

CSD 1001C [11/15/04]

Name, Address, Telephone No. & I.D. No.

Jeffrey D. Cawdrey (SBN 120488)

Megan M. Adeyemo (CO SBN 36721) (*Admitted Pro Hac Vice*)

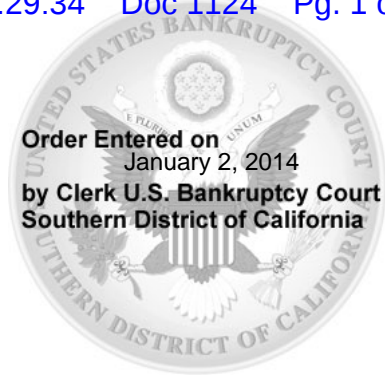
GORDON & REES LLP

101 W. Broadway, Suite 2000

San Diego, CA 92101

Telephone: (619) 696-6700

Facsimile: (619) 696-7124



UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF CALIFORNIA

325 West "F" Street, San Diego, California 92101-6991

In Re

WARNER SPRINGS RANCHOWNERS ASSOCIATION

Debtor.

LODGED

BANKRUPTCY NO. 12-03031-LA11

Date of Hearing: December 5, 2013

Time of Hearing: 10:30 a.m.

Name of Judge: Hon. Louise DeCarl Adler

ORDER CONFIRMING DEBTOR WARNER SPRINGS RANCHOWNERS ASSOCIATION'S AMENDED LIQUIDATING CHAPTER 11 PLAN

IT IS ORDERED THAT the relief sought as set forth on the continuation pages attached and numbered two (2) through seven (7) with exhibits, if any, for a total of seven (7) pages, is granted. Notice of Lodgment Docket Entry No. 1121.

///

///

///

DATED: December 31, 2013

Louise DeCarl Adler
Judge, United States Bankruptcy Court

Signature by the attorney constitutes a certification under Fed. R. of Bankr. P. 9011 that the relief in the order is the relief granted by the court.

Submitted by:

Gordon & Rees LLP

(Firm name)

By: /s/ Jeffrey D. Cawdrey

Attorney for ☒ Movant ☐ Respondent

Warner Springs Ranchowners Association



ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

On December 5, 2013, this Court, the Honorable Louise DeCarl Adler presiding, held a hearing (the "Confirmation Hearing") to address confirmation of Debtor Warner Springs Ranchowners Association's Amended Liquidating Chapter 11 Plan [Docket No. 1036] (the "Plan") filed on October 3, 2013 by Debtor Warner Springs Ranchowners Association ("Debtor"). Debtor appeared by and through its counsel, Gordon & Rees LLP, by Jeffrey D. Cawdrey. Warner Springs Ranch Resort, LLC ("WSRR") appeared by and through its counsel, Foley & Lardner LLP by Christopher C. Celentino. Other appearances were as noted on the record.

The Court, having reviewed and considered all papers, pleadings and evidence in support thereof and in opposition thereto, including the following in connection with the confirmation of the Plan: (a) the Plan, (b) the Amended Disclosure Statement for Liquidating Chapter 11 Plan [Docket No. 1035] (the "Disclosure Statement"), (c) the proofs of service of the notice of confirmation hearing, ballots, solicitation letter, Plan and Disclosure Statement [Docket Nos. 1052 and 1053] (collectively, the "Proofs of Service"), (d) Order on Debtor's Motion for Order: (1) Approving Amended Disclosure Statement, (2) Fixing Deadlines Relating to Plan Confirmation and (3) Approving Form of Ballot and Notice [Docket No. 1049] (the "Solicitation Order"), (e) WSRR's Objection to Confirmation of Debtor's Plan [Docket No. 1073] ("WSRR Objection"), (f) Objection by John Gubler to Confirmation of Amended Plan [Docket No. 1075] ("Gubler Objection"), (g) Memorandum of Points and Authorities in Support of Plan Confirmation [Docket No. 1099] (the "Confirmation Brief"), (h) Declaration of R. Barry Wrenn in Support of Plan Confirmation [Docket No. 1099-1] (the "Wrenn Declaration"), (i) Declaration of Eryn Sisk in Support of Plan Confirmation [Docket No. 1099-2] (the "Sisk Declaration"), (j) Submission of Acceptances and Rejections to Plan and Statement of Estimated Costs of Administration of Confirmed Plan [Docket No. 1100] (the "Plan Statement"), (k) Summary of Balloting on Chapter 11 Plan [Docket No. 1101] (the "Ballot Summary"), (l) Notice of Filing of Amended Exhibit to Disclosure Statement [Docket No. 1110] (the "Amendment"), (m) the record compiled in Debtor's Chapter 11 case (the "Case") and all pleadings filed with respect thereto, and (n) the facts and circumstances of this case, having heard argument of counsel, having determined, after hearing on proper and appropriate notice, that the requirements for confirmation of the Plan set forth in 11 U.S.C. § 1129 have been satisfied, being fully advised in the premises and based on the foregoing and the findings of fact and conclusions of law entered in connection herewith, and good cause appearing,

IT IS ORDERED AS FOLLOWS:

A. Plan Confirmed

The Plan, as modified by the Amendment, is confirmed. Any objections to the Plan, whether formal or informal, written or oral, unless previously withdrawn or resolved, are overruled.

B. Authority to Implement Plan

Upon entry of this Order, all matters provided under the Plan shall be deemed to be authorized and approved without further approval of the Court. Debtor is authorized, without further application to or order of the Bankruptcy Court, to take whatever action is necessary to achieve consummation and carry out the Plan. Upon the Effective Date, all transactions and applicable matters provided for under the Plan will be deemed to be authorized and approved by Debtor without any requirement of further action by the Court or Debtor.

C. The Effective Date

The Effective Date of the Plan shall be the first business day thirty days after entry of this Order.

D. Notice of Effective Date

As soon as practicable after the Effective Date, but not later than twenty days thereafter, the Liquidating Trustee shall file and serve on all Co-Owners a written notice of the Effective Date.

E. Effectiveness of the Liquidating Trust

The form of the Liquidating Trust Agreement, attached to the Plan as Exhibit A, is approved. Debtor may make non-material modifications to the Liquidating Trust as is necessary and appropriate. On the Effective Date, the Liquidating Trust Agreement will become effective. The Liquidating Trust shall not terminate until all Trust Expenses have been satisfied and the remaining Trust Funds have been distributed to Co-Owners.

ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

F. Transfer of Debtor's Assets

On the Effective Date, Debtor is authorized and directed to transfer, grant, assign, convey, set over, and deliver to the Liquidating Trust all of Debtor's right, title and interest in and to Debtor's assets, including, without limitation, all cash, causes of action and personal property. To the extent required to implement the transfer of assets from Debtor to the Liquidating Trust, all persons will cooperate with Debtor to assist the Debtor to implement said transfers.

G. Vesting of Debtor's Assets in the Liquidating Trust

Unless otherwise expressly provided under the Plan, on the Effective Date, all of the Debtor's assets will vest in the Liquidating Trust free and clear of all claims, liens, encumbrances, charges and other interests, subject to the provisions of the Plan. On and after the Effective Date, the transfer of Debtor's assets to the Liquidating Trust will be deemed final and irrevocable and Distributions will be made from the Liquidating Trust.

H. Approval of Designation of Liquidating Trustee

The Oversight Committee shall designate a Liquidating Trustee prior to the Effective Date of the Plan. The Oversight Committee's designation is hereby approved without further order or approval of the Court.

I. Implementation of the Liquidating Trust

From and after the Effective Date, the Liquidating Trustee will be authorized to, and will take, all such actions as required to implement the Liquidating Trust Agreement and the provisions of the Plan as are contemplated to be implemented by the Liquidating Trustee, including, without limitation, directing and causing Distributions to be made pursuant to the terms of the Plan, objecting to Claims, prosecuting, determining not to prosecute or otherwise resolving any causes of action, using, acquiring, disposing, conveying, transferring and assigning any and all of the Trust Assets in accordance with the terms of the Plan and the Liquidating Trust Agreement free of any restrictions imposed under the Bankruptcy Code and taking all actions necessary to effectuate, subject to the oversight, direction and approval of the Oversight Committee as set forth in the Plan and the Liquidating Trust Agreement.

J. The Establishment of the Oversight Committee

As provided in the Plan, as of the Effective Date, there will be formed the Oversight Committee that will have consultation, approval and information rights with respect to the Liquidating Trust as set forth in the Plan and the Liquidating Trust Agreement. The initial members of the Oversight Committee will be as follows: Pala Band of Mission Indians, Debt Acquisition Company of America ("DACA"), R. Barry Wrenn, Patrick Roche and Kang Won Lee.

The Oversight Committee may prescribe its own rules of procedures and bylaws, provided, however, that such rules of procedures and bylaws will not be inconsistent with the terms of the Plan or the Liquidating Trust Agreement.

K. Expenses of the Oversight Committee

Except as set forth in the Plan and the Liquidating Trust Agreement, the members of the Oversight Committee will serve without compensation. Reasonable expenses incurred by members of the Oversight Committee may be paid by the Liquidating Trust without need for Bankruptcy Court approval.

L. Dissolution of the Oversight Committee

The Oversight Committee will dissolve upon the completion of all distributions to Co-Owners and the termination of the Liquidating Trust in accordance with the terms of the Plan and the Liquidating Trust Agreement.

M. Funding of the Liquidating Trust's Expenses

All expenses relating to implementation of the Plan incurred from and after the Effective Date will be expenses of the Liquidating Trust and the Liquidating Trustee will disburse funds from the Liquidating Trust Assets, as appropriate, for purposes of paying such expenses without the need for any further order of this Court.

N. Representative of the Estate

The Liquidating Trustee from the Effective Date until the Liquidating Trust is terminated is appointed as the

ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

representative of the Estate pursuant to §§ 1123(a)(5), (a)(7) and (b)(3)(B) of the Bankruptcy Code and as such is vested with the authority and power to inter alia, subject to the terms of the Plan and the Liquidating Trust Agreement: (i) object to Claims against Debtor, (ii) administer, investigate, prosecute and settle or abandon all Causes of Action, (iii) make Distributions provided for in the Plan, including, but not limited to, Co-Owners, and (iv) take such action as required to administer, wind-down and close the Case. As the representative of the Estate, the Liquidating Trustee will succeed to all of the rights and powers of Debtor and the Estate with respect to all Assets transferred to the Liquidating Trust and then the Liquidating Trustee, as of the Effective Date, will be substituted and will replace Debtor and the Estate as the party in interest in any litigation pending as of the Effective Date.

Except as otherwise provided in the Plan, in accordance with § 1123(b)(3) of the Bankruptcy Code, any Claims, rights and Causes of Action that Debtor may hold against any Person shall, on the Effective Date, vest in the Liquidating Trust. The Liquidating Trust shall retain and may exclusively enforce any and all such Claims, rights or Causes of Action, and commence, pursue and settle the Causes of Action in accordance with the Plan and the Liquidating Trust Agreement. The Liquidating Trust shall have the exclusive right, authority and discretion to institute, prosecute, abandon, settle, or compromise any and all such claims, rights and Causes of Action with the any further order of the Court and without the consent or approval of any third party with the exception of the approval rights of the Oversight Committee as set forth in the Plan.

O. Disbursing Agent

The Liquidating Trust, after the Effective Date until the Liquidating Trust terminates, is authorized to serve as the Disbursing Agent under the Plan or to select another entity to serve as the disbursing agent. Any entity other than the Liquidating Trustee that acts as a disbursing agent for the Liquidating Trust will be an agent of the Liquidating Trustee and not a separate taxable entity with respect to the assets held, income received or disbursement or Distributions made for the Liquidating Trustee. The Liquidating Trustee will not be required to provide a bond in connection with the making of any Distributions pursuant to the Plan.

P. Preservation of Rights of Action and Defenses

Except as otherwise set forth in the Plan, the Liquidating Trust shall retain all rights of Debtor to commence and pursue, as appropriate, in any court or other tribunal including, without limitation, in an adversary proceeding filed in the Case, any and all Causes of Action, whether such Causes of Action accrued before or after the Petition Date. The failure to list any unknown Causes of Action in the Plan or Disclosure Statement does not limit the rights of the Liquidating Trust to pursue any unknown Cause of Action.

Unless a Claim or Cause of Action against a Person is expressly waived, relinquished, released, compromised or settled in the Plan or any final order, Debtor expressly reserves such Claim or cause of action for later adjudication by the Liquidating Trust, including, without limitation, unknown causes of action, and therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Claims or causes of action upon or after the Confirmation Date or Effective Date based on the Disclosure Statement, the Plan or this Order, except where such Claims or Causes of Action have been released in the Plan or other Final Order.

Q. Deadline for Objections to Claims

The Liquidating Trust will file and serve all objection to Claims upon the Holder of the Claim as to which the objection is made no later than six months after the Effective Date, provided, however, that nothing herein will reduce the time permitted under applicable statutes of limitation for bringing any affirmative Causes of Action that the Liquidating Trust may assert against any third party. The Claim Objection Deadline may be extended only by an order of the Bankruptcy Court.

R. Deadline for Filing Administrative Claims

Entities holding Administrative Claims, including professionals, must file with the Court and serve on the Liquidating Trust, an application for allowance of such Administrative Claim on or before the 60th day following the Effective Date. Persons holding Administrative Claims who do not timely file and serve an application for allowance of their Administrative Claim will be forever barred from asserting those Administrative Claims against Debtor, the Liquidating Trust or the property of the Liquidating Trust, unless otherwise ordered by the Bankruptcy Court.

ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

S. Assumption of Executory Contracts

The executory contracts assumed through the Plan are deemed to be assumed as of the date of this Order.

T. Rejection of Contracts and Leases and Rejection Damages Bar Date

Each executory contract or unexpired lease of Debtor that (i) is not assumed through the Plan, (ii) has not expired by its own terms before the Effective Date, and (iii) previously has not been assumed or rejected by Debtor, is rejected as of the Effective Date pursuant to § 365 of the Bankruptcy Code.

If the rejection of an executory contract or unexpired lease pursuant to the Plan and this Order gives rise to a Claim by the other party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against Debtor, the Estate or the Liquidating Trust unless a proof of Claim is filed and served on Debtor or the Liquidating Trust, as the case may be, and its counsel within thirty (30) days after the entry of this Order.

U. Notice of Rejection Bar Date

As soon as practicable after the entry of this Order, but no later than fifteen (15) days thereafter, Debtor shall file and serve on each non-Debtor counterparty to a contract or lease the rejection of which is approved by this Order a written notice of the bar date for rejection Claims.

V. Injunction

The Plan is the sole means for resolving, paying or otherwise dealing with Claims. To that end, except as expressly provided in the Plan, at all times on and after the Effective Date, all Persons who have been, are or may be Holders of Claims against Debtor arising prior to the Effective Date will be permanently enjoined from taking any of the following actions on account of any such Claim against Debtor, the Estate, the Liquidating Trust or their respective property (other than actions brought to enforce any rights or obligations under the Plan):

- i. commencing, conducting or continuing in any manner, directly or indirectly any suit, action or other proceeding of any kind against Debtor, the Estate, the Liquidating Trust, or the Liquidating Trustee, their successors, or their respective property or assets (including, without limitation, all suits, actions and proceedings that are pending as of the Effective Date which will be deemed to be withdrawn or dismissed with prejudice);
- ii. enforcing, levying, attaching, executing, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree or order against Debtor, the Estate, the Liquidating Trust or the Liquidating Trustee, their successors, or their respective property or assets; and
- iii. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien, security interest or encumbrance against Debtor, the Estate, the Liquidating Trust, the Liquidating Trustee, their successors or their respective property or assets; and
- iv. proceeding in any manner in any place whatsoever against Debtor, the Estate, the Liquidating Trust, or the Liquidating Trustee, their successors, or their respective property or assets that does not conform to or comply with the provisions of the Plan.

Nothing in the Plan or this Order shall enjoin or act to enjoin the Liquidating Trustee from pursuing any claim, right or Cause of Action preserved under the terms of the Plan as set forth herein.

W. Remedy in Event of Default Under the Plan

If there is a material default at any time during the term of the Plan by the Liquidating Trustee in the performance of any of the duties or obligations of the Liquidating Trust under the Plan, any Holder of a Claim that is damaged by such failure may pursue its remedies before this Court.

X. Dissolution of Debtor

Debtor shall be dissolved as set forth in the Plan. Debtor is authorized to take all action necessary to dissolve Debtor without further order of the Court.

ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

Y. Binding Effect of Confirmed Plan

The Plan and all rights, duties and obligations thereunder shall be binding on and inure to the benefit of Debtor, the Oversight Committee, Holders of Claims, the Liquidating Trust, the Liquidating Trustee and their respective successors and assigns.

Z. Transfer of Claims

Nothing in the Plan affects the rights of a Holder of a Claim to transfer that Claim before or after the Effective Date.

AA. Post-Confirmation Conversion or Dismissal

If the Court orders the Case converted to Chapter 7 after the Plan is confirmed, then all property that had been property of the Estate, and that has not been disbursed pursuant to the Plan, will vest in the chapter 7 estate, and the automatic stay will be reimposed upon such vested property only to the extent that relief from stay was not previously granted by the Court during this Case.

BB. Effect of Any Vacation or Revocation of the Confirmation Order

If this Order is vacated, the Plan shall be null and void in all respect and nothing contained in the Plan or the Disclosure Statement shall (i) constitute a waiver or release of any Claims against, or any interest, the Debtor or any claim by, or right of, the Debtor, Estate, Liquidating Trustee or Reorganized Debtor; or (iii) constitute an admission, acknowledgment, offer or undertaking by Debtor, Estate, the Liquidating Trustee or the Reorganized Debtor in any respect.

CC. Retention of Jurisdiction

After entry of this Order and the Effective Date, the Court will retain such jurisdiction as is legally permissible, including for the following purposes:

- i. To resolve any and all disputes regarding the operation and interpretation of the Plan or this Order;
- ii. To determine the allowability, classification or priority of any Claim or interest, based on any object by Debtor, the Liquidating Trust or by other parties in interest with standing to bring such objection or proceeding;
- iii. To determine the extent, validity and priority of any lien asserted against property of the Debtor, property of the Estate or the assets of the Liquidating Trust;
- iv. To construe and take any action to (a) enforce and execute the Plan, this Order and any other order of this Court; (b) issue such orders as may be necessary for the implementation, execution, performance, and consummation of the Plan, the Order and all matters referred to in the Plan and this Order and (c) determine all matters that may be pending before the Court in this Case on or before the Effective Date with respect to any person;
- v. To determine any and all applications for allowance of compensation and reimbursement of expenses of holders of Administrative Claims, including professionals for periods on or before the Effective Date;
- vi. To resolve any dispute regarding the implementation, execution, performance, consummation or interpretation of the Plan or this Order;
- vii. To determine motions for the rejection, assumption or assignment of executor contracts or unexpired leases and the allowance of any Claims resulting therefrom;
- viii. To adjudicate all adversary proceedings and contested matters, if any, initiated by the Liquidating Trust to pursue retained causes of action;
- ix. To determine all applications, motions, adversary proceedings, contested matters, and any other litigated

ORDER CONFIRMING DEBTOR'S AMENDED LIQUIDATING CHAPTER 11 PLAN
DEBTOR: Warner Springs Ranchowners Association

CASE NO: 12-03031-LA11

matters commenced during the Case whether before, on or after the Effective Date;

- x. To determine such other matters and for such other purposes as may be provided in this Order;
- xi. To modify the Plan under § 1127 of the Bankruptcy Code in order to remedy any apparent defect or omission in the Plan or to reconcile any inconsistency in the Plan so as to carry out its intents and purposes;
- xii. To issue injunctions or take such other actions or issue such other orders as may be necessary or appropriate to restrain interference with the Plan or the Confirmation Order or their implementation by any person or entity;
- xiii. To issue such orders as may be appropriate in the event that this Order is, for any reason, stayed, revoked, modified, reversed or vacated; and
- xiv. To issue such orders in aid of consummation of the Plan and this Order, notwithstanding any otherwise applicable nonbankruptcy law, with respect to any person or entity, to the full extent authorized by the Bankruptcy Code or Bankruptcy Rules.

If this Court abstains from exercising jurisdiction, or is without jurisdiction, over any matter, this section will not effect, control, prohibit, or limit the exercise of jurisdiction by any other court that has jurisdiction over that matter.

DD. United States Trustee Fee and Reports

All fees payable pursuant to 28 U.S.C. § 1930 prior to the Effective Date, to the extent they are not paid prior to the Effective Date, shall be paid by the Liquidating Trust on the Effective Date. The Liquidating Trustee, with Trust Funds, shall pay fees that accrue under 28 U.S.C. § 1930 after the Effective Date until a final decree is entered in the Case or this Court otherwise orders. From and after the Effective Date, the Liquidating Trustee, on behalf of the Liquidating Trust, shall file all Quarterly Reports and serve the Quarterly Report on the U.S. Trustee.

EE. Successors and Assigns

The rights, benefits and obligations of any entity named or referred to in the Plan are binding on, and will inure to the benefit of, any permitted heirs, executors, administrators, successors or assigns of such entity.

FF. Post-Confirmation Effectiveness of Proofs of Claim

Proofs of Claim shall, upon the Effective Date, represent only the right to participate in the Distributions contemplated by the Plan and otherwise shall have no force or effect.

GG. Pre-Confirmation Injunctions or Stays

Unless otherwise provided in the Plan, all injunctions or stays arising under or entered during the Case pursuant to §§ 105 and 362 of the Bankruptcy Code, or otherwise, and in existence on the date of this Order, will remain in full force and effect until the Effective Date.

HH. Further Assurances

Debtor, the Reorganized Debtor, Co-Owners and all Holders of Claims receiving Distributions under the Plan and all other parties in interest shall, from time to time, prepare execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effect the provisions and intent of the Plan.

II. Construction of Order

The failure to reference a particular provision of the Plan in this Order shall not affect the validity or enforceability of such provision. Each provision of the Plan shall be deemed authorized and approved by this Order and shall have the same binding effect as every other provision of the Plan, whether or not mentioned in this Order.

If there is a conflict between the term of the Plan and the terms of this Order, the terms of the Plan control.