



**ENTERED**

TAWANA C. MARSHALL, CLERK  
THE DATE OF ENTRY IS  
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

  
United States Bankruptcy Judge

Signed May 13, 2011

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

In re:	§	
PRM DEVELOPMENT, LLC,	§	CASE NO. 10-35547-HDH
	§	
Debtor.	§	CHAPTER 11
	§	
In re:	§	
ECONOMETRIC MANAGEMENT, INC.,	§	CASE NO. 10-35551-HDH
	§	
Debtor.	§	CHAPTER 11
	§	
In re:	§	
HANS LOLLIK LAND COMPANY,	§	CASE NO. 10-36161-HDH
LLP,	§	
	§	CHAPTER 11
	§	
Debtor.	§	
	§	
In re:	§	
LITTLE HANS LOLLIK HOLDINGS,	§	CASE NO. 10-36159-HDH
LLP,	§	
	§	CHAPTER 11
	§	
Debtor.	§	JOINTLY ADMINISTERED

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER UNDER  
11 U.S.C. § 1129 CONFIRMING DEBTORS' THIRD AMENDED  
JOINT PLAN OF REORGANIZATION

WHEREAS, on May 10, 2011, PRM Development, LLC, Econometric Management, Inc., Hans Lollick Land Company, LLLP and Little Hans Lollik Holdings, LLP (collectively, the “Debtors”), Debtors and Debtors-in-possession, filed their Third Amended Joint Plan of Reorganization (the “Plan”) [Docket No. 165]<sup>1</sup> and had previously filed their Amended Joint Disclosure Statement (the “Disclosure Statement”) [Docket No. 119]; and

WHEREAS, this Court previously entered an order approving the adequacy of the Disclosure Statement in accordance with section 1125 of the Bankruptcy Code, setting forth procedures for soliciting approval of the Plan, and setting deadlines for objections to and voting on the Plan (the “Disclosure Statement Order”) [Docket No. 121; and

WHEREAS, on March 22, 2011, and in accordance with the Disclosure Statement Order, the Debtors caused the Plan, Disclosure Statement, Disclosure Statement Order, and a ballot for voting to accept or reject the Plan (the “Solicitation Package”) to be transmitted to holders of Claims in all Classes; and

WHEREAS, the Debtors provided the Court with a tabulation of the votes submitted by the holders of all Classes of Claims (the “Voting Tabulation”) by admitting into evidence the Declaration of Sandra Meiners, Balloting Agent (the “Balloting Agent Declaration”) on the record at the hearing on the confirmation of the Plan; and

WHEREAS, the Plan was amended to resolve the objections to confirmation filed by Liberty Bankers Life Insurance Company (“Liberty”) and Winnfield Life Insurance Company (“Winnfield”) and to provide treatment and other benefits to Liberty and/or Winnfield that are acceptable to such creditors; and

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<sup>1</sup> All terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

WHEREAS, pursuant to Bankruptcy Code section 1128(a), the Court held a hearing concluding on May 10, 2011 (the “Confirmation Hearing”), which hearing was to consider confirmation of the Plan; and

NOW THEREFORE, based upon the Court’s review and consideration of (i) the submissions previously filed with the Court; (ii) the record of the Confirmation Hearing (including all of the evidence proffered or adduced at the hearing, the pleadings, briefs, memoranda and other submissions filed in connection therewith, and the arguments of counsel made at the hearing); (iii) the announcements made to the Court concerning the resolution of the objections of Liberty and Winnfield to confirmation and the treatment and benefits to be provided to such creditors in the Plan, (iv) the announcements made to the Court regarding the acceptance of the Plan by other creditors voting on the Plan notwithstanding the amendments made to the Plan to obtain the acceptances and resolve the objections of Liberty and Winnfield, and (v) the record in this Chapter 11 Case; and after due deliberation thereon, and good cause appearing therefore,

### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

#### **THE COURT FINDS AND CONCLUDES THAT:<sup>2</sup>**

1. Exclusive Jurisdiction: Venue, Core Proceeding- 28 U.S.C. §§ 157(b)(2) and 1334(a). This Court has jurisdiction over this Chapter 11 Case pursuant to 28 U.S.C §§ 157 and 1334. Venue is proper under 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding under 28 U.S.C. 157(b)(2), and this Court has exclusive jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

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<sup>2</sup> Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

2. Burden of Proof. The Debtors have the burden of proving the elements of Bankruptcy Code section 1129(a) by a preponderance of the evidence.

3. Transmittal and Mailing of Materials: Notice. Due, adequate, and sufficient notice of the Disclosure Statement, the Plan, and the Confirmation Hearing, along with all deadlines for voting on or filing objections to the Plan, has been given to all known holders of Claims in accordance with the Bankruptcy Rules and the procedures set forth in the Disclosure Statement Order and further orders of the Court.

4. Solicitation. Votes for acceptance or rejection of the Plan were solicited in good faith and in compliance with Bankruptcy Code sections 1125 and 1126, Bankruptcy Rules 3017 and 3018, the Disclosure Statement, all other applicable provisions of the Bankruptcy Code, and all other rules, laws, and regulations.

5. Distribution. All procedures used to distribute the Solicitation Packages to the applicable holders of Claims were fair and conducted in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and any other applicable rules, laws, and regulations.

6. Impaired Classes That Have Voted to Accept the Plan. As evidenced by the Balloting Agent Declaration and the record established at the Confirmation Hearing, which, *inter alia*, sets forth the voting results on the Plan, impaired Classes have voted to accept the Plan in accordance with the requirements of sections 1124 and 1126 of the Bankruptcy Code.

7. Plan Compliance with Bankruptcy Code – 11 U.S.C. § 1129(a)(1). The Plan complies with the applicable provisions of the Bankruptcy Code and the Bankruptcy Rules, thereby satisfying 11 U.S.C. § 1129(a)(1).

8. Identification of Plan Proponents—Fed. R. Bankr. P. 3016(a). The Plan satisfies Bankruptcy Rule 3016(a) by identifying the date of the Plan and the proponent of the Plan.

9. Notice of the Confirmation Hearing—Fed. R. Bankr. P. 3017. The Debtors have given notice of the Confirmation Hearing in accordance with the Disclosure Statement Order. The Solicitation Packages prescribed by the Disclosure Statement Order were transmitted to the creditors entitled to vote on the Plan in accordance with Fed. R. Bankr. P. 3017.

10. Solicitation of Votes - Fed. R. Bankr. P. 3018. The solicitation of votes to accept or reject the Plan and requests for consent to the treatment provided under the Plan satisfy Fed. R. Bankr. P. 3018. The Solicitation Package was transmitted to all creditors entitled to vote on the Plan, sufficient time was prescribed for such creditors to accept or reject the Plan, and the solicitation materials used and solicitation procedures followed comply with Bankruptcy Code section 1126, thereby satisfying the requirements of Fed. R. Bankr. P. 3018.

11. The Debtors' Compliance with the Bankruptcy Code—11 U.S.C. § 1129(a)(2). The Debtors have complied with the applicable provisions of the Bankruptcy Code, thereby satisfying Bankruptcy Code section 1129(a)(2).

12. Plan Proposed in Good Faith—11 U.S.C. § 1129(a)(3). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying Bankruptcy Code section 1129(a)(3).

13. Payment for Services or Costs and Expenses—11 U.S.C. § 1129(a)(4). Any payments made or to be made by the Debtors for services or for costs and expenses in connection with this case have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying Bankruptcy Code section 1129(a)(4).

14. Identification of Directors, Officers, and Insiders—11 U.S.C. § 1129(a)(5). The Debtors have complied with Bankruptcy Code section 1129(a)(5) by disclosing at or before the Confirmation Hearing as required by the Plan the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer or other management of the Debtors.

15. No Rate Changes—11 U.S.C. § 1129(a)(6). No governmental regulatory commission has jurisdiction over rates of the Debtors after confirmation of the Plan. Thus, Bankruptcy Code section 1129(a)(6) is not applicable in this Chapter 11 Case.

16. Best Interests of Creditors Test—11 U.S.C. § 1129(a)(7). The Plan satisfies Bankruptcy Code section 1129(a)(7). The Disclosure Statement, Plan, and evidence adduced at the Confirmation Hearing establish that each holder of a Claim in an impaired Class will receive or retain under the Plan, on account of such Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount that it would receive if the applicable Debtors was liquidated under chapter 7 of the Bankruptcy Code on such date.

17. Treatment of Administrative, Other Priority Claims and Priority Tax Claims—11 U.S.C. § 1129(a)(9). The treatment of Administrative Claims and Priority Tax Claims under the Plan satisfies the requirements of Bankruptcy Code sections 1129(a)(9)(A) and (C).

18. Acceptance by Impaired Classes—11 U.S.C. § 1129(a)(10). At least one Class of Claims that is impaired under the Plan has accepted the Plan thereby satisfying Bankruptcy Code section 1129(a)(10).

19. Feasibility—11 U.S.C. § 1129(a)(11). The Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code. Specifically, the Plan is not likely to be followed by liquidation or need for further reorganization except as proposed by the Plan.

20. Payment of Fees—11 U.S.C. § 1129(a)(12). All fees payable under 28 U.S.C. § 1930 on or before the Effective Date, as determined by the Court, have been paid or will be paid on the Effective Date pursuant to the Plan, thus satisfying the requirements of Bankruptcy Code section 1129(a)(12).

21. Continuation of Retiree Benefits—11 U.S.C. § 1129(a)(13). The Debtors does not have any retiree benefits to be continued under the Plan. Thus, Bankruptcy Code section 1129(a)(13) is not applicable to the Debtors.

22. Transfers of Property—11 U.S.C. § 1129(a)(16). All transfers of property, if any, required under the Plan are to be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust. Thus, the Plan satisfies Bankruptcy Code Section 1129(a)(16).

23. 11 U.S.C. § 1129(b). Section 1129(b) of Bankruptcy Code Section does not need to be satisfied because there are no creditors voting to reject the Plan that have not withdrawn or amended their Ballots to accept the Plan.

24. Good Faith Solicitation—11 U.S.C. § 1125(e). Based on the record before the Court in this Chapter 11 Case, the Debtors and their directors, officers, employees, agents, advisors, accountants, consultants, attorneys, and other representatives have acted in good faith within the meaning of Bankruptcy Code section 1125(e) in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their respective activities relating to the solicitation of acceptances to and consents to the treatment afforded under the Plan and their participation in the activities described in Bankruptcy Code section 1125.

25. Impairment of Classes—11 U.S.C. § 1123(b)(1). In accordance with Bankruptcy Code Section 1123(b)(1), Article V of the Plan impairs or leaves unimpaired, as the case may be, each class of Claims under the Plan.

26. Treatment of Executory Contracts and Unexpired Leases—11 U.S.C. § 1123(b)(2). The Plan constitutes a motion by the Debtors to assume all executory contracts and unexpired leases listed in the Debtors' Schedules and not expressly assumed or rejected within ninety (90) days of the Confirmation Date. Accordingly, the Plan complies with Bankruptcy Code section 1123(b)(2).

27. Satisfaction of Confirmation Requirements. The Plan satisfies the requirements for confirmation set forth in Bankruptcy Code section 1129.

28. Objections. There were no objections to Confirmation of the Plan other than the Objection of Liberty and Winnfield, which Objection was resolved by the amendments made in the Plan.

### **DECREES**

ACCORDINGLY, THE COURT HEREBY ORDERS THAT:

1. Confirmation of the Plan. The Plan is approved and confirmed under Bankruptcy Code section 1129 in its entirety. The terms of the Plan are incorporated by reference into and are an integral part of this Confirmation Order.

2. Objections. Any objections that have not been withdrawn, waived, or settled, and all reservations of rights pertaining to confirmation of the Plan included therein, are overruled on the merits.

3. Effects of Confirmation; Effectiveness; Successors and Assigns. The Court directs that Fed. R. Civ. P. 62(a) and the stay provided by Bankruptcy Rule 3020(e) shall not

apply to this Confirmation Order, and the Court authorizes the Debtors to consummate the Plan after entry of this Confirmation Order. Subject to the occurrence of the Effective Date, and notwithstanding any otherwise applicable law, immediately upon the entry of this Confirmation Order, the terms of the Plan (including all documents and agreements executed or to be executed pursuant to the Plan) and this Confirmation Order shall be binding on (a) the Debtors, (b) all holders of Claims against the Debtors, whether or not impaired under the Plan and whether or not, if impaired, such holders accepted the Plan, (c) any other party in interest, (d) any Person making an appearance in this Chapter 11 Case, and (e) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians. Upon the occurrence of the Effective Date the Plan shall be deemed substantially consummated.

4. Releases and Exculpation. The releases and exculpation provisions set forth in the Plan are incorporated into this Confirmation Order as if set forth in full herein and are hereby approved in their entirety.

5. Plan Implementation Authorization. Pursuant to the Plan, all necessary documents for the implementation of the Plan shall be executed and delivered by all necessary parties in interest on the Effective Date or as provided under the Plan.

6. Binding Effect. On the Effective Date, except as expressly provided in this Confirmation Order, the Plan and its provisions (including Debtors' obligations and duties provided therein) shall be binding upon the (a) Debtors; (b) all present and future holders of Claims, including all governmental entities, whether or not the Claim of such holder is impaired under the Plan and whether or not such holder or entity has accepted the Plan; (c) any other party in interest; (d) any person making an appearance in this Chapter 11 Case; and (e) any of the

foregoing's heirs, successors, assigns, trustees, executors, administrators, affiliates, directors, agents, representatives, attorneys, beneficiaries, or guardians.

7. Governmental Approvals Not Required. This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, or regulations of any State or any other governmental authority with respect to implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts referred to in or contemplated by the Plan, the Disclosure Statement and any documents, instruments, or agreements, and any amendments or modifications thereto.

8. Exemption from Certain Taxes. Pursuant to section 1146(c) of the Bankruptcy Code, any transfers contemplated by the Plan shall not be subject to any stamp, transfer tax, or similar tax.

9. Payment of Fees. All fees payable by the Debtors under 28 U.S.C. § 1930 shall be paid on the Effective Date. After the Effective Date, neither the Debtors nor its Estate, nor the Reorganized Debtors shall thereafter be liable for the payment of any additional fees.

10. Reversal. If any or all of the provisions of this Confirmation Order are hereafter reversed, modified, or vacated by subsequent order of this Court or any other court, such reversal, modification, or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under or in connection with the Plan prior to the Debtors' receipt of written notice of any such order. Notwithstanding any such reversal, modification, or vacatur of this Confirmation Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Confirmation Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Confirmation Order and the Plan or any amendments or modifications thereto.

11. Retention of Jurisdiction. Pursuant to Bankruptcy Code sections 105(a) and 1142, and notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, the Court shall retain jurisdiction as provided in Article IX of the Plan.

12. Notice of Entry of Confirmation Order. The Debtors shall serve notice of entry of this Confirmation Order pursuant to Bankruptcy Rules 2002(f)(7), 2002(k), and 3020(c) on all creditors, the United States Trustee and other parties in interest, by causing notice of entry of this Confirmation Order to be delivered to such parties by first-class mail, postage prepaid.

13. Notice of Effective Date. Within five (5) Business Days following the occurrence of the Effective Date, the Reorganized Debtors shall file notice of the occurrence of the Effective Date with the Bankruptcy Court and shall serve a copy of same on (a) counsel for Liberty and Winnfield; (b) the United States Trustee; and (c) the entities that have requested notice in this case pursuant to Bankruptcy Rule 2002.

14. Reference to Plan Provisions. The failure to specifically include or reference any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be confirmed in its entirety.

15. Inconsistency. In the event of an inconsistency between the Plan and any other agreement, instrument, or document intended to implement the provisions of the Plan, the provisions of the Plan shall govern unless otherwise expressly provided for in such agreements, instruments, or documents. In the event of any inconsistency between the Plan and any agreement, instrument, or document intended to implement the Plan and this Confirmation Order, the provisions of this Confirmation Order shall govern.

16. Enforceability. Pursuant to Bankruptcy Code sections 1123(a) and 1142(a) and the provisions of this Confirmation Order, the Plan and all plan-related documents shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

17. Final Order. This Confirmation Order constitutes a Final Order and no just cause exists for delay of this Confirmation Order.

18. Issues relating to Bad Faith Allegations against Econometrics Debtor. Liberty and Winnfield sought relief from the automatic stay in Case No. 10-35551 filed by Econometric Management, Inc. (“EMI”) due to, among other things, the failure or inability of EMI to offer or provide adequate protection payments to Liberty and/or Winnfield in respect of the claims possessed by such creditors that were secured by the properties transferred to EMI prior to its bankruptcy filing. EMI began making adequate protection payments in connection with the appeal of the Bankruptcy Court’s order granting relief from the automatic stay, which adequate protection payments are continued under the Plan as the interest payments payable monthly to Liberty by the Debtors. Consequently, should the Plan become effective following Confirmation, Liberty and Winnfield will not oppose nor object to any request by any of the Debtors that, irrespective of the Court’s findings or rulings in connection therewith, the EMI bankruptcy case was not filed in bad faith, and will not oppose or object to any application or motion by any of the Debtors for an order vacating and entirely setting aside Judge Jernigan’s order dated October 7, 2010 and any other findings of fact or conclusions of law that the EMI case was filed in bad faith. Such request may be referred by this court to Judge Jernigan for her consideration.

**### END OF ORDER ###**

PREPARED AND SUBMITTED BY:

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