy or policies to be issued, the policy or policies will not insure against loss arising by reason of any lack of a right of access to and from the land.
16. The reservations, conditions and provisions contained in United States Patent dated September 24, 1883, recorded November 14, 1883, in Book E, page 392 of Deeds.
17. The reservations, conditions and provisions contained in United States Patent dated June 3, 1902, recorded October 16, 1902, in Book U, page 354 of Deeds.
18. The reservations, conditions and provisions contained in United States Patent dated June 18, 1925, recorded July 18, 1925, in Book 36, page 88 of Deeds.
19. The reservations, exceptions, easements, restrictions, regulations and rights to which said mining claim is subject under the terms and provisions of the mining laws of the United States of America and under the terms and provisions of the state, local and district mining laws, rules and regulations.
20. A right of way over said lands for ditches or canals constructed by the authority of the United States, as provided by an Act of Congress approved Aug. 30, 1890, 26 stats. 391.
21. Unpatented tunnel claims and millsite claims, water rights, claims or title to water.

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22. Milling Agreement, including the terms and provisions thereof:

Between : American Amex, an Oregon Corporation
And : Fred Quimby and Stan Quimby
Recorded : March 24, 1992
Instr. No. : 920494
Affects : M.S. 822 Buffalo Millsite

Release of Milling Agreement, recorded October 31, 2011, Document No. 20112287.

Memorandum of Termination of Milling Agreement, including the terms and provisions thereof:

Between : American Amex, Inc., an Oregon corporation
And : Fred Quimby and Stan Quimby
Recorded : January 30, 2013
Instr. No. : 20130148

23. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Incorporated, a Nevada corporation
Mortgagee : Sable Palm Development, Inc.
Dated : January 19, 1994
Recorded : March 18, 1994
Instr. No. : 940520
Amount : \$550,000.00

24. Lease Agreement, including the terms and provisions thereof:

Between : American Amex
And : PF Enterprises, Inc.
Recorded : March 13, 1995
Instr. No. : 950523

25. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Incorporated, a Nevada corporation
Mortgagee : Robert P. Hillis, Jr. and Robert P. Hillis Jr., IRA
Dated : June 6, 1994
Recorded : March 21, 1995
Instr. No. : 950551
Amount : \$335,982.84

Release of Mortgage, recorded October 31, 2011, Document No. 20112286.

26. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Inc.
Mortgagee : Ray Weilage
Dated : February 6, 2008
Recorded : February 7, 2008
Instr. No. : 20080346
Amount : \$254,000.00

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27. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Inc.
Mortgagee : Raymond L. Weilage, Jr.
Dated : February 6, 2008
Recorded : February 7, 2008
Instr. No. : 20080347
Amount : \$3,000,000.00

28. Rental Agreement, including the terms and provisions thereof:

Between : Sable Palm Development
And : Golden Isles Company, Gold Nickel Mining LLC and American Amex Inc.
Recorded : May 21, 2008
Instr. No. : 20081198

29. Notice Pendency of an Action:

Recorded : August 12, 2008
Instr. No. : 20082045

30. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Inc., a Nevada corporation
Mortgagee : Ray Weilage
Dated : January 7, 2008
Recorded : September 5, 2008
Instr. No. : 20082312
Amount : \$254,000.00

Release of Mortgage, recorded October 24, 2011, Document No. 20112224.

31. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : American Amex, Inc., a Nevada corporation
Mortgagee : Raymond L. Weilage, Jr.
Dated : January 8, 2008
Recorded : September 5, 2008
Instr. No. : 20082313
Amount : \$3,000,000.00

Release of Mortgage, recorded October 24, 2011, Document No. 20112225

32. Secured Debenture, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Payor : American Amex, Inc., a Georgia corporation
Payee : Sable Palm Development
Dated : August 23, 1993
Recorded : November 6, 2008
Instr. No. : 20082795
Amount : \$550,000.00

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33. Assignment of Secured Debenture, including the terms and provisions thereof:

Assignor : Sable Palm Development
Assignee : American Amex, Incorporated
Recorded : November 6, 2008
Instr. No. : 20082796

34. Terms and conditions as set forth in General Judgment in Circuit Court for the County of Grant:

Entered : June 22, 2009
Case No. : 08-08-211 CV
Recorded : September 11, 2009
Instr. No. : 20091973
Petitioner : Raymond L. Weilage and American Amex, Inc., a Nevada Corporation
Respondent : Ricky G. Smith, aka R. L. Smith, Janice Cone, aka J. M. Cone, American Amex, Inc., a Nevada Corporation, American Amex Incorporated, a Georgia Corporation, Golden Isles Company, an Idaho Corporation, Gold Nickel Mining, LLC, an Idaho Limited Liability Company, and Sable Palm Development, a Corporation of the Turks and Caicos Islands, British West Indies

35. Suit for Civil Specific Performance in the Circuit Court, which suit is now pending:

Plaintiff : Erwin Singh Braich Trustee Peregrine Trust
Defendant : American Amex Inc a Nev Corp and Raymond L Weilage
Entered : September 13, 2011
Suit No. : 1109273CV

36. Right, title and interest of Clearwater Management as disclosed by deed:

Recorded : October 31, 2011
Instr. No. : 20112288

37. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Mortgagor : Clearwater Management
Mortgagee : Sable Palm Development
Dated : October 29, 2011
Recorded : October 31, 2011
Instr. No. : 20112289
Amount : \$30,000,000

38. Right, title and interest of Sable Palm Development as disclosed by deed:

Recorded : January 23, 2012
Instr. No. : 20120124

39. Parties in possession, or claiming the right to possession.

40. Suit for Civil Specific Performance in the Circuit Court, which suit is now pending:

Plaintiff : Erwin Singh Braich Trustee Peregrine Trust
Defendant : American Amex Inc a Nev Corp and Raymond L Weilage
Entered : September 13, 2011
Suit No. : 1109273CV

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41. Pending Bankruptcy proceedings under Chapter 11 in the United States District Court for the District of Oregon, filed February 1, 2012 in the matter of:

Debtor : American Amex, Inc., a Nevada Corporation c/o Ray Weilage, President
Trustee : US Trustee, Portland
Case No. : 12-30656-rld11
Attorney for Debtor : D Blair Clark

42. We will require a certified copy of the resolution passed by the Board of Directors of American Amex, Inc., an Inactive Nevada Corporation, a Nevada Corporation, authorizing the forthcoming conveyance or encumbrance by the corporation, and the minutes of the shareholder's meeting in which the resolution was passed, to be furnished prior to closing, and such other minutes or affidavits, necessary for compliance with the by-laws of said corporation. A copy of said by-laws must also be furnished for examination prior to closing. We will require the signature of two corporate officers on all documents.

43. For closings that occur on or after January 1, 2008, escrow agents must comply with requirements to withhold prescribed amounts from the Oregon real property sales proceeds of certain nonresidents and to remit the withholding amounts to the Oregon Department of Revenue (DOR). The new requirements are imposed by 2007 Oregon Laws, Chapter 864 (House Bill 2592). The ORS reference in the 2007 edition will be ORS 314.258. DOR's implementing regulation will be OAR 150-314.258.

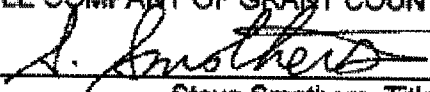
Seller please complete the enclosed Preliminary Statement and Affirmation of Exemption Forms and return to Land Title Company of Grant County, Inc. If you have any questions, please call the Oregon Department of Revenue at 800-356-4222.

44. The legal description in this report is based on information provided by the parties or their representative. The parties to the forthcoming transaction must notify the title company prior to closing if the description does not conform to their expectations.

NOTE: This report is for the exclusive use of the parties to the transaction and is preliminary to the issuance of a title insurance policy and shall become void unless a policy is issued and the full premium paid. In the event this transaction fails to close the Company shall make a reasonable charge, not less than \$200.00 for the cancellation of this order pursuant to the filed rate schedule of the Company.

LAND TITLE COMPANY OF GRANT COUNTY, INC.

BY:



Steve Smothers, Title Officer

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EXHIBIT A

Land in Grant County, Oregon, as follows:

Township 8 South, Range 35 1/2 East of the Willamette Meridian:

Sections 14 and 23: The BOSTON QUARTZ MINING CLAIM, Patented, designated by the Surveyor General as Lot No. 107, as described in Patent dated September 24, 1883, recorded November 14, 1883, in Book "E", page 392, Deed Records.

Township 8 South, Range 35 1/2 East of the Willamette Meridian:

Section 14: The BUFFALO CONSOLIDATED QUARTZ MINING CLAIM, Patented, consisting of the BUFFALO and MONITOR LODE CLAIMS, designated by the Surveyor General as Lot No. 412, as described in Patent dated June 3, 1902, recorded October 16, 1902, in Book "U", page 354 Deed Records.

ALSO, the BUFFALO MILL SITE CLAIM, Patented, designated by the Surveyor General as MINERAL SURVEY NO. 822, as described in Patent dated June 18, 1925, recorded July 18, 1925, in Book 36, page 88, Deed Records.

(Tax Acct. 4 8-35V TL700; Ref. 2467)

8-35V



THIS SKETCH IS FOR LOCATION PURPOSES ONLY, AND NO WARRANTIES ARE IMPLIED AS TO VARIATIONS, IF ANY, IN DIMENSIONS OR LOCATION AS REVEALED BY AN ACCURATE SURVEY.



