ORDERED in the Southern District of Florida on January 27, 2011.

Paul G. Hyman, Chief Judge
United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
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In re: PALM BEACH FINANCE PARTNERS, L.P., a Delaware limited partnership, et al.,	Chapter 11
Debtors, _____/	CASE NO. 09-36379-BKC-PGH (Jointly Administered)

ORDER GRANTING THE LIQUIDATING TRUSTEE'S MOTION TO APPROVE SETTLEMENT WITH MICHELLE AND DAVID HARROLD

THIS MATTER came before the Court on January 25, 2011, upon the *Liquidating Trustee's Motion to Approve Settlement with Michelle and David Harrold* (the "***Motion***") [D.E. 501].[1] The Court reviewed the Motion, considered the arguments of counsel and is otherwise duly advised in the premises. Accordingly, the Court finds as follows:

In its Motion, the Liquidating Trustee, on behalf of the Debtors, seeks entry of an order barring certain claims against the Harrolds as described in detail below (the "***Bar Order***").

The Court has noted that notice of the Motion and the request for a Bar Order was given to those potentially interested parties identified on the service list referenced in D.E.501. The

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

Court has reviewed and considered the Motion, any other submissions to this Court and provided an opportunity to be heard to all persons requesting to be heard. Accordingly, it is

ORDERED as follows:

1. The Motion is **GRANTED**. The Settlement is approved.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, and authority to enter this Order pursuant to 11 U.S.C. § 105(a).

3. The form and means of the notice of the Bar Order and the Motion are determined to have been the best notice practicable under the circumstances and to be good and sufficient notice to all persons whose interests would or could be affected by this Order.

4. The Court has been apprised of the negotiations that preceded the Agreement and finds that the Motion and request for Bar Order is a result of arms' length bargaining among the parties. There is no evidence that the settlement reached by the Trustee with the Harrolds is the result of collusion among the parties or that there has been any intent to prejudice the persons or entities that will be subject to this Order.

5. The Court finds that entry of this Order is appropriate in order to achieve the finality and repose that is contemplated as a term of the Proposed Settlement and that good cause therefore exists for the entry of this Order, and is fair and equitable. *See In re U.S. Oil & Gas Litigation*, 967 F.2d 489, 495-96 (11th Cir. 1992); *Munford, Inc. v. Munford, Inc.*, 97 F.3d 449, 454-55 (11th Cir. 1996); *In re Jiffy Lube Securities Litigation*, 927 F.2d 155 (4th Cir. 1991); *Eichenholtz v. Brennan*, 52 F.3d 478 (3d Cir. 1995).

6. The following additional definitions apply to the provisions of this Order barring certain claims as set forth in paragraph 7 below:

"***Releasors***" shall mean (1) any creditors of either of the Debtors; (2) any limited partners of either of the Debtors and (3) any parties identified on Exhibit F attached to the Stipulation.

"***Harrold Parties***" shall mean David and Michelle Harrold and their children.

"***Claim***" or "***Claims***" shall have the meaning ascribed to such term as set forth in 11 U.S.C. § 101.

"***Barred Claim***" or "***Barred Claims***" shall mean any and all direct, indirect and/or derivative Claims, whether known or unknown, by any and all Releasors against the Harrold Parties that relate in any manner whatsoever to the Debtors.

7. Except as expressly provided below, Releasors are permanently barred and enjoined from commencing, prosecuting, or asserting either directly or in any other capacity, against the Harrold Parties, any and all liabilities, judgments, rights, claims, cross-claims, counterclaims, third party claims, demands, suits, matters, obligations, damages, debts, losses, costs, actions and causes of action, of every kind and description, arising under common law, rule, regulation or statute, whether arising under state or federal law, whether presently known or unknown that any Releasor now has, ever had or may claim to have in the future that is a Barred Claim; provided that nothing in this Order shall (i) enjoin, impair or delay the Securities and Exchange Commission ("***SEC***") from commencing or continuing any claims, causes of action, proceedings or investigations against any person or entity, including the Harrold Parties, or (ii) release or discharge any person or entity, including the Harrold Parties, from any claims, rights, powers or interests held or assertable by the SEC.

8. The Court retains jurisdiction to enforce or interpret this Order.

9. The Contingency Fee is approved and shall be paid without the need of further Court Order. The Contingency Fee, subject to the Pro Rata Allocation Formula, shall be paid in the following manner:

a. Upon receipt of the cash consideration to be paid by the Harrolds, 10% of the amount received by each of the Debtors;

b. Upon the Debtors' receipt of any of the Harrolds tax refund for 2009, 10% of the amount received by each of the Debtors;

c. Upon the Harrolds' paying the Note securing the mortgage on their homestead property, 10% of the amount received by each of the Debtors; and

d. In the event Liquidating Trustee elects to take possession, for the benefit of the Debtors, any entity then held by the Harrolds and later sells such entity, 10% of any gross sales price received by each of the Debtors.

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Submitted By:

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Copies to:
Michael S. Budwick, Esq.
(Attorney Budwick is directed to mail a conformed copy of this Order upon all interested parties and to file a certificate of service.)